



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: James Reardon, Commissioner of Finance & Management
From: Nathan Lavery, Fiscal Analyst
Date: May 5, 2011
Subject: JFO #2501

No Joint Fiscal Committee member has requested that the following item be held for review:

JFO #2501 — \$1,000,000 grant from the U.S. Department of Health and Human Services to the Vermont Agency of Human Services. These funds will be used to study the feasibility of coordinating Medicare and Medicaid payment and services for dual eligible recipients. **This grant includes establishment of three limited service positions.**

[JFO received 4/20/11]

The Governor's approval may now be considered final. We ask that you inform the Secretary of Administration and your staff of this action.

cc: Doug Racine, Secretary



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: April 22, 2011
Subject: Grant Requests

Enclosed please find seven (7) items that the Joint Fiscal Office has received from the administration, including one fee approval request. Six limited service position requests are associated with these items.

JFO #2496 — \$500,000 grant from the U.S. Department of Justice to the Vermont Department for Children and Families. These funds will be used to support 12 youth delinquency prevention programs.
[JFO received 4/06/11]

JFO #2497 — \$345,100 grant from the University of Massachusetts to the Vermont Department for Disabilities, Aging and Independent Living. These funds will be used to implement a Social Security Administration demonstration project to determine if enhanced work incentives result in increased employment outcomes for Social Security Disability Insurance beneficiaries. **This grant includes establishment of three limited service positions.**
[JFO received 4/06/11]

JFO #2498 — \$220,480 grant from the National Association of State Mental Health Program Directors to the Vermont Department of Mental Health. These funds will be used to create an Evidence-Based Practices Cooperative to support the adoption of evidence-based practices within the state's community mental health system. **An existing position will be used in lieu of requesting a new limited service position.**
[JFO received 4/06/11]

JFO #2499 — \$103,000 grant from the National Association of State Mental Health Program Directors to the Vermont Department of Mental Health. These funds will be used to develop Supported Employment Champions within a Designated Agency's Community Rehabilitation Treatment Program.
[JFO received 4/06/11]

JFO #2500 — \$150,000 grant from the U.S. Department of Education to the Vermont Department of Education. These funds will be used to establish a State Literacy Team that will develop a literacy plan for Vermont.
[JFO received 4/06/11]

JFO #2501 — \$1,000,000 grant from the U.S. Department of Health and Human Services to the Vermont Agency of Human Services. These funds will be used to study the feasibility of coordinating Medicare and Medicaid payment and services for dual eligible recipients. **This grant includes establishment of three limited service positions. Expedited review of this item has been requested. Joint Fiscal Committee members will be contacted by May 6 with a request to waive the remainder of the review period and approve the acceptance of this item.**
[JFO received 4/20/11]

JFO #2502 — Request to establish at 2% fee for each permit purchased on-line with a credit card. Joint Fiscal Committee approval of this fee request is required in accordance with 22 V.S.A. § 953 (c)(2).
[JFO received 4/22/11]

Please review the enclosed materials and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for legislative review. Unless we hear from you to the contrary by May 6 we will assume that you agree to consider as final the Governor's acceptance of these requests.

cc: Dave Yacovone, Commissioner
Susan Wehry, Commissioner
Christine Oliver, Commissioner
Armando Vilaseca, Commissioner
Doug Racine, Secretary
Chuck Ross, Secretary



SFO 2501

State of Vermont
Agency of Human Services
Office of the Secretary
103 South Main Street
Waterbury, VT 05671-0204
www.humanservices.vermont.gov

Douglas A. Racine, Secretary

[phone] 802-241-2244
[fax] 802-241-2979

April 20, 2011

Senator Ann Cummings, Chair
Joint Fiscal Office
Vermont State House
115 State Street
Montpelier, VT 05633

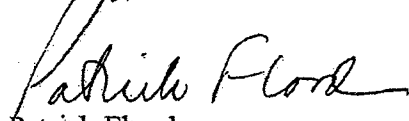
Dear Senator Cummings,

Under a new initiative made possible by the federal Affordable Care Act, Vermont is one of fifteen states to have been awarded \$1M in order to study the feasibility of coordinating Medicare and Medicaid payments and services for dual eligible recipients. As you may know, "dual eligibles" are those individuals among approximately nine million Americans who are eligible for both Medicare and Medicaid programs.

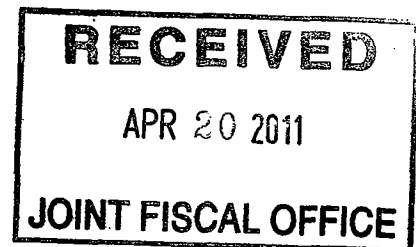
This award presents a great opportunity to develop methods that will eliminate the duplication of services while expanding access to care and reducing costs. As a required deliverable under the contract, a demonstration proposal is required within twelve months from the award date of June 1, 2011. CMS is anxiously awaiting a signed contract from Vermont. In order to begin this initiative as soon as possible and meet the required deadline, I would appreciate the Committee's consideration in reviewing the associated AA-1 on an expedited basis.

If you should have any specific questions regarding this initiative, please contact me at your convenience.

Sincerely,


Patrick Flood
Deputy Secretary, AHS

PF/dtn



State of Vermont
 Department of Finance & Management
 109 State Street, Pavilion Building
 Montpelier, VT 05620-0401

[phone] 802-828-2376
 [fax] 802-828-2428

Agency of Administration

JFO 2501

**STATE OF VERMONT
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

Grant Summary:		\$1M grant to study the feasibility of Medicare & Medicaid payment and services for dual eligible recipients. Goal is to reduce redundancy and costs associated with this population.			
Date:		4/19/2011			
Department:		AHS - Central Office			
Legal Title of Grant:		Dual Eligible Contract			
Federal Catalog #:		N/A			
Grant/Donor Name and Address:		CMS, OAGM, AGG, DSPSCG Baltimore, MD 21244-1850			
Grant Period:	From:	6/1/2011	To:	12/1/2012	
Grant/Donation		\$1,000,000			
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$20,833	\$618,340	\$360,827	\$1,000,000	
Position Information:		# Positions	Explanation/Comments		
		3	AHS is requesting a project director, data & reporting coordinator and administrative support.		
Additional Comments:					
Department of Finance & Management				<i>JF 4/19/11</i>	(Initial)
Secretary of Administration				<i>KC 4/19/11</i>	(Initial)
Sent To Joint Fiscal Office				<i>4/20/11</i>	Date



REC'D APR 18 2011

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION				
1. Agency:	Agency of Human Services			
2. Department:				
3. Program:	Dual Eligible Contract			
4. Legal Title of Grant:	Contract			
5. Federal Catalog #:	NA			
6. Grant/Donor Name and Address:				
CMS, OAGM, AGG, DSPSCG				
Baltimore, MD 21244-1850				
7. Grant Period:	From:	6/1/2011	To:	12/1/2012
8. Purpose of Grant:				
Study the feasibility of coordinating Medicare and Medicaid payment and services for dual eligible recipients.				
9. Impact on existing program if grant is not Accepted:				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 11	FY 12	FY 13	
Personal Services	\$19,305	\$600,000	\$353,186	
Operating Expenses	\$1,528	\$18,340	\$7,641	
Grants	\$	\$	\$	
Total	\$20,833	\$618,340	\$360,827	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$20,833	\$618,340	\$360,827	
(Direct Costs)	\$	\$	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$	\$	\$	
Grant (source)	\$	\$	\$	
Total	\$	\$	\$	
Appropriation No:	3400001000	Amount:	\$20,833	
			\$	
			\$	
			\$	
			\$	
			\$	
			\$	
			\$	
			Total \$20,833	

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

PERSONAL SERVICE INFORMATION

11. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.
 Appointing Authority Name: Patrick Flood Agreed by: PF (initial)

12. Limited Service Position Information:	# Positions	Title
	1	Director, VT Duals Eligible Project
	1	Data & Reporting Coordinator
	1	Administrative Assistant B
Total Positions	3	

12a. Equipment and space for these positions: Is presently available. Can be obtained with available funds.

13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):

Signature:	<u>Patrick Flood</u>	Date: <u>4/18/11</u>
Title:	<u>Dep Secretary</u>	
Signature:		Date:
Title:		

14. SECRETARY OF ADMINISTRATION

Approved: _____ (Secretary or designee signature) Date: 04/19/11

15. ACTION BY GOVERNOR

Check One Box:
 Accepted _____ (Governor's signature) Date: 4/20/11
 Rejected

16. DOCUMENTATION REQUIRED

Required GRANT Documentation

- | | |
|---|--|
| <input type="checkbox"/> Request Memo
<input checked="" type="checkbox"/> Dept. project approval (if applicable)
<input checked="" type="checkbox"/> Notice of Award
<input type="checkbox"/> Grant Agreement
<input type="checkbox"/> Grant Budget | <input type="checkbox"/> Notice of Donation (if any)
<input type="checkbox"/> Grant (Project) Timeline (if applicable)
<input type="checkbox"/> Request for Extension (if applicable)
<input type="checkbox"/> Form AA-1PN attached (if applicable) |
|---|--|

End Form AA-1

(*) The term "grant" refers to any grant, gift, loan, or any sum of money or thing of value to be accepted by any agency, department, commission, board, or other part of state government (see 32 V.S.A. §5).

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop C2-18-06
Baltimore, Maryland 21244-1850



Office of Acquisition & Grants Management

Date: April 5, 2011
RFP No.: RFP-CMS-2011-0009
Title: State Demonstrations to Integrate Care for Dual Eligible Individuals initiative
Subject: Award Notification

Greetings,

Thank you for applying for the *State Demonstrations to Integrate Care for Dual Eligible Individuals*. We are pleased to inform you that we have selected your proposal as one of the awardees in this competitive process. The next step is the execution of a design contract through which we expect further development of your proposed approach, including more in-depth analyses and partnerships with stakeholders, culminating in the submission of a detailed demonstration proposal.

It is important to note, however, that receipt of this design contract does not constitute approval for implementation activities. Execution of this contract does not guarantee that CMS will authorize any waivers or new financing mechanisms referenced in the proposal or developed during the design process.

Any decisions related to the implementation of identified integrated care models will be made following the receipt of the demonstration design proposal. Although we anticipate working closely with all of the States receiving contracts, active partnership of CMS or its designees during the design process does not necessarily constitute endorsement of a specific model(s) of integrated care.

We look forward to working with you during the life of this contract on initiatives to better serve individuals dually eligible for Medicare and Medicaid.

Thank you,
/s/
William J. Tate
Contracting Officer

State Demonstrations to Integrate Care for Dual Eligible Individuals

Vermont

January 31, 2011

Primary Contact:

Mr. Patrick Flood

Deputy Secretary

State of Vermont

Vermont Agency of Human Services

103 South Main Street

Waterbury, VT 05671

Telephone: (802) 241-2220

Patrick.flood@ahs.state.vt.us

Submitted to:

Centers for Medicare and Medicaid Services (CMS)

CMS, OAGM, AGG, DSPSCG

Attn: RFP-CMS-2011-0009/Charles Littleton

C2-21-15 Central Building

7500 Security Boulevard

Baltimore, MD 21244-1850

1. **High level description of the state's proposed approach to integrating care.** *In addition to information on the target population, covered benefits, and proposed service delivery system, the description should also contain an explicit problem statement that describes the current coverage and payment policy, and how or why changes to current policy would lead to improvements in access and quality as well as reductions in Medicare and Medicaid expenditures over time. It should also describe the policy rationale for the proposal, who will benefit and why, and any previous experience with the intervention/model proposed in the demonstration.*

Approach/previous experience

Vermont's approach to integrating care for Dual eligibles will build upon and directly connect the previous and ongoing efforts to integrate care for individuals including: previous dual eligible efforts, ongoing Medicaid Waiver programs, the ongoing Blueprint for Health Multipayer Demonstration, the planned Medicaid Medical home initiative and Vermont's significant and ongoing investments in Health Information Technology.

In the 1990's Vermont was part of a six-state, New England wide effort for managing the care for dual eligibles funded by the Robert Wood Johnson Foundation entitled the Medicare Medicaid Integration Program. The focus of this effort was to physically co-locate Area Agency on Aging Social workers in primary care offices to better coordinate the care for individuals dually eligible for Medicare and Medicaid in 3 counties in Vermont.

This effort led to Vermont being awarded a John A. Hartford Foundation Accelerating States Access to PACE (Program for All Inclusive Care for the Elderly) grant in 2002. This planning grant involved hospitals, primary care providers, and long term care providers in Rutland and Chittenden Counties in Vermont. Vermont now has one of the most rural PACE centers in the country known as PACE Vermont. PACE Vermont initially was developed as a coalition of providers operating a new organization, and recently was fortunate to have technical and financial sponsorship from On Lok, the oldest PACE center in the Country in California and Volunteers of America from Colorado. For more information about PACE Vermont please see; www.pacevt.org.

In 2005, Vermont was able to secure a multiyear Real Choices Systems Change Planning grant known as My Care. For more information about My Care please see;

The purpose of the My Care work was to plan and implement an integrated care model for Vermonters dually eligible for both Medicare and Medicaid. This effort built upon Vermont's Program for All Inclusive Care for the Elderly (PACE) center but would not be physically located at a PACE site (i.e. "PACE without walls"). Unfortunately a program was not created because at the end of the planning process, no provider large enough to take on the risk necessary to implement this program was found. However, this planning process was extremely valuable, contributing to a deeper understanding of the opportunities and obstacles for integrated care for people who are dually eligible. For more information about My Care please see; <http://ddas.vermont.gov/ddas-archives/special-projects-initiatives-archives/mycare-vermont-archive/hltcip-default>.

From November 2008 – May 2010, Vermont was able to participate in a Center for Health Care Strategies Transforming Care for Dual Eligible grant. Vermont continued to work with a broad group of stakeholders on what changes would be useful to implement a Dual eligible project. The shared goal of the CHCS effort and this current request to CMMI is for the state to be a Medicare Managed care entity for all Vermonters (currently 21,379) who are dually eligible for Medicare and Medicaid in Vermont.

Medicaid waiver experience and other experience

Vermont currently manages an innovative 1115 Medicaid Waiver known as Global Commitment to Health. This waiver permits the state of Vermont to be the first Medicaid program in the nation operating as a public Medicaid Managed Care Entity. This 1115 waiver was renewed until 12/31/13. Under the Global Commitment to Health 1115 waiver, Vermont has negotiated with the Centers for Medicare and Medicaid Services to be paid an actuarially certified capitation rate from CMS. This negotiation process and subsequent agreement provides a model for Vermont to negotiate a similar agreement with CMS for a Medicare actuarially certified capitation payment for the Medicare payment for individuals dually eligible for Medicare and Medicaid in Vermont.

Vermont's second 1115 Medicaid waiver is called Choices for Care. This waiver is the first in the nation to allow individuals eligible for Long Term Care Medicaid to have full choice between nursing home care and home and community based care services. This waiver was renewed until 9/30/15.

All Vermonters who are dually eligible for both Medicare and Medicaid are either in the Global Commitment to Health 1115 waiver or in the Choices for Care 1115 waiver. Vermont would not need additional Medicaid waiver authority to operate the Dual Eligible program; rather, the state would ask for Medicare authority, to operate the Dual Eligible program. The additional authority Vermont seeks from Medicare would allow Vermont's Agency of Human Services to be the first Medicare managed care entity in the country for dual eligibles run by a state Medicaid agency.

Vermont was recently selected by CMS to be a Multi-payer Advanced Primary Care Practice (APCP) Demonstration Project. This effort is an expansion of the state's Blueprint for Health project, begun in 2006. The Blueprint for Health is a statewide partnership to improve the health of Vermonters through prevention, wellness education and management of chronic conditions. The multi payer demonstration includes funding from Medicaid, the 3 largest Commercial insurance companies in Vermont (Blue Cross and Blue Shield of Vermont, MVP Health Plan and CIGNA) and now Medicare. APCP also now includes the Seniors Aging Safely at home project. APCP model addresses 3 closely linked issues:

- First, all insurers participate in aligned payment reforms.
- Second, payment reforms are designed to assure that the advanced primary care practices (APCP) will provide timely access to consistent, thorough, well-coordinated & cost effective health services.
- Third, the model includes systematic data-guided processes to support practice transformation, qualification as an APCP, ongoing quality improvement and statewide expansion.

The payment reform elements of the APCP are a) enhanced payments to APCPs based on the quality of care they deliver, and, b) shared costs for core Community Health Teams that provide community based multidisciplinary care supports to the general population. The Multipayer demonstration will be a statewide effort. For more information please see; www.healthvermont.gov/blueprint.aspx.

If Vermont becomes a Medicare Managed care entity for Dual eligibles, the state could further expand the Advanced Primary Care practices. Specifically, Vermont could more comprehensively link case management services offered for dual eligibles whose primary waiver services are long term care, developmental services, and/or mental health (severe and persistently mentally ill) The 'added value' would come from adding these existing case managers to the APCP teams, leading to more comprehensive care coordination on behalf of dual eligibles, with the expectation of improved outcomes and controlled costs.

Vermont is applying for a Medicaid Health Home grant for enrollees with chronic conditions. If awarded this grant, this work will improve care to those Vermonters who are severely and persistently mentally ill, or have one chronic condition and at risk for another chronic condition (including substance abuse) or have multiple chronic conditions. This would complement and work in coordination with the dual eligible effort. The state would be able to track outcomes and savings separately for both efforts, and this Medicaid medical home work would not conflict with the dual eligible effort.

Vermont developed and is implementing a Health Information Technology plan that was approved by the Office of National Coordinator of HIT. This HIT plan was developed during Vermont's state health care reform efforts over the past few years and is vital to the success of the state implementing federal health care reform changes by 2014. All of the aforementioned waivers, Medicare multi payer demonstration, Medicaid Health home project and the dual eligibles effort will be supported by the state's health information technology plans. For more information see: <http://hcr.vermont.gov/legislation/HCR2009>

Target population, proposed benefits and service delivery system

Vermont is a small rural state, with a total population in 2009 of 621,760 (U.S. Census). According to the Kaiser Family Foundation report in 2009, Medicare enrollment in Vermont is 110,129 individuals and Medicaid enrollment in Vermont is 133,500 individuals. According to data from the state's recently linked Medicare and Medicaid data, the total number of Vermonters who are dually eligible for both Medicare and Medicaid is 21,379, and this is our target population. We propose that the state Medicaid program will be a Medicare Managed care entity. Further, we want to utilize a passive enrollment process with an opt-out provision, allowing all Vermonters who are dully eligible to participate in the program.

All 21,379 Dual eligible Vermonters would be included in this program. The 4 cohorts of individuals that make up the 21,379 include:

- Choices for Care 115 waiver – individuals eligible for traditional Long Term Care Medicaid
- Global commitment to health 1115 waiver – developmental services participants
- Global commitment to health 1115 waiver – community rehabilitation and treatment program participants (people with severely and persistent mental illnesses)
- Global commitment to health 1115 waiver – all other Aged, Blind and Disabled individuals not served by a specific program

The service delivery system model would be an expansion of the existing service delivery system. The dual eligible effort would expand the work of the Medicare Multipayer Demonstration. Specifically, the community health teams would be expanded and allow for Medicare payments to bring existing case managers to the teams. The existing case managers for Vermonters Dually Eligible for Medicare and Medicaid include:

- Case managers for individuals eligible for Long Term Care Medicaid, from Area Agencies on Aging Case managers and Home Health Agencies
- Designated Agency Case managers for individuals served by the Developmental Services program
- Designated Agency Case managers for individuals served by the Community Rehabilitation and Treatment program (people with severe and persistent mental illness).

- Area Agency on Aging Case Managers or Home Health Agency Case managers will be identified to serve other individuals who are categorically eligible as Aged, Blind and Disabled and dually eligible for Medicare and Medicaid.

Through this project Vermont will add existing case managers to the Blueprint community health team, we will improve the coordination of long term care, primary care, and acute care – and thus improve outcomes while controlling costs. Each of the members of the community health team would bring specific knowledge, skill and experience to improve care coordination. For example, a dually eligible Vermonter who is developmentally disabled, depressed and has diabetes has multiple issues across several different areas of expertise. The team expert for developmental services, the team expert for depression, and the team expert for diabetes will work with the consumer to develop and implement a more comprehensive and effective care plan that addresses all of the needs of the individual.

Background/Problem statement

According to the Kaiser Commission on Medicaid and the Uninsured, December 2010 publication “Dual Eligibles: Medicaid’s Role for Low-Income Medicare Beneficiaries”:

Medicare and Medicaid spending averaged over \$20,000 per dual, about five times greater than spending on other Medicare beneficiaries. Dual eligibles account for a large share (39%) of total Medicaid spending, although they represent just 15 percent of Medicaid enrollment. In 2007, more than two thirds (70%) of Medicaid expenditures for dual eligibles were for long-term care services; payments for cost sharing on Medicare-covered services accounted for about 15 percent; payment of Medicare premiums accounted for 9 percent of spending; and an additional 5 percent were for other acute services that Medicare does not cover. Dual eligibles are among the sickest and poorest individuals covered by either the Medicaid or Medicare programs. Given their complex health needs, high level of spending, and use of long-term care, dual eligibles will continue to be a focus of state and federal policy.

The Medicare system and Medicaid system spends enormous levels of funding on dual eligibles and the care that results is fragmented at best. The disconnections between the two payers (Medicare and Medicaid) are ongoing, perpetuated by differences in approach to reimbursement. Beneficiaries are often confused about coverage and benefits. Providers are caught in the middle of a myriad of regulatory, coverage and financial burdens that are difficult to maneuver. Claims processing becomes more complex. Concerns about ‘cost shifts’ increase. Administrative burdens increase. This all results in fragmented, lower quality care and in higher costs.

If Vermont is able to become a Medicare Managed care entity for Vermonters dually eligible for both Medicare and Medicaid, the state will directly address regulatory, coverage and financial challenges:

Regulatory

Staff in Vermont have reviewed the Medicaid Managed care regulations and the Medicare managed care regulations, and have created a ‘crosswalk’ of these regulations. The crosswalk is intended to help in the discussions, much like 1115 waiver discussions, with our federal partner (CMS) regarding regulatory provisions for Medicare. This will help to clarify the areas where Vermont would either be in substantial compliance, need to have a waiver, or are unnecessary because the state would be the Medicare Managed care entity.

Coverage

Vermont would not substantially change the benefit package of either Medicare or Medicaid. We believe that we could better coordinate the programs and use Medicare funding to help with this coordination. The coordination will allow existing case management services (long term care, developmental services and mental health) to join the Medicare Multi-payer demonstrations. The state would differentiate between fiscal savings and programmatic changes for the Medicare multi payer demonstration and the Dual Eligibles program. The Medicare funding would be brought in as part of a fiscal analysis done during both the planning and implementation. Additionally, we believe that we can reduce and/or eliminate unnecessary and repeated transitions between settings that are not helpful to the beneficiary, and cause significant unnecessary costs to both Medicare and Medicaid. Examples of transitions of settings include back and forth between hospital, nursing homes and home based settings.

Financial

Vermont believes that the costs paid by both the state and the federal government for dual eligibles could be better managed. According to data from a contractor (JEN Associates) hired by the state to review Medicare and Medicaid claims, from CY 2004-2008 total Medicare spending for people who are dually eligible in Vermont in calendar year 2008 was \$223,148,604; total Medicaid spending for people who are dually eligible was \$321,693,464. Vermont Medicaid has over 5 years of successful experience as a Medicaid managed care entity. In becoming a Medicare managed care entity, Vermont would be able to manage the combination of Medicare and Medicaid funds more effectively and efficiently.

Benefits to the beneficiary

Under the current Medicare and Medicaid programs, beneficiaries often are caught between two programs that attempt to cost shift to each other, creating denials and delays in services. Participants find themselves trying to decipher a bewildering array of notices and payments. For example, a dual eligible beneficiary who needs durable medical equipment can encounter first a denial by Medicare, which must be appealed and resolved, taking many months or even years before the individual can apply for Medicaid to cover the equipment. Then the individual must start another prolonged approval and denial process. In the meantime, the person may go without critical equipment for months or years.

The different rules and payment processes for both programs cause unnecessary bureaucracy for providers, as well. For example, a home health agency trying to provide in-home services to a dually eligible person must determine which services can be provided by a home health aide under the Medicare prospective payment system, and then determine which other services might be covered by Medicaid's fee for service system. This is true for very similar services such as personal care and homemaker services. A Home Health Agency may find itself sending a Licensed Nurse's Assistant to provide skilled services under Medicare, then sending a Personal Care Attendant or homemaker to provide similar services to the same person, paid by Medicaid.

As a Medicare managed care entity, Vermont would seek much more flexibility in how services are provided. For example, Vermont could integrate Medicare and Medicaid payment to Home Health Agencies, eliminating some of the problems just described. Vermont could offer services not currently covered by Medicare, such as consumer directed services. Vermont could increase access to primary care physician by making incentive payments for serving people who are most difficult to serve or have the most complex needs. Vermont could invest in outreach efforts, such as health care 'coaches', for people with challenging needs and high health care costs. Vermont could make investments in evidence-based primary and secondary prevention efforts, seeking to reduce future morbidity and future health care costs. All of these options would be developed during the planning phase of the project.

2. **Overview of state capacity and infrastructure to design, develop and implement the proposed model.** *The overview should include key state staff by area and the expected use of any external consultants/contractors*

Vermont Agency of Human Services is uniquely positioned to be able to be a Medicare Plan for Dual Eligibles.

As stated previously, Vermont has had many successes, including the success of our two 1115 Medicaid waivers, to prepare us for this effort. As the first state in the country to propose and implement a Medicaid Managed Care waiver (Global Commitment to Health), we have over 5 years of experience in managing health care under a global budget. The state has over 5 years of experience managing consumer-centered Medicaid Long Term Care under our Choices for Care Medicaid waiver. Prior to 2005, Vermont had many years of success in operating the previous 1115 Vermont Health Access Plan waiver and a series of innovative 1915c home and community based waivers. Vermont is very experienced in Medicaid waiver management, and now stands ready to take on the challenge of managing Medicare for Dual Eligibles.

Additionally, Vermont has all of the core components in place to run a managed care plan. The state has contracted assistance for the Medicaid Management Information System, MMIS, which includes and is not limited to claims processing and provider enrollment/management. This MMIS contract is currently under procurement. Based on our past experience and our recent planning efforts for this MMIS procurement, we believe that the planned improvements to the MMIS will only further the success of this project. Other contracts include and are not limited to; the Pharmacy Benefit Management system, Customer Service and enrollment services, and other contracted services.

The state currently has a Quality Assurance and Performance Improvement plan that is managed by the Agency of Human Services and a contract for External Quality Review Organization services from a contractor. Vermont would work with the federal government to define and implement any other quality improvement efforts necessary, and will seek to improve the coordination of quality improvement efforts between Medicare and Medicaid. For example, Vermont has Ombudsman contracts for both Medicaid and Long Term Care Medicaid to assist individuals and families with complaints regarding either program.

Medicare authority allowed and can be implemented.

Vermont seeks a Medicare waiver and/or demonstration authority to operate a Medicare waiver in conjunction with our two current 1115 Medicaid waivers. All Vermonters dually eligible for both Medicare and Medicaid receive Medicaid services through one of the two 1115 Medicaid waivers. Vermont believes that through authority in health care reform "*Section 1115 (a) Center for Medicare and Medicaid Innovation established*". In this section of health care reform it further states that:

(2) Selections of Models to be tested

(A) In General – The Secretary shall select models to be tested from models where the secretary determines that there is evidence that the model addresses a defined population for which there are deficits in care leading to poor clinical outcomes or potentially avoidable expenditures. The models selected under the preceding sentence may include the models described in subparagraph (B)

(B) Opportunities – The models described in this subparagraph are the following...

(x) Allowing states to test and evaluate fully integrating care for dual eligible individuals in the State, including the management and oversight of all funds under the applicable titles with respect to such individuals

This request for planning would involve the state being a Medicare managed care entity for dual eligibles testing this new authority. This authority would be in addition to the authority already granted and recently amended under our two 1115 Medicaid waivers

3. **Description of the current analytic capacity.** *The description should include whether the state has access to Medicare data and, if so, whether the Medicare and Medicaid data are linked and have been analyzed. If the state does not currently have access to Medicare data, the description should include plans to access, link and analyze the linked data set. In addition, states with managed care programs should address how encounter claims data are or are not being included in the linked data set and resulting analysis.*

Vermont does have access to Medicare and Medicaid data for calendar years 2004-2008. Vermont is receiving assistance with both linking this data and analysis from JEN Associates. Vermont will continue to work on the creation of a longitudinal database that will assist the state in program management, operations, and quality review. JEN will assist the state in analyzing a total aggregate per member per month amount for all 21,379 Vermonters who are currently dually eligible for Medicare and Medicaid. Additionally JEN will assist the state with per member per month analyses for four key cohorts of Vermonters dually eligible for Medicare and Medicaid: Long Term Care Medicaid eligible; People with Severe and Persistent Mental Illness served by the Community Rehabilitation and Treatment program, Developmentally Disabled Vermonters served by the DS program, all other Vermonters who are categorically eligible for Medicaid eligible as Aged, Blind and Disabled but not covered by a waiver program. Vermont will also apply the hierarchical clinical classification system upon the Medicare claims and use information from this analysis in negotiations with CMS.

Vermont does not have commercial managed care plans for Medicaid. We are the Medicaid managed care plan for Medicaid so we do not need to work with encounter claims. However, our eligibility system, our Medicaid Management Information System and our various clinical information systems will serve as a basis for our current and ongoing data capacity. Vermont will continue to contract for assistance for analytic capacity that may not be readily available with existing state staff. These analyses include and are not limited to: data analysis, financial analysis and actuarial analysis.

4. **Summary of stakeholder environment.** *The summary should include any current or planned stakeholder engagement efforts and/or discussions with potential provider, health plan, PACE, or other delivery system partners.*

Vermont has and will continue to engage various stakeholders through planning processes that include consumers, advocates, providers and other interested parties. The concept of the state being a Medicare Managed care entity for all Vermonters dually eligible for Medicare and Medicaid has been discussed with an array of stakeholders over the last few years as part of the Center for Health Care Strategies Transforming Care for Dual Eligible Project. The stakeholder groups include representatives from Hospitals, Home Health Agencies, Nursing homes, Adult Day programs, Designated Agencies for Mental Health and Developmental Services, Area Agencies on Aging, Center for Independent Living, Long Term Care Ombudsman, Health Care Ombudsman, Senior Citizens Law Project, Disability Law Project, Community of Vermont Elders, University of Vermont Center on Aging, and other interested parties. We have many existing venues to seek input for all stakeholders including regular advisory board meetings that include providers, consumers and advocates.

Vermont had a planning grant which was to result in a provider that could serve as a “PACE without walls” at risk provider providing services to dually eligible Vermonters. This grant was funded by CMS under the Real Choices Systems Change Grant, known as My Care. Under the My Care project extensive outreach and planning occurred with consumers, providers and other interested parties on how such a Managed Care entity would operate. Although no provider was able to step up to become the at risk provider for Dual Eligibles as a result of this project, all of the input from stakeholders will be brought forward to this latest effort where the state would be the Medicare managed care entity for dual eligibles.

5. Timeframe. States should provide expected target implementation date including whether any legislative authority is required

Vermont is prepared to act very quickly to plan and implement this demonstration. The target date for implementation would be 4/1/12 assuming a start date of this effort of 4/1/11.

Vermont does not anticipate the need for any state legislative authority to implement this effort, however, if legislative changes are determined to be necessary during the planning process the administration will work to continue to brief the legislature and work with them to pass any necessary state legislation much like the state health care reform legislation that has previously been passed. Key legislative committees were aware of and provided updates on the Center for Health Care Strategies Transforming Care for Dual Eligibles grant and the same legislative committees will be updated on this effort if Vermont is selected by CMS.

Task	4/1/11-6/30/11	7/1/11-9/30/11	10/1/11-12/31/11	1/1/12-4/1/12	4/1/12-9/30/12
CMS approval of Dual Eligible contract	X				
CMS funding for Dual eligible contract	X	X	X	X	X
State staff hired	x				
Contracts with contractors executed	x				
Data analysis	x	x	x	X	x
Actuarial analysis	x	x	x	X	x
Program planning	x	x	x	X	x
Negotiations with CMS	x	x	x	X	x
Approval of Medicare waiver					x
Program implementation					x

6. **Budget and use of funds.** Please provide a budget outlining the requested amount (up to \$1 million) and use of funding to support the design costs (e.g. staffing, travel, analytic or actuarial support, etc.) associated with designing the demonstration model.

Vermont's Dual Eligible Project budget

Budget for Vermont CMMI proposal	Invoice # 1	Invoice # 2	Invoice # 3	Invoice # 4	Invoice # 5	Final Invoice	total budget
Budget item	4/1/2011	5/1/12-6/30/11	7/1/11-9/30/11	10/1/11-12/31/11	1/1/12-3/31/12	4/30/2012	
State staff # 1 Project Director - full time limited service	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$131,625.00
State staff # 2 IT and Data - full time -limited service	\$21,937.50	\$ 21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$ 131,625.00
State staff # 3 Administrative Asst. - full time limited service	\$14,040.00	\$14,040.00	\$ 14,040.00	\$14,040.00	\$14,040.00	\$14,040.00	\$84,240.00
Total state staff budget							\$347,490.00
Meeting and other expense total –meeting room, mileage, and per diems payments for some meeting participants	\$4,585.00	\$4,585.00	\$4,585.00	\$4,585.00	\$4,585.00	\$4,585.00	\$27,510.00
Contractor expenses; data analysis, actuarial analysis, CMS negotiations and project coordination – expenses for a contractor or contractors who could assist the state with these deliverables	\$104,166.67	\$104,166.67	\$104,166.67	\$104,166.67	\$104,166.67	\$104,166.65	\$625,000.00
Total budget							\$ 1,000,000.00

**STATE OF VERMONT
Joint Fiscal Committee Review
Limited Service - Grant Funded
Position Request Form**

This form is to be used by agencies and departments when additional grant funded positions are being requested. Review and approval by the Department of Human Resources must be obtained prior to review by the Department of Finance and Management. The Department of Finance will forward requests to the Joint Fiscal Office for JFC review. A Request for Classification Review Form (RFR) and an updated organizational chart showing to whom the new position(s) would report must be attached to this form. Please attach additional pages as necessary to provide enough detail.

Agency/Department: Agency of Human Services/Central Office Date: April 14, 2011

Name and Phone (of the person completing this request): Patrick Flood 241-2220

Request is for:

- Positions funded and attached to a new grant.
 Positions funded and attached to an existing grant approved by JFO # _____

1. Name of Granting Agency, Title of Grant, Grant Funding Detail (attach grant documents):

Federal Centers for Medicaid & Medicare Services;
Centers for Medicaid & Medicare Services;
18 months; \$1 million fixed price contract.

2. List below titles, number of positions in each title, program area, and limited service end date (information should be based on grant award and should match information provided on the RFR) position(s) will be established only after JFC final approval:

<u>Title* of Position(s) Requested</u>	<u># of Positions</u>	<u>Division/Program</u>	<u>Grant Funding Period/Anticipated End Date</u>
Director, VT Duals Eligible Project	1	AHSCO/Duals Project	18 months from signature of contract
Data & Reporting Coordinator	1	"	"
Administrative Assistant B	1	"	"

*Final determination of title and pay grade to be made by the Department of Human Resources Classification Division upon submission and review of Request for Classification Review.

3. Justification for this request as an essential grant program need:

This grant requires significant planning, data analysis and public discussions. This work cannot be completed with existing staff although existing staff will also contribute. The request is minimal because much of the work will be done by contractors.

I certify that this information is correct and that necessary funding, space and equipment for the above position(s) are available (required by 32 VSA Sec. 5(b)).

Patrick Flood Signature of Agency or Department Head Date 4/15/11

Mohy Paul Approved/Denied by Department of Human Resources Date 4/19/11

[Signature] Approved/Denied by Finance and Management Date 4/19/11

[Signature] Deputy Approved/Denied by Secretary of Administration Date 04/15/11

Comments:

Handwritten: AAB 4/15/11

REC-11 APR 15 2011



SFO 2501

State of Vermont
Agency of Human Services
Office of the Secretary
103 South Main Street
Waterbury, VT 05671-0204
www.humanservices.vermont.gov

Douglas A. Racine, Secretary

[phone] 802-241-2244
[fax] 802-241-2979

April 20, 2011

Senator Ann Cummings, Chair
Joint Fiscal Office
Vermont State House
115 State Street
Montpelier, VT 05633

Dear Senator Cummings,

Under a new initiative made possible by the federal Affordable Care Act, Vermont is one of fifteen states to have been awarded \$1M in order to study the feasibility of coordinating Medicare and Medicaid payments and services for dual eligible recipients. As you may know, "dual eligibles" are those individuals among approximately nine million Americans who are eligible for both Medicare and Medicaid programs.

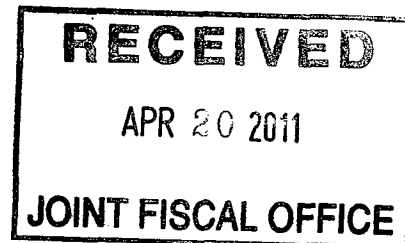
This award presents a great opportunity to develop methods that will eliminate the duplication of services while expanding access to care and reducing costs. As a required deliverable under the contract, a demonstration proposal is required within twelve months from the award date of June 1, 2011. CMS is anxiously awaiting a signed contract from Vermont. In order to begin this initiative as soon as possible and meet the required deadline, I would appreciate the Committee's consideration in reviewing the associated AA-1 on an expedited basis.

If you should have any specific questions regarding this initiative, please contact me at your convenience.

Sincerely,

Patrick Flood
Deputy Secretary, AHS

PF/dtn



State of Vermont
 Department of Finance & Management
 109 State Street, Pavilion Building
 Montpelier, VT 05620-0401

[phone] 802-828-2376
 [fax] 802-828-2428

Agency of Administration

JFO 2501

**STATE OF VERMONT
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

Grant Summary:		\$1M grant to study the feasibility of Medicare & Medicaid payment and services for dual eligible recipients. Goal is to reduce redundancy and costs associated with this population.			
Date:		4/19/2011			
Department:		AHS - Central Office			
Legal Title of Grant:		Dual Eligible Contract			
Federal Catalog #:		N/A			
Grant/Donor Name and Address:		CMS, OAGM, AGG, DSPSCG Baltimore, MD 21244-1850			
Grant Period:		From:	To:		
		6/1/2011	12/1/2012		
Grant/Donation		\$1,000,000			
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$20,833	\$618,340	\$360,827	\$1,000,000	
Position Information:		# Positions	Explanation/Comments		
		3	AHS is requesting a project director, data & reporting coordinator and administrative support.		
Additional Comments:					
Department of Finance & Management				<i>[Signature]</i>	(Initial)
Secretary of Administration				<i>[Signature]</i>	(Initial)
Sent To Joint Fiscal Office				4/20/11	Date



REC'D APR 18 2011

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION			
1. Agency:	Agency of Human Services		
2. Department:			
3. Program:	Dual Eligible Contract		
4. Legal Title of Grant:	Contract		
5. Federal Catalog #:	NA		
6. Grant/Donor Name and Address: CMS, OAGM, AGG, DSPSCG Baltimore, MD 21244-1850			
7. Grant Period:	From:	6/1/2011	To: 12/1/2012
8. Purpose of Grant: Study the feasibility of coordinating Medicare and Medicaid payment and services for dual eligible recipients.			
9. Impact on existing program if grant is not Accepted:			

10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
	FY 11	FY 12	FY 13	
Expenditures:				
Personal Services	\$19,305	\$600,000	\$353,186	
Operating Expenses	\$1,528	\$18,340	\$7,641	
Grants	\$	\$	\$	
Total	\$20,833	\$618,340	\$360,827	
Revenues:				
State Funds:				
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:				
(Direct Costs)	\$20,833	\$618,340	\$360,827	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:				
Grant (source)	\$	\$	\$	
Total	\$	\$	\$	

Appropriation No:	3400001000	Amount:	\$20,833
			\$
			\$
			\$
			\$
			\$
			\$
		Total	\$20,833

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

PERSONAL SERVICE INFORMATION		
11. Will monies from this grant be used to fund one or more Personal Service Contracts? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy. Appointing Authority Name: Patrick Flood Agreed by: <u>PF</u> (initial)		
12. Limited Service Position Information:	# Positions	Title
	1	Director, VT Duals Eligible Project
	1	Data & Reporting Coordinator
	1	Administrative Assistant B
Total Positions	3	
12a. Equipment and space for these positions:		<input checked="" type="checkbox"/> Is presently available. <input type="checkbox"/> Can be obtained with available funds.
13. AUTHORIZATION AGENCY/DEPARTMENT		
I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <u>Patrick Flood</u>	Date: <u>4/18/11</u>
	Title: <u>Dep Secretary</u>	
	Signature:	Date:
	Title:	
14. SECRETARY OF ADMINISTRATION		
<input checked="" type="checkbox"/> Approved:	(Secretary or designee signature) <u>[Signature]</u> Deputy	Date: <u>04/19/11</u>
15. ACTION BY GOVERNOR		
<input checked="" type="checkbox"/> Accepted	(Governor's signature) <u>[Signature]</u>	Date: <u>4/20/11</u>
<input type="checkbox"/> Rejected		
16. DOCUMENTATION REQUIRED		
Required GRANT Documentation		
<input type="checkbox"/> Request Memo <input checked="" type="checkbox"/> Dept. project approval (if applicable) <input checked="" type="checkbox"/> Notice of Award <input type="checkbox"/> Grant Agreement <input type="checkbox"/> Grant Budget	<input type="checkbox"/> Notice of Donation (if any) <input type="checkbox"/> Grant (Project) Timeline (if applicable) <input type="checkbox"/> Request for Extension (if applicable) <input type="checkbox"/> Form AA-1PN attached (if applicable)	
End Form AA-1		
(*) The term "grant" refers to any grant, gift, loan, or any sum of money or thing of value to be accepted by any agency, department, commission, board, or other part of state government (see 32 V.S.A. §5).		

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop C2-18-06
Baltimore, Maryland 21244-1850



Office of Acquisition & Grants Management

Date: April 5, 2011
RFP No.: RFP-CMS-2011-0009
Title: State Demonstrations to Integrate Care for Dual Eligible Individuals initiative
Subject: Award Notification

Greetings,

Thank you for applying for the *State Demonstrations to Integrate Care for Dual Eligible Individuals*. We are pleased to inform you that we have selected your proposal as one of the awardees in this competitive process. The next step is the execution of a design contract through which we expect further development of your proposed approach, including more in-depth analyses and partnerships with stakeholders, culminating in the submission of a detailed demonstration proposal.

It is important to note, however, that receipt of this design contract does not constitute approval for implementation activities. Execution of this contract does not guarantee that CMS will authorize any waivers or new financing mechanisms referenced in the proposal or developed during the design process.

Any decisions related to the implementation of identified integrated care models will be made following the receipt of the demonstration design proposal. Although we anticipate working closely with all of the States receiving contracts, active partnership of CMS or its designees during the design process does not necessarily constitute endorsement of a specific model(s) of integrated care.

We look forward to working with you during the life of this contract on initiatives to better serve individuals dually eligible for Medicare and Medicaid.

Thank you,
/s/
William J. Tate
Contracting Officer

State Demonstrations to Integrate Care for Dual Eligible Individuals

Vermont

January 31, 2011

Primary Contact:

Mr. Patrick Flood

Deputy Secretary

State of Vermont

Vermont Agency of Human Services

103 South Main Street

Waterbury, VT 05671

Telephone: (802) 241-2220

Patrick.flood@ahs.state.vt.us

Submitted to:

Centers for Medicare and Medicaid Services (CMS)

CMS, OAGM, AGG, DSPSCG

Attn: RFP-CMS-2011-0009/Charles Littleton

C2-21-15 Central Building

7500 Security Boulevard

Baltimore, MD 21244-1850

1. **High level description of the state's proposed approach to integrating care.** *In addition to information on the target population, covered benefits, and proposed service delivery system, the description should also contain an explicit problem statement that describes the current coverage and payment policy, and how or why changes to current policy would lead to improvements in access and quality as well as reductions in Medicare and Medicaid expenditures over time. It should also describe the policy rationale for the proposal, who will benefit and why, and any previous experience with the intervention/model proposed in the demonstration.*

Approach/previous experience

Vermont's approach to integrating care for Dual eligibles will build upon and directly connect the previous and ongoing efforts to integrate care for individuals including: previous dual eligible efforts, ongoing Medicaid Waiver programs, the ongoing Blueprint for Health Multipayer Demonstration, the planned Medicaid Medical home initiative and Vermont's significant and ongoing investments in Health Information Technology.

In the 1990's Vermont was part of a six-state, New England wide effort for managing the care for dual eligibles funded by the Robert Wood Johnson Foundation entitled the Medicare Medicaid Integration Program. The focus of this effort was to physically co-locate Area Agency on Aging Social workers in primary care offices to better coordinate the care for individuals dually eligible for Medicare and Medicaid in 3 counties in Vermont.

This effort led to Vermont being awarded a John A. Hartford Foundation Accelerating States Access to PACE (Program for All Inclusive Care for the Elderly) grant in 2002. This planning grant involved hospitals, primary care providers, and long term care providers in Rutland and Chittenden Counties in Vermont. Vermont now has one of the most rural PACE centers in the country known as PACE Vermont. PACE Vermont initially was developed as a coalition of providers operating a new organization, and recently was fortunate to have technical and financial sponsorship from On Lok, the oldest PACE center in the Country in California and Volunteers of America from Colorado. For more information about PACE Vermont please see; www.pacevt.org.

In 2005, Vermont was able to secure a multiyear Real Choices Systems Change Planning grant known as My Care. For more information about My Care please see;

The purpose of the My Care work was to plan and implement an integrated care model for Vermonters dually eligible for both Medicare and Medicaid. This effort built upon Vermont's Program for All Inclusive Care for the Elderly (PACE) center but would not be physically located at a PACE site (i.e. "PACE without walls"). Unfortunately a program was not created because at the end of the planning process, no provider large enough to take on the risk necessary to implement this program was found. However, this planning process was extremely valuable, contributing to a deeper understanding of the opportunities and obstacles for integrated care for people who are dually eligible. For more information about My Care please see; <http://ddas.vermont.gov/ddas-archives/special-projects-initiatives-archives/mycare-vermont-archive/hltcip-default>.

From November 2008 – May 2010, Vermont was able to participate in a Center for Health Care Strategies Transforming Care for Dual Eligible grant. Vermont continued to work with a broad group of stakeholders on what changes would be useful to implement a Dual eligible project. The shared goal of the CHCS effort and this current request to CMMI is for the state to be a Medicare Managed care entity for all Vermonters (currently 21,379) who are dually eligible for Medicare and Medicaid in Vermont.

Medicaid waiver experience and other experience

Vermont currently manages an innovative 1115 Medicaid Waiver known as Global Commitment to Health. This waiver permits the state of Vermont to be the first Medicaid program in the nation operating as a public Medicaid Managed Care Entity. This 1115 waiver was renewed until 12/31/13. Under the Global Commitment to Health 1115 waiver, Vermont has negotiated with the Centers for Medicare and Medicaid Services to be paid an actuarially certified capitation rate from CMS. This negotiation process and subsequent agreement provides a model for Vermont to negotiate a similar agreement with CMS for a Medicare actuarially certified capitation payment for the Medicare payment for individuals dually eligible for Medicare and Medicaid in Vermont.

Vermont's second 1115 Medicaid waiver is called Choices for Care. This waiver is the first in the nation to allow individuals eligible for Long Term Care Medicaid to have full choice between nursing home care and home and community based care services. This waiver was renewed until 9/30/15.

All Vermonters who are dually eligible for both Medicare and Medicaid are either in the Global Commitment to Health 1115 waiver or in the Choices for Care 1115 waiver. Vermont would not need additional Medicaid waiver authority to operate the Dual Eligible program; rather, the state would ask for Medicare authority, to operate the Dual Eligible program. The additional authority Vermont seeks from Medicare would allow Vermont's Agency of Human Services to be the first Medicare managed care entity in the country for dual eligibles run by a state Medicaid agency.

Vermont was recently selected by CMS to be a Multi-payer Advanced Primary Care Practice (APCP) Demonstration Project. This effort is an expansion of the state's Blueprint for Health project, begun in 2006. The Blueprint for Health is a statewide partnership to improve the health of Vermonters through prevention, wellness education and management of chronic conditions. The multi payer demonstration includes funding from Medicaid, the 3 largest Commercial insurance companies in Vermont (Blue Cross and Blue Shield of Vermont, MVP Health Plan and CIGNA) and now Medicare. APCP also now includes the Seniors Aging Safely at home project. APCP model addresses 3 closely linked issues:

- First, all insurers participate in aligned payment reforms.
- Second, payment reforms are designed to assure that the advanced primary care practices (APCP) will provide timely access to consistent, thorough, well-coordinated & cost effective health services.
- Third, the model includes systematic data-guided processes to support practice transformation, qualification as an APCP, ongoing quality improvement and statewide expansion.

The payment reform elements of the APCP are a) enhanced payments to APCPs based on the quality of care they deliver, and, b) shared costs for core Community Health Teams that provide community based multidisciplinary care supports to the general population. The Multipayer demonstration will be a statewide effort. For more information please see; www.healthvermont.gov/blueprint.aspx.

If Vermont becomes a Medicare Managed care entity for Dual eligibles, the state could further expand the Advanced Primary Care practices. Specifically, Vermont could more comprehensively link case management services offered for dual eligibles whose primary waiver services are long term care, developmental services, and/or mental health (severe and persistently mentally ill) The 'added value' would come from adding these existing case managers to the APCP teams, leading to more comprehensive care coordination on behalf of dual eligibles, with the expectation of improved outcomes and controlled costs.

Vermont is applying for a Medicaid Health Home grant for enrollees with chronic conditions. If awarded this grant, this work will improve care to those Vermonters who are severely and persistently mentally ill, or have one chronic condition and at risk for another chronic condition (including substance abuse) or have multiple chronic conditions. This would complement and work in coordination with the dual eligible effort. The state would be able to track outcomes and savings separately for both efforts, and this Medicaid medical home work would not conflict with the dual eligible effort.

Vermont developed and is implementing a Health Information Technology plan that was approved by the Office of National Coordinator of HIT. This HIT plan was developed during Vermont's state health care reform efforts over the past few years and is vital to the success of the state implementing federal health care reform changes by 2014. All of the aforementioned waivers, Medicare multi payer demonstration, Medicaid Health home project and the dual eligibles effort will be supported by the state's health information technology plans. For more information see: <http://hcr.vermont.gov/legislation/HCR2009>

Target population, proposed benefits and service delivery system

Vermont is a small rural state, with a total population in 2009 of 621,760 (U.S. Census). According to the Kaiser Family Foundation report in 2009, Medicare enrollment in Vermont is 110,129 individuals and Medicaid enrollment in Vermont is 133,500 individuals. According to data from the state's recently linked Medicare and Medicaid data, the total number of Vermonters who are dually eligible for both Medicare and Medicaid is 21,379, and this is our target population. We propose that the state Medicaid program will be a Medicare Managed care entity. Further, we want to utilize a passive enrollment process with an opt-out provision, allowing all Vermonters who are dully eligible to participate in the program.

All 21,379 Dual eligible Vermonters would be included in this program. The 4 cohorts of individuals that make up the 21,379 include:

- Choices for Care 115 waiver – individuals eligible for traditional Long Term Care Medicaid
- Global commitment to health 1115 waiver – developmental services participants
- Global commitment to health 1115 waiver – community rehabilitation and treatment program participants (people with severely and persistent mental illnesses)
- Global commitment to health 1115 waiver – all other Aged, Blind and Disabled individuals not served by a specific program

The service delivery system model would be an expansion of the existing service delivery system. The dual eligible effort would expand the work of the Medicare Multipayer Demonstration. Specifically, the community health teams would be expanded and allow for Medicare payments to bring existing case managers to the teams. The existing case managers for Vermonters Dually Eligible for Medicare and Medicaid include:

- Case managers for individuals eligible for Long Term Care Medicaid, from Area Agencies on Aging Case managers and Home Health Agencies
- Designated Agency Case managers for individuals served by the Developmental Services program
- Designated Agency Case managers for individuals served by the Community Rehabilitation and Treatment program (people with severe and persistent mental illness).

- Area Agency on Aging Case Managers or Home Health Agency Case managers will be identified to serve other individuals who are categorically eligible as Aged, Blind and Disabled and dually eligible for Medicare and Medicaid.

Through this project Vermont will add existing case managers to the Blueprint community health team, we will improve the coordination of long term care, primary care, and acute care – and thus improve outcomes while controlling costs. Each of the members of the community health team would bring specific knowledge, skill and experience to improve care coordination. For example, a dually eligible Vermonter who is developmentally disabled, depressed and has diabetes has multiple issues across several different areas of expertise. The team expert for developmental services, the team expert for depression, and the team expert for diabetes will work with the consumer to develop and implement a more comprehensive and effective care plan that addresses all of the needs of the individual.

Background/Problem statement

According to the Kaiser Commission on Medicaid and the Uninsured, December 2010 publication “Dual Eligibles: Medicaid’s Role for Low-Income Medicare Beneficiaries”:

Medicare and Medicaid spending averaged over \$20,000 per dual, about five times greater than spending on other Medicare beneficiaries. Dual eligibles account for a large share (39%) of total Medicaid spending, although they represent just 15 percent of Medicaid enrollment. In 2007, more than two thirds (70%) of Medicaid expenditures for dual eligibles were for long-term care services; payments for cost sharing on Medicare-covered services accounted for about 15 percent; payment of Medicare premiums accounted for 9 percent of spending; and an additional 5 percent were for other acute services that Medicare does not cover. Dual eligibles are among the sickest and poorest individuals covered by either the Medicaid or Medicare programs. Given their complex health needs, high level of spending, and use of long-term care, dual eligibles will continue to be a focus of state and federal policy.

The Medicare system and Medicaid system spends enormous levels of funding on dual eligibles and the care that results is fragmented at best. The disconnections between the two payers (Medicare and Medicaid) are ongoing, perpetuated by differences in approach to reimbursement. Beneficiaries are often confused about coverage and benefits. Providers are caught in the middle of a myriad of regulatory, coverage and financial burdens that are difficult to maneuver. Claims processing becomes more complex. Concerns about ‘cost shifts’ increase. Administrative burdens increase. This all results in fragmented, lower quality care and in higher costs.

If Vermont is able to become a Medicare Managed care entity for Vermonters dually eligible for both Medicare and Medicaid, the state will directly address regulatory, coverage and financial challenges:

Regulatory

Staff in Vermont have reviewed the Medicaid Managed care regulations and the Medicare managed care regulations, and have created a ‘crosswalk’ of these regulations. The crosswalk is intended to help in the discussions, much like 1115 waiver discussions, with our federal partner (CMS) regarding regulatory provisions for Medicare. This will help to clarify the areas where Vermont would either be in substantial compliance, need to have a waiver, or are unnecessary because the state would be the Medicare Managed care entity.

Coverage

Vermont would not substantially change the benefit package of either Medicare or Medicaid. We believe that we could better coordinate the programs and use Medicare funding to help with this coordination. The coordination will allow existing case management services (long term care, developmental services and mental health) to join the Medicare Multi-payer demonstrations. The state would differentiate between fiscal savings and programmatic changes for the Medicare multi payer demonstration and the Dual Eligibles program. The Medicare funding would be brought in as part of a fiscal analysis done during both the planning and implementation. Additionally, we believe that we can reduce and/or eliminate unnecessary and repeated transitions between settings that are not helpful to the beneficiary, and cause significant unnecessary costs to both Medicare and Medicaid. Examples of transitions of settings include back and forth between hospital, nursing homes and home based settings.

Financial

Vermont believes that the costs paid by both the state and the federal government for dual eligibles could be better managed. According to data from a contractor (JEN Associates) hired by the state to review Medicare and Medicaid claims, from CY 2004-2008 total Medicare spending for people who are dually eligible in Vermont in calendar year 2008 was \$223,148,604; total Medicaid spending for people who are dually eligible was \$321,693,464. Vermont Medicaid has over 5 years of successful experience as a Medicaid managed care entity. In becoming a Medicare managed care entity, Vermont would be able to manage the combination of Medicare and Medicaid funds more effectively and efficiently.

Benefits to the beneficiary

Under the current Medicare and Medicaid programs, beneficiaries often are caught between two programs that attempt to cost shift to each other, creating denials and delays in services. Participants find themselves trying to decipher a bewildering array of notices and payments. For example, a dual eligible beneficiary who needs durable medical equipment can encounter first a denial by Medicare, which must be appealed and resolved, taking many months or even years before the individual can apply for Medicaid to cover the equipment. Then the individual must start another prolonged approval and denial process. In the meantime, the person may go without critical equipment for months or years.

The different rules and payment processes for both programs cause unnecessary bureaucracy for providers, as well. For example, a home health agency trying to provide in-home services to a dually eligible person must determine which services can be provided by a home health aide under the Medicare prospective payment system, and then determine which other services might be covered by Medicaid's fee for service system. This is true for very similar services such as personal care and homemaker services. A Home Health Agency may find itself sending a Licensed Nurse's Assistant to provide skilled services under Medicare, then sending a Personal Care Attendant or homemaker to provide similar services to the same person, paid by Medicaid.

As a Medicare managed care entity, Vermont would seek much more flexibility in how services are provided. For example, Vermont could integrate Medicare and Medicaid payment to Home Health Agencies, eliminating some of the problems just described. Vermont could offer services not currently covered by Medicare, such as consumer directed services. Vermont could increase access to primary care physician by making incentive payments for serving people who are most difficult to serve or have the most complex needs. Vermont could invest in outreach efforts, such as health care 'coaches', for people with challenging needs and high health care costs. Vermont could make investments in evidence-based primary and secondary prevention efforts, seeking to reduce future morbidity and future health care costs. All of these options would be developed during the planning phase of the project.

2. **Overview of state capacity and infrastructure to design, develop and implement the proposed model.** *The overview should include key state staff by area and the expected use of any external consultants/contractors*

Vermont Agency of Human Services is uniquely positioned to be able to be a Medicare Plan for Dual Eligibles.

As stated previously, Vermont has had many successes, including the success of our two 1115 Medicaid waivers, to prepare us for this effort. As the first state in the country to propose and implement a Medicaid Managed Care waiver (Global Commitment to Health), we have over 5 years of experience in managing health care under a global budget. The state has over 5 years of experience managing consumer-centered Medicaid Long Term Care under our Choices for Care Medicaid waiver. Prior to 2005, Vermont had many years of success in operating the previous 1115 Vermont Health Access Plan waiver and a series of innovative 1915c home and community based waivers. Vermont is very experienced in Medicaid waiver management, and now stands ready to take on the challenge of managing Medicare for Dual Eligibles.

Additionally, Vermont has all of the core components in place to run a managed care plan. The state has contracted assistance for the Medicaid Management Information System, MMIS, which includes and is not limited to claims processing and provider enrollment/management. This MMIS contract is currently under procurement. Based on our past experience and our recent planning efforts for this MMIS procurement, we believe that the planned improvements to the MMIS will only further the success of this project. Other contracts include and are not limited to; the Pharmacy Benefit Management system, Customer Service and enrollment services, and other contracted services.

The state currently has a Quality Assurance and Performance Improvement plan that is managed by the Agency of Human services and a contract for External Quality Review Organization services from a contractor. Vermont would work with the federal government to define and implement any other quality improvement efforts necessary, and will seek to improve the coordination of quality improvement efforts between Medicare and Medicaid. For example, Vermont has Ombudsman contracts for both Medicaid and Long Term Care Medicaid to assist individuals and families with complaints regarding either program.

Medicare authority allowed and can be implemented.

Vermont seeks a Medicare waiver and/or demonstration authority to operate a Medicare waiver in conjunction with our two current 1115 Medicaid waivers. All Vermonters dually eligible for both Medicare and Medicaid receive Medicaid services through one of the two 1115 Medicaid waivers. Vermont believes that through authority in health care reform "*Section 1115 (a) Center for Medicare and Medicaid Innovation established.*" In this section of health care reform it further states that:

(2) Selections of Models to be tested

(A) In General – The Secretary shall select models to be tested from models where the secretary determines that there is evidence that the model addresses a defined population for which there are deficits in care leading to poor clinical outcomes or potentially avoidable expenditures. The models selected under the preceding sentence may include the models described in subparagraph (B)

(B) Opportunities – The models described in this subparagraph are the following...

(x) Allowing states to test and evaluate fully integrating care for dual eligible individuals in the State, including the management and oversight of all funds under the applicable titles with respect to such individuals

This request for planning would involve the state being a Medicare managed care entity for dual eligibles testing this new authority. This authority would be in addition to the authority already granted and recently amended under our two 1115 Medicaid waivers

3. **Description of the current analytic capacity.** *The description should include whether the state has access to Medicare data and, if so, whether the Medicare and Medicaid data are linked and have been analyzed. If the state does not currently have access to Medicare data, the description should include plans to access, link and analyze the linked data set. In addition, states with managed care programs should address how encounter claims data are or are not being included in the linked data set and resulting analysis.*

Vermont does have access to Medicare and Medicaid data for calendar years 2004-2008. Vermont is receiving assistance with both linking this data and analysis from JEN Associates. Vermont will continue to work on the creation of a longitudinal database that will assist the state in program management, operations, and quality review. JEN will assist the state in analyzing a total aggregate per member per month amount for all 21,379 Vermonters who are currently dually eligible for Medicare and Medicaid. Additionally JEN will assist the state with per member per month analyses for four key cohorts of Vermonters dually eligible for Medicare and Medicaid: Long Term Care Medicaid eligible; People with Severe and Persistent Mental Illness served by the Community Rehabilitation and Treatment program, Developmentally Disabled Vermonters served by the DS program, all other Vermonters who are categorically eligible for Medicaid eligible as Aged, Blind and Disabled but not covered by a waiver program. Vermont will also apply the hierarchical clinical classification system upon the Medicare claims and use information from this analysis in negotiations with CMS.

Vermont does not have commercial managed care plans for Medicaid. We are the Medicaid managed care plan for Medicaid so we do not need to work with encounter claims. However, our eligibility system, our Medicaid Management Information System and our various clinical information systems will serve as a basis for our current and ongoing data capacity. Vermont will continue to contract for assistance for analytic capacity that may not be readily available with existing state staff. These analyses include and are not limited to: data analysis, financial analysis and actuarial analysis.

4. **Summary of stakeholder environment.** *The summary should include any current or planned stakeholder engagement efforts and/or discussions with potential provider, health plan, PACE, or other delivery system partners.*

Vermont has and will continue to engage various stakeholders through planning processes that include consumers, advocates, providers and other interested parties. The concept of the state being a Medicare Managed care entity for all Vermonters dually eligible for Medicare and Medicaid has been discussed with an array of stakeholders over the last few years as part of the Center for Health Care Strategies Transforming Care for Dual Eligible Project. The stakeholder groups include representatives from Hospitals, Home Health Agencies, Nursing homes, Adult Day programs, Designated Agencies for Mental Health and Developmental Services, Area Agencies on Aging, Center for Independent Living, Long Term Care Ombudsman, Health Care Ombudsman, Senior Citizens Law Project, Disability Law Project, Community of Vermont Elders, University of Vermont Center on Aging, and other interested parties. We have many existing venues to seek input for all stakeholders including regular advisory board meetings that include providers, consumers and advocates.

Vermont had a planning grant which was to result in a provider that could serve as a “PACE without walls” at risk provider providing services to dually eligible Vermonters. This grant was funded by CMS under the Real Choices Systems Change Grant, known as My Care. Under the My Care project extensive outreach and planning occurred with consumers, providers and other interested parties on how such a Managed Care entity would operate. Although no provider was able to step up to become the at risk provider for Dual Eligibles as a result of this project, all of the input from stakeholders will be brought forward to this latest effort where the state would be the Medicare managed care entity for dual eligibles.

5. Timeframe. States should provide expected target implementation date including whether any legislative authority is required

Vermont is prepared to act very quickly to plan and implement this demonstration. The target date for implementation would be 4/1/12 assuming a start date of this effort of 4/1/11.

Vermont does not anticipate the need for any state legislative authority to implement this effort, however, if legislative changes are determined to be necessary during the planning process the administration will work to continue to brief the legislature and work with them to pass any necessary state legislation much like the state health care reform legislation that has previously been passed. Key legislative committees were aware of and provided updates on the Center for Health Care Strategies Transforming Care for Dual Eligibles grant and the same legislative committees will be updated on this effort if Vermont is selected by CMS.

Task	4/1/11-6/30/11	7/1/11-9/30/11	10/1/11-12/31/11	1/1/12-4/1/12	4/1/12-9/30/12
CMS approval of Dual Eligible contract	X				
CMS funding for Dual eligible contract	X	X	X	X	X
State staff hired	x				
Contracts with contractors executed	x				
Data analysis	x	x	x	X	x
Actuarial analysis	x	x	x	X	x
Program planning	x	x	x	X	x
Negotiations with CMS	x	x	x	X	x
Approval of Medicare waiver					x
Program implementation					x

6. **Budget and use of funds.** Please provide a budget outlining the requested amount (up to \$1 million) and use of funding to support the design costs (e.g. staffing, travel, analytic or actuarial support, etc.) associated with designing the demonstration model.

Vermont's Dual Eligible Project budget

Budget for Vermont CMMI proposal	Invoice # 1	Invoice # 2	Invoice # 3	Invoice # 4	Invoice # 5	Final Invoice	total budget
Budget item	4/1/2011	5/1/12-6/30/11	7/1/11-9/30/11	10/1/11-12/31/11	1/1/12-3/31/12	4/30/2012	
State staff # 1 Project Director - full time limited service	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$131,625.00
State staff # 2 IT and Data - full time -limited service	\$21,937.50	\$ 21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$21,937.50	\$ 131,625.00
State staff # 3 Administrative Asst. - full time limited service	\$14,040.00	\$14,040.00	\$ 14,040.00	\$14,040.00	\$14,040.00	\$14,040.00	\$84,240.00
Total state staff budget							\$347,490.00
Meeting and other expense total –meeting room, mileage, and per diems payments for some meeting participants	\$4,585.00	\$4,585.00	\$4,585.00	\$4,585.00	\$4,585.00	\$4,585.00	\$27,510.00
Contractor expenses; data analysis, actuarial analysis, CMS negotiations and project coordination – expenses for a contractor or contractors who could assist the state with these deliverables	\$104,166.67	\$104,166.67	\$104,166.67	\$104,166.67	\$104,166.67	\$104,166.65	\$625,000.00
Total budget							\$ 1,000,000.00

**STATE OF VERMONT
Joint Fiscal Committee Review
Limited Service - Grant Funded
Position Request Form**

This form is to be used by agencies and departments when additional grant funded positions are being requested. Review and approval by the Department of Human Resources must be obtained prior to review by the Department of Finance and Management. The Department of Finance will forward requests to the Joint Fiscal Office for JFC review. A Request for Classification Review Form (RFR) and an updated organizational chart showing to whom the new position(s) would report must be attached to this form. Please attach additional pages as necessary to provide enough detail.

Agency/Department: Agency of Human Services/Central Office Date: April 14, 2011

Name and Phone (of the person completing this request): Patrick Flood 241-2220

Request is for:

- Positions funded and attached to a new grant.
 Positions funded and attached to an existing grant approved by JFO # _____

1. Name of Granting Agency, Title of Grant, Grant Funding Detail (attach grant documents):

Federal Centers for Medicaid & Medicare Services;
Centers for Medicaid & Medicare Services;
18 months; \$1 million fixed price contract.

2. List below titles, number of positions in each title, program area, and limited service end date (information should be based on grant award and should match information provided on the RFR) position(s) will be established only after JFC final approval:

<u>Title* of Position(s) Requested</u>	<u># of Positions</u>	<u>Division/Program</u>	<u>Grant Funding Period/Anticipated End Date</u>
Director, VT Duals Eligible Project	1	AHSCO/Duals Project	18 months from signature of contract
Data & Reporting Coordinator	1	"	"
Administrative Assistant B	1	"	"

*Final determination of title and pay grade to be made by the Department of Human Resources Classification Division upon submission and review of Request for Classification Review.

3. Justification for this request as an essential grant program need:

This grant requires significant planning, data analysis and public discussions. This work cannot be completed with existing staff although existing staff will also contribute. The request is minimal because much of the work will be done by contractors.

I certify that this information is correct and that necessary funding, space and equipment for the above position(s) are available (required by 32 VSA Sec. 5(b)).

Patrick Flood Signature of Agency or Department Head Date 4/15/11

Molly Paul Approved/Denied by Department of Human Resources Date 4/19/11

[Signature] Approved/Denied by Finance and Management Date 4/19/11

[Signature] Deputy Approved/Denied by Secretary of Administration Date 04/15/11

Comments:

AAB 4/15/11

REC'D APR 15 2011

Attachment # 1

J.1 Accounting Certification

Note: This information should correspond to the information in the Central Contractor Registration (CCR) database

Name of State:	Vermont
Address:	Agency of Human Services 103 South Main Street Waterbury, VT 05671
Contractor POC/Telephone number(s)	Patrick Flood Agency of Human Services Deputy Secretary (802) 241-2220
DUNS (Data Universal Numbering System) #	80-937-6155
TIN (Taxpayer Identification Number)	0360000274
CAGE CODE #	3JSUO

Signature

For CONTRACTOR (Title)

Date

Attachment # 2

Section K- Representations, Certifications, and Other statements of Offerors or Quoters

K.2 Certification of Filing and Payment of Federal Taxes – FAR 352.204 (MAR 2008)

(a) The offeror certifies that, to the best of its knowledge and belief:

1. It has filed all Federal tax returns required during the three years preceding this certification;
2. It has not been convicted of a criminal offense under the Internal Revenue Code of 1986; and
3. It has not been notified of any unpaid Federal Tax assessment for which the liability remains unsatisfied, unless the assessment is the subject of an installment agreement or offer in compromise that has been approved by the Internal Revenue Service and is not in default, or the assessment is the subject of a non-frivolous administrative or judicial proceeding

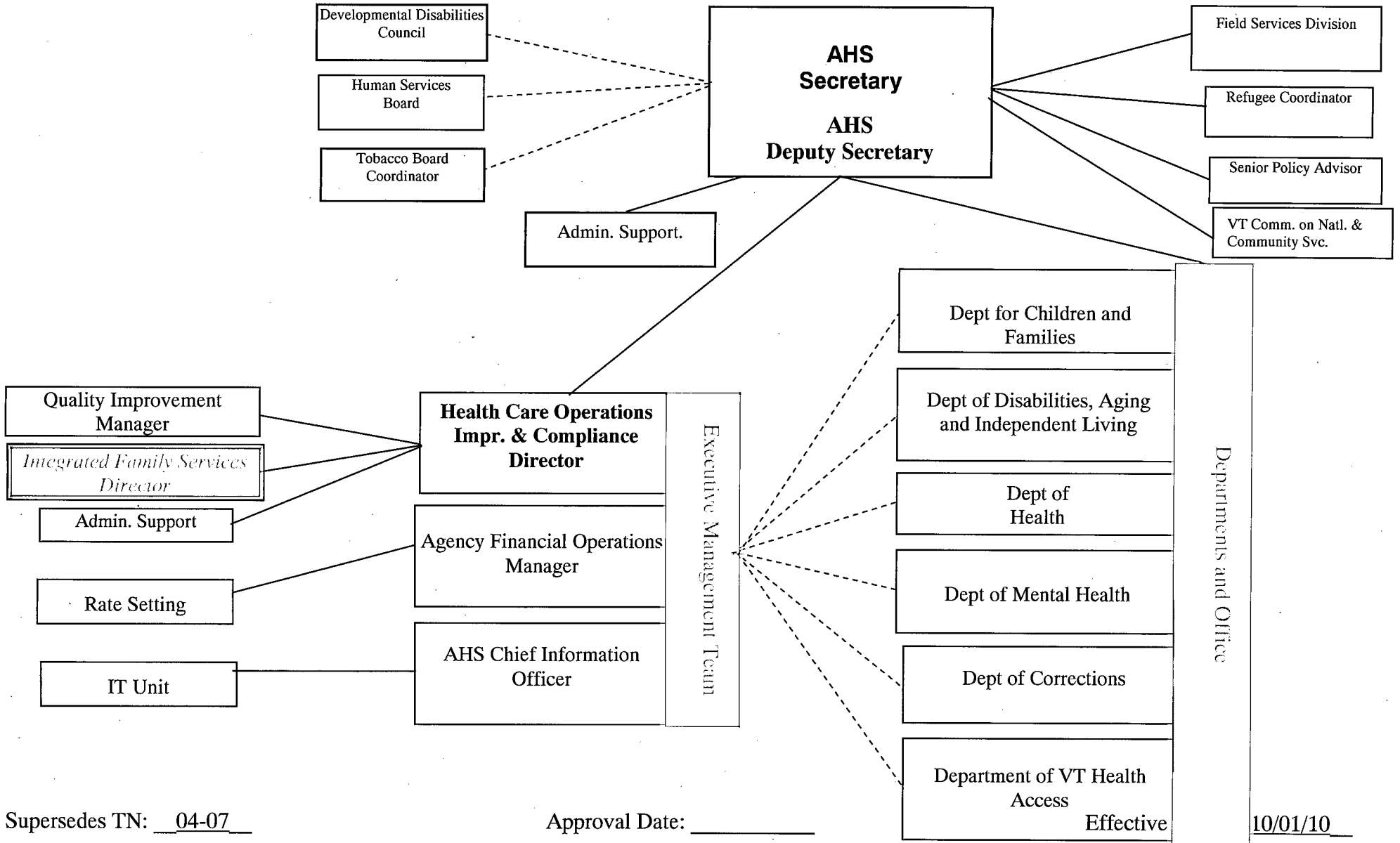
(b) The signature on this offer is considered to be a certification by the offer or under this provision

Signature

Patrick Flood, AHS Deputy Secretary

Date

VERMONT AGENCY OF HUMAN SERVICES



Request for Classification Review Position Description Form A

For Department of Personnel Use Only

Notice of Action # _____	Date Received (Stamp) _____
Action Taken: _____	
New Job Title _____	
Current Class Code _____	New Class Code _____
Current Pay Grade _____	New Pay Grade _____
Current Mgt Level ____ B/U ____ OT Cat. ____ EEO Cat. ____ FLSA ____	
New Mgt Level ____ B/U ____ OT Cat. ____ EEO Cat. ____ FLSA ____	
Classification Analyst _____	Date _____
Comments: _____	Effective Date: _____
	Date Processed: _____
Willis Rating/Components: Knowledge & Skills: _____	Mental Demands: _____
Working Conditions: _____	Accountability: _____
	Total: _____

Incumbent Information:

Employee Name: Employee Number:
Position Number: Current Job/Class Title:
Agency/Department/Unit: Work Station: Zip Code:
Supervisor's Name, Title, and Phone Number:
How should the notification to the employee be sent: employee's work location or other address, please provide mailing address:

New Position/Vacant Position Information:

New Position Authorization: JFO Request Job/Class Title: Director, VT Duals Eligible Project
Position Type: Permanent or Limited / Funding Source: Core, Partnership, or Sponsored
Vacant Position Number: Current Job/Class Title:
Agency/Department/Unit: AHS Central Office Work Station: Waterbury Zip Code: 05671
Supervisor's Name, Title and Phone Number: Patrick Flood, Deputy Secretary 241-2220

Type of Request:

- Management:** A management request to review the classification of an existing position, class, or create a new job class.
- Employee:** An employee's request to review the classification of his/her current position.

1. Job Duties

This is the **most critical** part of the form. Describe the activities and duties required in your job, **noting changes (new duties, duties no longer required, etc.) since the last review**. Place them in order of importance, beginning with the single most important activity or responsibility required in your job. The importance of the duties and expected end results should be clear, including the tolerance that may be permitted for error. Describe each job duty or activity as follows:

- **What** it is: The nature of the activity.
- **How** you do it: The steps you go through to perform the activity. Be specific so the reader can understand the steps.
- **Why** it is done: What you are attempting to accomplish and the end result of the activity.

For example a Tax Examiner might respond as follows: **(What)** *Audits tax returns and/or taxpayer records.* **(How)** *By developing investigation strategy; reviewing materials submitted; when appropriate interviewing people, other than the taxpayer, who have information about the taxpayer's business or residency.* **(Why)** *To determine actual tax liabilities.*

This limited service position will direct and manage a planning process to develop a demonstration proposal to the Centers for Medicaid and Medicare Services for management of services to people who are dually eligible for Medicaid and Medicare. AHS will receive a \$1 million contract from CMS to develop this proposal. The planning for this proposal will be very complex.

1. Oversee staff, contractors and consultants to conduct a wide variety of complex analyses of financial, demographic and service data. These include analyses of Medicare and Medicaid funding and service delivery involving several different population cohorts and many different services and providers. These analyses have rarely been done.

2. Develop a proposed model of services delivery that will be very different than the current service delivery model. Ensure the model comports with the Blueprint for Health and health care reform in general.

3. Plan and conduct numerous discussions and negotiations with stakeholders, including providers, legislators and consumers to determine whether or not the model will be achievable.

4. Submit the demonstration proposal to CMS and negotiate an implementation contract to manage Medicare funds.

In the end, the stakes for this work are very high. If Vermont is successful, CMS will allow the state to manage all services, amounting to \$230 million, for the dual eligibles. This will result in better services for Vermonters who are dually eligible and also result in significant projected savings to both the federal government and the state.

2. Key Contacts

This question deals with the personal contacts and interactions that occur in this job. Provide brief typical examples indicating your primary contacts (**not** an exhaustive or all-inclusive list of contacts) other than those

persons to whom you report or who report to you. If you work as part of a team, or if your primary contacts are with other agencies or groups outside State government describe those interactions, and what your role is. For example: you may *collaborate, monitor, guide, or facilitate change*.

This position will direct and manage a wide ranging public discussion of better ways of serving persons who are dually eligible. These discussions need to include state policy makers, legislators, many providers including hospitals, physicians, nursing homes, home health agencies, mental health agencies, and include consumers, advocates and others. These discussions will include the leadership of all these organizations at the highest level because the potential change in funding and expectations for these providers could be significant.

3. Are there licensing, registration, or certification requirements; or special or unusual skills necessary to perform this job?

Include any special licenses, registrations, certifications, skills; (such as counseling, engineering, computer programming, graphic design, strategic planning, keyboarding) including skills with specific equipment, tools, technology, etc. (such as mainframe computers, power tools, trucks, road equipment, specific software packages). Be specific, if you must be able to drive a commercial vehicle, or must know Visual Basic, indicate so.

This position will require an individual with very good skills in planning, policy analysis, data analysis and interpersonal skills to manage the high level and potentially adversarial interactions. The individual must have outstanding knowledge of the current Medicaid and Medicare environment in Vermont and strong knowledge of the federal Medicare and Medicaid rules and reimbursement.

4. Do you supervise?

In this question "supervise" means if you direct the work of others where you are held **directly** responsible for assigning work; performance ratings; training; reward and discipline or effectively recommend such action; and other personnel matters. List the names, titles, and position numbers of the classified employees reporting to you:

This position will supervise one data analyst and one administrative assistant. Both positions need to be created as limited service positions.

5. In what way does your supervisor provide you with work assignments and review your work?

This question deals with how you are supervised. Explain how you receive work assignments, how priorities are determined, and how your work is reviewed. There are a wide variety of ways a job can be supervised, so there may not be just one answer to this question. For example, some aspects of your work may be reviewed on a regular basis and in others you may operate within general guidelines with much independence in determining how you accomplish tasks.

This position will be supervised by the Deputy Secretary of the Agency of Human Services. This position will exercise a high level of independent planning and take initiative. This position must be able to act independently given the broad scope of the activities, design a work plan, engage the stakeholders and carry out the work plan with minimal supervision.

6. Mental Effort

This section addresses the mental demands associated with this job. Describe the most mentally challenging part of your job or the most difficult typical problems you are expected to solve. Be sure to give a specific response and describe the situation(s) by example.

- For example, a purchasing clerk might respond: *In pricing purchase orders, I frequently must find the cost of materials not listed in the pricing guides. This involves locating vendors or other sources of pricing information for a great variety of materials.*
- Or, a systems developer might say: *Understanding the ways in which a database or program will be used, and what the users must accomplish and then developing a system to meet their needs, often with limited time and resources.*

Stress associated with this position will be primarily due to discussions with providers of services who undoubtedly will resist change to expectations and reimbursement. This must be done under the pressure of a deadline to produce a viable plan within 12 months.

7. Accountability

This section evaluates the job's expected results. In weighing the importance of results, consideration should be given to responsibility for the safety and well-being of people, protection of confidential information and protection of resources.

What is needed here is information not already presented about the job's scope of responsibility. What is the job's most significant influence upon the organization, or in what way does the job contribute to the organization's mission?

Provide annualized dollar figures if it makes sense to do so, explaining what the amount(s) represent.

For example:

- A social worker might respond: *To promote permanence for children through coordination and delivery of services;*
- A financial officer might state: *Overseeing preparation and ongoing management of division budget: \$2M Operating/Personal Services, \$1.5M Federal Grants.*

This position will have the primary responsibility for obtaining a positive decision by CMS whether or not to grant the state \$230 million of Medicare funding. If these funds are granted to Vermont, the state will be able to serve Vermonters better and save significant money for the state and the federal government. In addition, this proposal if adopted has the potential to demonstrate to CMS that Vermont has the capacity to pursue and implement a single payer health care system.

8. Working Conditions

The intent of this question is to describe any adverse conditions that are routine and expected in your job. It is not to identify special situations such as overcrowded conditions or understaffing.

- a) What significant mental stress are you exposed to? All jobs contain some amount of stress. If your job stands out as having a significant degree of mental or emotional pressure or tension associated with it, this should be described.

Type	How Much of the Time?
Challenging interactions with providers and other vested interests	50%

- b) What hazards, special conditions or discomfort are you exposed to? (Clarification of terms: **hazards** include such things as potential accidents, illness, chronic health conditions or other harm. Typical examples might involve exposure to dangerous persons, including potentially violent customers and clients, fumes, toxic waste, contaminated materials, vehicle accident, disease, cuts, falls, etc.; and **discomfort** includes exposure to such things as cold, dirt, dust, rain or snow, heat, etc.)

Type	How Much of the Time?
N/A	

- c) What weights do you lift; how much do they weigh and how much time per day/week do you spend lifting?

Type	How Heavy?	How Much of the Time?
N/A		

- d) What working positions (sitting, standing, bending, reaching) or types of effort (hiking, walking, driving) are required?

Type	How Much of the Time?
N/A	

Additional Information:

Carefully review your job description responses so far. If there is anything that you feel is important in understanding your job that you haven't clearly described, use this space for that purpose. Perhaps your job has some unique aspects or characteristics that weren't brought out by your answers to the previous questions. In this space, add any additional comments that you feel will add to a clear understanding of the requirements of your job.

--

Employee's Signature (**required**): _____ Date: _____

Supervisor's Section:

Carefully review this completed job description, but **do not** alter or eliminate any portion of the original response. Please answer the questions listed below.

1. What do you consider the most important duties of this job and why?

- 1. Development of an innovative and viable plan for improved services.
- 2. Negotiation with stakeholders on change to existing system.
- 3. Analysis of highly complex data.

2. What do you consider the most important knowledge, skills, and abilities of an employee in this job (not necessarily the qualifications of the present employee) and why?

- 1. Very significant knowledge of health care, Medicaid and Medicare.
- 2. Ability to analyze data.
- 3. Ability to turn knowledge and data into an effective plan for better services.

3. Comment on the accuracy and completeness of the responses by the employee. List below any missing items and/or differences where appropriate.

[Empty box for comments]

4. Suggested Title and/or Pay Grade:

Director, Vermont Duals Eligible Project PG 27

Supervisor's Signature (required): Patrick Flood Date: 4/15/11

Personnel Administrator's Section:

Please complete any missing information on the front page of this form before submitting it for review.

Are there other changes to this position, for example: Change of supervisor, GUC, work station?

Yes No If yes, please provide detailed information.

Lauren George 4/15/11

Attachments:

- Organizational charts are **required** and must indicate where the position reports.
- Draft job specification is **required** for proposed new job classes.

Will this change affect other positions within the organization? If so, describe how, (for example, have duties been shifted within the unit requiring review of other positions; or are there other issues relevant to the classification review process).

This position will not affect other positions in the Agency .

Suggested Title and/or Pay Grade:

Director, Vermont Duals Eligible Project PG 27

Personnel Administrator's Signature (**required**): _____ Date: _____

Appointing Authority's Section:

Please review this completed job description but **do not alter** or eliminate any of the entries. Add any clarifying information and/or additional comments (if necessary) in the space below.

as above

Suggested Title and/or Pay Grade:

Director, Vermont Duals Eligible Project PG 27

Patrick Flood
Appointing Authority or Authorized Representative Signature (**required**)

4/15/11
Date

DIRECTOR, PUBLIC HEALTH POLICY

Job Code:

Pay Plan: Classified

Pay Grade: 27

Occupational Category:

Effective Date:

Class Definition:

Policy, planning, and data analysis leadership at a senior professional level for the Agency of Human Services in the area of Medicare and Medicaid. The role involves extensive interactions with state policy makers, legislators, many providers including hospitals, physicians, nursing homes, home health agencies, mental health agencies, and includes consumers, advocates, and federal officials and others. Duties are performed with significant independence under the general direction of the Deputy Secretary of the Agency of Human Services. All employees of the Agency of Human Services perform their respective functions adhering to four key practices: customer service, holistic service, strengths-based relationships and results orientation.

Examples of Work:

Direct and manage a planning process to develop a demonstration proposal to the Centers for Medicaid and Medicare Services for management of services to people who are dually eligible for Medicaid and Medicare. Oversee staff, contractors and consultants to conduct a wide variety of complex analyses of financial, demographic and service data. These include analyses of Medicare and Medicaid funding and service delivery involving several different population cohorts and many different services and providers. Develop a proposed model of services delivery that will be very different than the current service delivery model. Ensure the model comports with the Blueprint for Health and health care reform in general. Plan and conduct numerous discussions and negotiations with stakeholders, including providers, legislators and consumers to determine whether or not the model will be achievable. Submit the demonstration proposal to CMS and negotiate an implementation contract to manage Medicare funds. Performs related duties as requested.

Environmental Factors:

Duties are performed largely in an office setting, with some required travel for which private means of transportation must be available. Evening and weekend duty may be necessary. Some confrontational meetings with interest groups may occur, which will require good human relations skills.

Minimum Qualifications

Knowledge, Skills and Abilities:

Considerable knowledge of the principles and practices of public administration.

Considerable knowledge of Vermont's Medicare and Medicaid environment.

Considerable knowledge of legislative process at the state and federal levels.

Considerable knowledge of management and planning practices.

Considerable knowledge of public involvement and public participation theories and methods.

Considerable knowledge of data analysis methods and practices.

Ability to facilitate group meetings.

Ability to communicate effectively orally and in writing.

Ability to establish and maintain effective working relationships.

Ability to exercise considerable tact and diplomacy.

Ability to provide leadership and accountability within the framework of the four key practices of the Agency of Human Services: customer service, holistic service, strengths-based relationships and results orientation.

Education and Experience:

Bachelor's degree in political science, communication, health, public health, journalism, public relations or related field, and five years of experience at a professional level in the Agency of Human Services, government relations, communication, public health, health policy, lobbying/advocacy or public relations.

Note: Master's degree in public administration, political science, public health, communication or a related field may be substituted for up to two years of the required experience.

Special Requirements:

Candidates must pass any level of background investigation applicable to the position. In accordance with AHS Policy 4.02, Hiring Standards, Vermont and/or national criminal record checks, as well as DMV and adult and child abuse registry checks, as appropriate to the position under recruitment, will be conducted on candidates, with the exception of those who are current classified state employees seeking transfer, promotion or demotion into an AHS classified position or are persons exercising re-employment (RIF) rights.

Request for Classification Review Position Description Form A

For Department of Personnel Use Only

Notice of Action # _____	Date Received (Stamp) _____
Action Taken: _____	
New Job Title _____	
Current Class Code _____	New Class Code _____
Current Pay Grade _____	New Pay Grade _____
Current Mgt Level _____ B/U _____ OT Cat. _____ EEO Cat. _____ FLSA _____	
New Mgt Level _____ B/U _____ OT Cat. _____ EEO Cat. _____ FLSA _____	
Classification Analyst _____	Date _____ Effective Date: _____
Comments: _____	Date Processed: _____
Willis Rating/Components: Knowledge & Skills: _____ Mental Demands: _____ Accountability: _____	
Working Conditions: _____ Total: _____	

Incumbent Information:

Employee Name: Employee Number:
Position Number: Current Job/Class Title:
Agency/Department/Unit: Work Station: Zip Code:
Supervisor's Name, Title, and Phone Number:
How should the notification to the employee be sent: employee's work location or other address, please provide mailing address:

New Position/Vacant Position Information:

New Position Authorization: JFO Request Job/Class Title: Data & Reporting Coordinator
Position Type: Permanent or Limited / Funding Source: Core, Partnership, or Sponsored
Vacant Position Number: Current Job/Class Title:
Agency/Department/Unit: AHS Central Office Work Station: Waterbury Zip Code: 05671
Supervisor's Name, Title and Phone Number: Director of Vermont Duals Eligible Project

Type of Request:

- Management:** A management request to review the classification of an existing position, class, or create a new job class.
- Employee:** An employee's request to review the classification of his/her current position.

1. Job Duties

This is the **most critical** part of the form. Describe the activities and duties required in your job, **noting changes (new duties, duties no longer required, etc.) since the last review**. Place them in order of importance, beginning with the single most important activity or responsibility required in your job. The importance of the duties and expected end results should be clear, including the tolerance that may be permitted for error. Describe each job duty or activity as follows:

- **What** it is: The nature of the activity.
- **How** you do it: The steps you go through to perform the activity. Be specific so the reader can understand the steps.
- **Why** it is done: What you are attempting to accomplish and the end result of the activity.

For example a Tax Examiner might respond as follows: **(What)** *Audits tax returns and/or taxpayer records.* **(How)** *By developing investigation strategy; reviewing materials submitted; when appropriate interviewing people, other than the taxpayer, who have information about the taxpayer's business or residency.* **(Why)** *To determine actual tax liabilities.*

This position will analyze state and federal Medicaid and Medicare data, and other demographic, service and expenditure data, to identify trends in spending and service delivery and identify opportunities for innovative and cost effective changes in spending and service delivery. This position must produce data reports for the Project Director, stakeholders and the public to demonstrate the need for change and the opportunities for financial savings.

2. Key Contacts

This question deals with the personal contacts and interactions that occur in this job. Provide brief typical examples indicating your primary contacts (**not** an exhaustive or all-inclusive list of contacts) other than those persons to whom you report or who report to you. If you work as part of a team, or if your primary contacts are with other agencies or groups outside State government describe those interactions, and what your role is. For example: you may *collaborate, monitor, guide, or facilitate change*.

This position will interact with the Project Director and data and policy managers with the federal government, Vermont providers, and contractors.

3. Are there licensing, registration, or certification requirements; or special or unusual skills necessary to perform this job?

Include any special licenses, registrations, certifications, skills; (such as counseling, engineering, computer programming, graphic design, strategic planning, keyboarding) including skills with specific equipment, tools, technology, etc. (such as mainframe computers, power tools, trucks, road equipment, specific software packages). Be specific, if you must be able to drive a commercial vehicle, or must know Visual Basic, indicate so.

The individual must have strong computer and data analysis skills, and the ability to mine data from state Medicaid data systems. The individual must have the ability to learn other state data bases to extract information from them as well. The individual must be able to produce clear reports, including spreadsheets and charts, to illustrate the data analysis.

4. Do you supervise?

In this question "supervise" means if you direct the work of others where you are held **directly** responsible for assigning work; performance ratings; training; reward and discipline or effectively recommend such action; and

other personnel matters. List the names, titles, and position numbers of the classified employees reporting to you:

This position will not supervise others.

5. In what way does your supervisor provide you with work assignments and review your work?

This question deals with how you are supervised. Explain how you receive work assignments, how priorities are determined, and how your work is reviewed. There are a wide variety of ways a job can be supervised, so there may not be just one answer to this question. For example, some aspects of your work may be reviewed on a regular basis and in others you may operate within general guidelines with much independence in determining how you accomplish tasks.

This position will report to the Project Director and receive general direction on priorities and deadlines. However, this position must be able to independently contact and work with information managers and stakeholders to obtain information and cooperation. This position will report regularly to the Project Director because the analysis will not be a one time event, but iterative, and more for the purpose of conferring about next steps based on findings rather than simple direction.

6. Mental Effort

This section addresses the mental demands associated with this job. Describe the most mentally challenging part of your job or the most difficult typical problems you are expected to solve. Be sure to give a specific response and describe the situation(s) by example.

- For example, a purchasing clerk might respond: *In pricing purchase orders, I frequently must find the cost of materials not listed in the pricing guides. This involves locating vendors or other sources of pricing information for a great variety of materials.*
- Or, a systems developer might say: *Understanding the ways in which a database or program will be used, and what the users must accomplish and then developing a system to meet their needs, often with limited time and resources.*

The most challenging part of this position will be making new analytical connections between data where such connections have not been made before. It will require taking data from different sources and combining it in ways that illustrate opportunities for more efficient and effective services.

7. Accountability

This section evaluates the job's expected results. In weighing the importance of results, consideration should be given to responsibility for the safety and well-being of people, protection of confidential information and protection of resources.

What is needed here is information not already presented about the job's scope of responsibility. What is the job's most significant influence upon the organization, or in what way does the job contribute to the organization's mission?

Provide annualized dollar figures if it makes sense to do so, explaining what the amount(s) represent.

For example:

- A social worker might respond: *To promote permanence for children through coordination and delivery of services;*

- A financial officer might state: *Overseeing preparation and ongoing management of division budget: \$2M Operating/Personal Services, \$1.5M Federal Grants.*

The success of the whole initiative will depend on the quality and insightfulness of the data mining and analysis, including whether or not Vermont can make a convincing enough case to receive the \$230 million in Medicare funding.

8. Working Conditions

The intent of this question is to describe any adverse conditions that are routine and expected in your job. It is not to identify special situations such as overcrowded conditions or understaffing.

- a) What significant mental stress are you exposed to? All jobs contain some amount of stress. If your job stands out as having a significant degree of mental or emotional pressure or tension associated with it, this should be described.

Type	How Much of the Time?
Handling massive amounts of data, including health information.	90%
Presenting and supporting complex data to critical audiences.	10%

- b) What hazards, special conditions or discomfort are you exposed to? (Clarification of terms: **hazards** include such things as potential accidents, illness, chronic health conditions or other harm. Typical examples might involve exposure to dangerous persons, including potentially violent customers and clients, fumes, toxic waste, contaminated materials, vehicle accident, disease, cuts, falls, etc.; and **discomfort** includes exposure to such things as cold, dirt, dust, rain or snow, heat, etc.)

Type	How Much of the Time?

- c) What weights do you lift; how much do they weigh and how much time per day/week do you spend lifting?

Type	How Heavy?	How Much of the Time?

- d) What working positions (sitting, standing, bending, reaching) or types of effort (hiking, walking, driving) are required?

Type	How Much of the Time?

Additional Information:

Carefully review your job description responses so far. If there is anything that you feel is important in understanding your job that you haven't clearly described, use this space for that purpose. Perhaps your job has some unique aspects or characteristics that weren't brought out by your answers to the previous questions. In this space, add any additional comments that you feel will add to a clear understanding of the requirements of your job.

Employee's Signature (**required**): _____ Date: _____

Supervisor's Section:

Carefully review this completed job description, but **do not** alter or eliminate any portion of the original response. Please answer the questions listed below.

1. What do you consider the most important duties of this job and why?

Critical analysis of complex data integrated from different sources.

2. What do you consider the most important knowledge, skills, and abilities of an employee in this job (not necessarily the qualifications of the present employee) and why?

Ability to mine data from different data sets.

Ability to analyze trends in service use and expenditures.

Ability to present complex data in clear and convincing formats.

3. Comment on the accuracy and completeness of the responses by the employee. List below any missing items and/or differences where appropriate.

4. Suggested Title and/or Pay Grade:

Data & Reporting Coordinator PG 24

Supervisor's Signature (required):

Patrick Flood

Date:

4/15/11

Personnel Administrator's Section:

Please complete any missing information on the front page of this form before submitting it for review.

Are there other changes to this position, for example: Change of supervisor, GUC, work station?

Yes No If yes, please provide detailed information.

Attachments:

Organizational charts are **required** and must indicate where the position reports.

Draft job specification is **required** for proposed new job classes.

Will this change affect other positions within the organization? If so, describe how, (for example, have duties been shifted within the unit requiring review of other positions; or are there other issues relevant to the classification review process).

[Empty box for response]

Suggested Title and/or Pay Grade:

Data & Reporting Coordinator PG 24

Personnel Administrator's Signature (required): Laura Porter Date: 4/15/11

Appointing Authority's Section:

Please review this completed job description but **do not alter** or eliminate any of the entries. Add any clarifying information and/or additional comments (if necessary) in the space below.

as above

Suggested Title and/or Pay Grade:

Data & Reporting Coordinator PG 24

Patrick Flood
Appointing Authority or Authorized Representative Signature (required)

4/15/11
Date

Request for Classification Review Position Description Form A

For Department of Personnel Use Only

Notice of Action # _____	Date Received (Stamp)
Action Taken: _____	
New Job Title _____	
Current Class Code _____	New Class Code _____
Current Pay Grade _____	New Pay Grade _____
Current Mgt Level ____ B/U ____ OT Cat. ____ EEO Cat. ____ FLSA ____	
New Mgt Level ____ B/U ____ OT Cat. ____ EEO Cat. ____ FLSA ____	
Classification Analyst _____	Date _____
Comments:	Effective Date: _____
	Date Processed: _____
Willis Rating/Components: Knowledge & Skills: _____ Mental Demands: _____ Accountability: _____	
Working Conditions: _____ Total: _____	

Incumbent Information:

Employee Name: Employee Number:
Position Number: Current Job/Class Title:
Agency/Department/Unit: Work Station: Zip Code:
Supervisor's Name, Title, and Phone Number:
How should the notification to the employee be sent: employee's work location or other address, please provide mailing address:

New Position/Vacant Position Information:

New Position Authorization: JFO Request Job/Class Title: Administrative Assistant B
Position Type: Permanent or Limited / Funding Source: Core, Partnership, or Sponsored
Vacant Position Number: Current Job/Class Title:
Agency/Department/Unit: AHS Central Office Work Station: Waterbury Zip Code: 05671
Supervisor's Name, Title and Phone Number: Director of Vermont Duals Eligible Project

Type of Request:

- Management:** A management request to review the classification of an existing position, class, or create a new job class.
- Employee:** An employee's request to review the classification of his/her current position.

1. Job Duties

This is the **most critical** part of the form. Describe the activities and duties required in your job, **noting changes (new duties, duties no longer required, etc.) since the last review**. Place them in order of importance, beginning with the single most important activity or responsibility required in your job. The importance of the duties and expected end results should be clear, including the tolerance that may be permitted for error. Describe each job duty or activity as follows:

- **What** it is: The nature of the activity.
- **How** you do it: The steps you go through to perform the activity. Be specific so the reader can understand the steps.
- **Why** it is done: What you are attempting to accomplish and the end result of the activity.

For example a Tax Examiner might respond as follows: **(What)** *Audits tax returns and/or taxpayer records.* **(How)** *By developing investigation strategy; reviewing materials submitted; when appropriate interviewing people, other than the taxpayer, who have information about the taxpayer's business or residency.* **(Why)** *To determine actual tax liabilities.*

This position will provide administrative support to the Duals Project Director and Data Analyst. This includes handling all correspondence, by mail or phone, with interested parties, producing documents both in text and charts and tables, managing calendars, arranging all meetings, including many that will include significant numbers of people, communicating on behalf of the Project Director, writing and processing contracts, proofreading. Handling all travel arrangements for team.

2. Key Contacts

This question deals with the personal contacts and interactions that occur in this job. Provide brief typical examples indicating your primary contacts (**not** an exhaustive or all-inclusive list of contacts) other than those persons to whom you report or who report to you. If you work as part of a team, or if your primary contacts are with other agencies or groups outside State government describe those interactions, and what your role is. For example: you may *collaborate, monitor, guide, or facilitate change*.

This position will interact primarily with other high level administrative staff for other organizations to facilitate communication and meetings with the Project Director.

3. Are there licensing, registration, or certification requirements; or special or unusual skills necessary to perform this job?

Include any special licenses, registrations, certifications, skills; (such as counseling, engineering, computer programming, graphic design, strategic planning, keyboarding) including skills with specific equipment, tools, technology, etc. (such as mainframe computers, power tools, trucks, road equipment, specific software packages). Be specific, if you must be able to drive a commercial vehicle, or must know Visual Basic, indicate so.

This individual must be proficient in Microsoft Word (preparing correspondence and large reports), Microsoft Excel (including creating charts and graphs), Microsoft Outlook (especially scheduling meetings with multiple participants) and Microsoft PowerPoint (preparing PowerPoint presentations). Attention to detail will be critical in this role along with the ability to edit and proofread.

4. Do you supervise?

In this question "supervise" means if you direct the work of others where you are held **directly** responsible for assigning work; performance ratings; training; reward and discipline or effectively recommend such action; and other personnel matters. List the names, titles, and position numbers of the classified employees reporting to you:

This position will not supervise others.

5. In what way does your supervisor provide you with work assignments and review your work?

This question deals with how you are supervised. Explain how you receive work assignments, how priorities are determined, and how your work is reviewed. There are a wide variety of ways a job can be supervised, so there may not be just one answer to this question. For example, some aspects of your work may be reviewed on a regular basis and in others you may operate within general guidelines with much independence in determining how you accomplish tasks.

This position will be supervised by the Project Director who will provide regular direction. However, the individual must be able to act independently and use independent judgement because the Director will not always be available.

6. Mental Effort

This section addresses the mental demands associated with this job. Describe the most mentally challenging part of your job or the most difficult typical problems you are expected to solve. Be sure to give a specific response and describe the situation(s) by example.

- For example, a purchasing clerk might respond: *In pricing purchase orders, I frequently must find the cost of materials not listed in the pricing guides. This involves locating vendors or other sources of pricing information for a great variety of materials.*
- Or, a systems developer might say: *Understanding the ways in which a database or program will be used, and what the users must accomplish and then developing a system to meet their needs, often with limited time and resources.*

This position will be challenged by the number of activities that must be undertaken and coordinated in a fast moving project. Ability to multi-task, prioritize projects without constant supervision and handle pressure is essential in this role.

7. Accountability

This section evaluates the job's expected results. In weighing the importance of results, consideration should be given to responsibility for the safety and well-being of people, protection of confidential information and protection of resources.

What is needed here is information not already presented about the job's scope of responsibility. What is the job's most significant influence upon the organization, or in what way does the job contribute to the organization's mission?

Provide annualized dollar figures if it makes sense to do so, explaining what the amount(s) represent.

For example:

- A social worker might respond: *To promote permanence for children through coordination and delivery of services;*
- A financial officer might state: *Overseeing preparation and ongoing management of division budget: \$2M Operating/Personal Services, \$1.5M Federal Grants.*

This position will be critical to the success of this small unit with high responsibility. The Director must be free to meet with the many key stakeholders and not be hampered by lack of clear communication and coordination.

8. Working Conditions

The intent of this question is to describe any adverse conditions that are routine and expected in your job. It is not to identify special situations such as overcrowded conditions or understaffing.

- a) What significant mental stress are you exposed to? All jobs contain some amount of stress. If your job stands out as having a significant degree of mental or emotional pressure or tension associated with it, this should be described.

Type	How Much of the Time?
Tight timeframes and multiple, complex demands	100%

- b) What hazards, special conditions or discomfort are you exposed to? (Clarification of terms: **hazards** include such things as potential accidents, illness, chronic health conditions or other harm. Typical examples might involve exposure to dangerous persons, including potentially violent customers and clients, fumes, toxic waste, contaminated materials, vehicle accident, disease, cuts, falls, etc.; and **discomfort** includes exposure to such things as cold, dirt, dust, rain or snow, heat, etc.)

Type	How Much of the Time?

- c) What weights do you lift; how much do they weigh and how much time per day/week do you spend lifting?

Type	How Heavy?	How Much of the Time?

- d) What working positions (sitting, standing, bending, reaching) or types of effort (hiking, walking, driving) are required?

Type	How Much of the Time?
Sitting	90%

Additional Information:

Carefully review your job description responses so far. If there is anything that you feel is important in understanding your job that you haven't clearly described, use this space for that purpose. Perhaps your job has some unique aspects or characteristics that weren't brought out by your answers to the previous

questions. In this space, add any additional comments that you feel will add to a clear understanding of the requirements of your job.

Employee's Signature (**required**): _____ Date: _____

Supervisor's Section:

Carefully review this completed job description, but **do not** alter or eliminate any portion of the original response. Please answer the questions listed below.

1. What do you consider the most important duties of this job and why?

Keeping the project work plan organized and coordinated.

Ensuring clear and coordinated communication among all the involved parties.

2. What do you consider the most important knowledge, skills, and abilities of an employee in this job (not necessarily the qualifications of the present employee) and why?

Very high level organizational skills

High level interpersonal skills

High level communication skills

3. Comment on the accuracy and completeness of the responses by the employee. List below any missing items and/or differences where appropriate.

as above

4. Suggested Title and/or Pay Grade:

Administrative Assistant B PG 19

Supervisor's Signature (required):

Patrick Flood

Date:

4/15/11

Personnel Administrator's Section:

Please complete any missing information on the front page of this form before submitting it for review.

Are there other changes to this position, for example: Change of supervisor, GUC, work station?

Yes No If yes, please provide detailed information.

Attachments:

- Organizational charts are **required** and must indicate where the position reports.
- Draft job specification is **required** for proposed new job classes.

Will this change affect other positions within the organization? If so, describe how, (for example, have duties been shifted within the unit requiring review of other positions; or are there other issues relevant to the classification review process).

Suggested Title and/or Pay Grade:

Administrative Assistant B PG 19

Personnel Administrator's Signature (required):

Carla George

Date:

4/15/11

Appointing Authority's Section:

Please review this completed job description but **do not alter** or eliminate any of the entries. Add any clarifying information and/or additional comments (if necessary) in the space below.

as above

Suggested Title and/or Pay Grade:

Administrative Assistant B PG 19

Appointing Authority or Authorized Representative Signature (required)

Patrick Flood

Date

4/15/11

PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

- B.1 DESCRIPTION OF SERVICES
- B.2 TYPE OF CONTRACT
- B.3 PRICING
- B.4 CONTRACT PHASES
- B.5 WITHHOLDING OF CONTRACT PAYMENTS
- B.6 OPTIONAL PHASE 2 -- IMPLEMENTATION

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

- C.1 STATEMENT OF WORK

SECTION D - PACKAGING AND MARKING

- D.1 PACKAGING AND MARKING

SECTION E - INSPECTION AND ACCEPTANCE

- E.1 CLAUSES INCORPORATED BY REFERENCE
- E.2 INSPECTION AND ACCEPTANCE
- E.3 APPROVALS BY THE COTR

SECTION F - DELIVERIES OR PERFORMANCE

- F.1 CLAUSES INCORPORATED BY REFERENCE
- F.2 PERIOD OF PERFORMANCE
- F.3 ITEMS TO BE FURNISHED AND DELIVERY SCHEDULE
- F.4 IMPLEMENTATION PHASE

SECTION G - CONTRACT ADMINISTRATION DATA

- G.1 ACCOUNTING AND APPROPRIATION DATA
- G.2 INVOICING
- G.3 PAYMENT
- G.4 PROJECT OFFICER
- G.5 TECHNICAL DIRECTION
- G.6 CONTRACTING OFFICER RESPONSIBILITY
- G.7 PROJECT DIRECTOR/PROJECT MANAGER
- G.8 KEY PERSONNEL
- G.9 WORKING PAPERS
- G.10 DATA TO BE DELIVERED
- G.11 SERVICE OF CONSULTANTS
- G.12 DISSEMINATION, PUBLICATION AND DISTRIBUTION OF INFORMATION
- G.13 AUDIT OF HOURS
- G.14 CORRESPONDENCE PROCEDURES
- G.15 SUBCONTRACT CONSENT
- G.16 USE OF GOVERNMENT -- DATA (REPORTS/FILES/COMPUTER TAPES OR DISKETTES)
- G.17 ESRS REPORTING

SECTION H - SPECIAL CONTRACT REQUIREMENTS

- H.1 CONDITIONS FOR PERFORMANCE
- H.2 HIPAA BUSINESS ASSOCIATE PROVISION II
- H.3 SECURITY CLAUSE
- H.4 RESTRICTIONS ON THE USES OF INFORMATION
- H.5 APPROVAL OF CONTRACT ACQUIRED INFORMATION TECHNOLOGY (IT)
- H.6 ORGANIZATION CONFLICTS OF INTEREST
- H.7 ELECTRONIC INFORMATION AND TECHNOLOGY ACCESSIBILITY
- H.8 CODE OF CONDUCT
- H.9 CMS INFORMATION SECURITY
- H.10 SECTION 508 COMPLIANCE FOR COMMUNICATIONS

SECTION I - CONTRACT CLAUSES

- I.1 CLAUSES INCORPORATED BY REFERENCE
- I.2 AUTHORIZED DEVIATIONS IN CLAUSES
- I.3 ORDER OF PRECEDENCE – UNIFORM CONTRACT
- I.4 DEPARTMENT OF HEALTH AND HUMAN SERVICES
ACQUISITION REGULATIONS (HHSAR) INCORPORATED
BY REFERENCE
- I.6 PRIVACY ACT

SECTION J - LIST OF ATTACHMENTS

- J.1 ACCOUNTING CERTIFICATION

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS

- K.1 CERTIFICATION OF FILING AND PAYMENT OF FEDERAL TAXES

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 DESCRIPTION OF SERVICES

State Demonstrations to Integrate Care for Dual Eligible Individuals.

B.2 TYPE OF CONTRACT

This is a Firm Fixed Price contract.

B.3 PRICING

The Firm Fixed Price value of this design contract is \$1,000,000

The CMS shall pay the contractor one-sixth (1/6) of the total contract value (Firm-Fixed-Price (FFP)) for each invoice submitted in accordance with the following payment schedule. The contractor shall submit a Final Invoice for final payment after the Government has **received and approved** all contract deliverables:

Invoice #	Invoice #1	Invoice #2	Invoice #3	Invoice #4	Invoice #5	Final invoice
For period	Month 1	Months 2-3	Months 4-6	Months 7-9	Months 10-12	Final deliverable
Payment	166,666.67	166,666.67	166,666.67	166,666.67	166,666.67	166,666.65

B.4 CONTRACT PHASES

Phase 1 – Design

- i) The contractor shall design an innovative integrated care model to improve the quality, coordination, and cost effectiveness of care for dual populations eligible for Medicare and Medicaid in their respective state.
- ii) The period of performance of the design phase of this contract shall not exceed eighteen (18) months.

Phase 2 – Implementation

- i) Based upon an evaluation of the design model, the CMS shall make a determination as to whether the contractor shall move forward with Phase 2, “Implementation of the Design Model.” At such time during the eighteen (18) month design phase that CMS determines to move forward with implementation of the design; the contractor will be requested to submit their proposed infrastructure costs for conducting implementation of the design model demonstration.
- ii) The implementation and infrastructure costs may include system change costs at the state level for testing a new payment approach, development of a more efficient data exchange feed for real-time tracking of claims, and additional resources that may be required to ensure successful implementation of the state design model demonstration.

NOTE: The contractor is not authorized to incur any costs or perform any work under the Implementation Phase without the prior approval of the Contracting Officer. It should further be noted that approval for proceeding with Implementation of the State’s design model is subject to funding availability.

B.5 WITHHOLDING OF CONTRACT PAYMENTS - HHSAR 352.242-73 (JAN 2006)

Notwithstanding any other payment provisions of this contract, failure of the Contractor to submit required reports when due or failure to perform or deliver required work, supplies, or services, may result in the withholding of payments under this contract unless such failure arises out of causes beyond the control, and without the fault or negligence of the Contractor as defined by the clause entitled "Excusable Delays" or "Default," as applicable. The Government will immediately notify the Contractor of its intention to withhold payment of any invoice or voucher submitted.

B.6 OPTIONAL PHASE 2 - IMPLEMENTATION

If the CMS determines to exercise the Optional Phase 2 implementation of the approved designed model, the following modification to the contract shall be made as follows:

- i. The period of performance of this contract, as modified, shall be extended by _____ months from eighteen (18) months to _____ months.
- ii. The Firm Fixed Price contract amount shall be increased by \$_____ from \$1,000,000 to \$_____.

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 STATEMENT OF WORK

Background

Created by the Affordable Care Act, the Center for Medicare and Medicaid Innovation (Innovation Center) aims to explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through improvement. There is perhaps no better opportunity to test innovative service delivery and payment models than for individuals who are eligible for both Medicare and Medicaid (the “dual eligibles”). Dual eligibles account for 16 to 18 percent of enrollees in Medicare and Medicaid, but roughly 25 to 45 percent of spending in these programs respectively. With the vast majority of these nine million individuals still receiving care through fragmented care at an estimated cost of over \$300 billion in state and federal spending, improving care for this population is ripe for innovation.

Purpose

The Innovation Center is fostering interaction with a diverse group of stakeholders, including hospitals, doctors, consumers, payers, states, employers, advocates, relevant federal agencies and others to obtain direct input and build partnerships for its upcoming work. Given the partnership that exists between federal and state governments with respect to dual eligible individuals, the Centers for Medicare and Medicaid Services (CMS), through the Innovation Center, will provide funding for states to support the design of innovative service delivery and payment models that integrate care for this population. CMS is interested in identifying, supporting, and evaluating person-centered models that integrate the full range of acute, behavioral health, and long-term supports and services for dual eligible individuals.¹

The primary deliverable of the initial design period is a demonstration proposal that describes how the State would structure, implement, and evaluate an intervention aimed at improving the quality, coordination, and cost-effectiveness of care for dual eligible individuals. Technical assistance and related tools will be provided by the Federal Coordinated Health Care Office (FCHCO), created by Section 2602 of the Affordable Care Act, to support both the design and implementation efforts.

Deliverables

Over the course of the contract, the following deliverables will be required:

- **Monthly Conference Calls.** States shall participate in monthly conference calls with the CMS project officer and other CMS staff. These calls shall be used as a mechanism for discussing and managing administrative and project issues as they arise.
- **Progress Reports.** States will be responsible for submitting interim and final progress reports that document the development process and lessons learned as part of the design contract.
- **Innovation Demonstration Model.** The main deliverable of the design contract will be a demonstration proposal that describes how the state would structure, implement, and evaluate an integrated delivery system and payment model aimed at improving the quality, coordination, and cost-effectiveness of care for dual eligibles. The demonstration proposal will be expected to contain at a minimum:
 - Explanation of how the proposed demonstration will achieve the overall goals of better health, better care, and lower costs through improvement.

¹ Potential models could include those that enhance existing integration vehicles such as the Program for All-Inclusive Care for the Elderly (PACE) and Medicare Advantage Special Needs Plans (SNPs) as well as those that test new/emerging models such as health homes or accountable care organizations (ACOs).

- Problem statement describing how or why changes to current policy would lead to improvements in access, quality, and reductions in Medicare and Medicaid expenditures over time.
- Discussion of how the proposed model will improve the actual care experience and lives of eligible beneficiaries, including findings from any beneficiary focus groups the state conducted to inform its proposed design.
- Detailed description of the dual eligible population, including key subpopulations (e.g., individuals with nursing facility level of care, serious mental illness, Alzheimer's/dementia, multi-morbidities, etc.); utilization patterns; service settings; costs; etc.
- Description of proposed delivery system/programmatic elements, including: benefit design; geographic service area; enrollment method; and provider network/capacity.
- Description of plans to expand to other populations and/or service areas if the model is focused on a subset of dual eligibles or is less than statewide.
- Description of proposed payment reform, including payment type (e.g., full-risk capitation, partial cap, administrative PMPM); methodology for blending Medicaid and Medicare funding; financial incentives; risk sharing arrangements; etc.
- Discussion of the expected impact of the proposed demonstration on Medicare and Medicaid costs, including specific mention of any effect on cost-shifting occurring today between the two programs.
- Description of state infrastructure/capacity to implement and monitor the demonstration proposal.
- Identification of key performance metrics, including how these data will be used to continuously improve access, quality, satisfaction, and efficiency as well as how they will fit within existing Medicaid and Medicare performance and quality measures.
- Plan for engaging internal and external stakeholders, including a process for gathering and incorporating feedback on an ongoing basis.
- If applicable, description of how the proposed model fits with: (a) current Medicaid waivers and/or state plan services available to this population; (b) existing managed long term care programs; (c) existing integrated programs via Medicare Advantage Special Need Plans (SNPs) or PACE programs; and (d) other health reform efforts underway in the state (e.g., accountable care organizations, bundled payments, multi-payer initiatives, etc.).
- Discussion of the scalability of the proposed model and its replicability in other settings/states.
- Description of proposed evaluation design, including key metrics that could be used to examine the model's quality and cost outcomes for the target population, beneficiary experience, access to care, etc.
- Description of the overall implementation strategy and anticipated timeline, including: a) the activities associated with building the infrastructure necessary to implement proposed demonstration (e.g., staffing needs, actuarial support, etc); and b) any funds needed to support the development of such infrastructure (e.g., systems change costs at the state-level for testing a new payment approach, development of a more efficient data exchange feed for near real-time tracking of claims, etc.).

Schedule of Deliverables

Deliverable	Due Date
Monthly Conference Calls	Ongoing
Progress Report	Interim: 6 months from award date Final: Within 30 days of submission of the demonstration proposal
Demonstration Proposal	Within 12 months from award date

SECTION D - PACKAGING AND MARKING

D.1 PACKAGING, AND MARKING

All deliverables required under this contract shall be packaged, marked and shipped in accordance with Government specifications. The Contractor shall guarantee that all required materials shall be delivered in immediate usable and acceptable condition.

SECTION E - INSPECTION AND ACCEPTANCE

E.1 CLAUSES INCORPORATED BY REFERENCE – FAR 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

FAR 52.246-2 INSPECTION OF SERVICES – FIXED-PRICE (AUG 1996)

E.2 INSPECTION AND ACCEPTANCE

- a. All work under this contract is subject to inspection and final acceptance by the Contracting Officer or the fully authorized representative of the Government.
- b. The Contracting Officer's Technical Representative (COTR) is a duly authorized representative of the Government and is responsible for inspection and acceptance of all items to be delivered under this contract.
- c. Inspection and acceptance of the Contractor's performance shall be in accordance with the applicable FAR clauses.

E.3 APPROVALS BY THE CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

All items to be delivered to the COTR will be deemed to have been approved 30 calendar days after date of delivery, except as otherwise specified in this contract, if written approval or disapproval has not been given within such period. The Project Officer's approval or revision to the items submitted shall be within the general scope of work stated in this contract.

SECTION F - DELIVERIES OR PERFORMANCE

F.1 CLAUSES INCORPORATED BY REFERENCE – FAR 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

FAR 52.242-15 STOP-WORK ORDER – (AUG 1989)

F.2 PERIOD OF PERFORMANCE

The period of performance of the design contract will be a total of 18 months. The first 12 months are designated as the design period, at which time the demonstration proposal is due. The final six months of the contract will be used by CMS to review demonstration proposals and to enter into discussions with states about possible implementation.

F.3 ITEMS TO BE FURNISHED AND DELIVERY SCHEDULE

a. All deliverables required under this contract shall be packaged, marked and shipped in accordance with U.S. Government specifications. The Contractor shall guarantee that all required materials shall be delivered in immediate usable and acceptable condition.

b. The Contractor shall submit all required deliverables and reports in accordance with the following schedule. Reports submitted under the contract shall reference and cite the contract number and identify CMS as the sponsoring agency.

c. Satisfactory performance of the final contract shall be deemed to occur upon delivery and acceptance by the Contracting Officer, or the duly authorized representative, of the following items in accordance with the following schedule (reports submitted under the contract shall reference and cite the contract number and identify CMS as the sponsoring agency):

The contractor shall submit all required reports and deliverables in accordance with the following schedule. Reports and/or deliverables submitted under this contract shall be **in accordance with this Statement of Work.**

F.4 IMPLEMENTATION PHASE

The CMS shall advise the contractor of its intent to proceed with implementation of the State's design model at least forty-five (45) day's prior to expiration of the design phase. At least within thirty (30) days prior to expiration of the eighteen (18) months period of performance, the contractor shall submit its technical proposal and business approach for implementation of the demonstration.

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 ACCOUNTING AND APPROPRIATION DATA

See SF-26

G.2 INVOICING

Submission of Invoices and Place of Payment

(1) Contractor shall submit to the Government an invoice for payment. Invoices shall be prepared using Standard Form 1034, PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL.

(2) To expedite payment, invoices shall be sent, as follows:

(a) Invoices (original and four copies) shall be sent directly to the address below (where applicable, the Contractor shall submit the invoice to said office via the cognizant government auditor):

Department of Health and Human Services
Centers for Medicare & Medicaid Services
P.O. BOX 7520
7500 Security Boulevard
Baltimore, Maryland 21207-0520

G.3 PAYMENT

(1) In accordance with FAR 52.232-33, the Centers for Medicare and Medicaid Services (CMS) shall only make an electronic reimbursement/payment.

In accordance with FAR 52.204-7, the contractor must register in the Central Contractor Registration (CCR) database. Failure to register in CCR may prohibit CMS from making awards to your organization.

The contractor shall notify CMS' Division of Accounting Operations of all EFT and address changes in CCR via the following email address: CCRChanges@cms.hhs.gov

(2) The target date for payment of this contract shall be 30 calendar days after an invoice containing the information set forth in Paragraph "a" of this article is received in the payment office designated herein.

(3) Payment shall be authorized after the Division of Accounting has audited the invoice in accordance with Federal Regulations. This audit includes verification that the invoice contains the rates/unit prices, those indicated in the contract or purchase order. Any discrepancies determined as a result of the audit, could delay the processing of the invoice and may result in the invoice being returned to the vendor for correction.

G.4 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

Lindsay Barnette is hereby designated as the COTR. The Project Officer responsibilities shall include continuous overall monitoring of the Contractor's compliance with all substantive project objectives. Specific duties and responsibilities are identified in G.5, Technical Direction.

G.5 TECHNICAL DIRECTION

a. Performance of the work under this contract shall be subject to the technical direction of the COTR. The term "technical direction" is defined to include, without limitation, the following:

- Directions to the Contractor which redirect the contract effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details or otherwise serve to

accomplish the contractual statement of work.

- Provision of information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work description.
 - Review and, where required by the contract, approval of technical reports, drawings, specifications, and technical information to be delivered by the Contractor to the Government under the contract.
- b. Technical direction must be within the general Statement of Work stated in the contract. The COTR does not have the authority to and may not issue any technical directions which:
- (1) Constitutes an assignment of additional work outside the general Statement of Work of the contract.
 - (2) Constitutes a change as defined in the FAR contract clause entitled:
52.243-1 Changes – Fixed Price (AUG 1987)
 - (3) In any manner cause an increase or decrease in the total estimated contract cost, fixed-fee, or the time required for contract performance.
 - (4) Change any of the expressed terms, conditions, or specifications of the contract.
- c. All technical direction shall be issued in writing by the COTR or shall be confirmed by him/her in writing within 5 working days after issuance.
- d. The Contractor shall proceed promptly with the performance of technical direction duly issued by the COTR in the manner prescribed by this article and within his/her authority under the provisions of this article.
- e. If, in the opinion of the Contractor, any instruction or direction issued by the COTR is within one of the categories as defined in b(1) through b(4) above, the Contractor shall not proceed but shall notify the Contracting Officer in accordance with FAR 52.243-7, Notification of Changes.

G.6 CONTRACTING OFFICER RESPONSIBILITY

In accordance with FAR 52.201-1 Definitions, The term Contracting Officer means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority delegated by the Contracting Officer.

Notwithstanding any of the other provisions of this Contract, the Contracting Officer shall be the ONLY individual authorized to:

- a. enter into and commit/bind the Government by contract for supplies or services;
- b. accept nonconforming work or waive any requirement of this Contract;
- c. authorize reimbursement to the Contractor for any costs incurred during the performance of the Contract, and
- d. modify any term or condition of this Contract, i.e., make any changes in the Statement of Work; modify/extend the period of performance; change the delivery schedule.

G.7 PROJECT DIRECTOR/PROJECT MANAGER

[TBD] will serve as Contractor's Project Director/Project Manager. It will be his responsibility to obtain the staff necessary and to direct the work for the conduct of this project. The Government reserves the right to approve any necessary successor to be designated as Contractor's Project Director/Project Manager.

G.8 KEY PERSONNEL - HHSAR 352.242-70 (JAN 2006)

The personnel specified in this contract are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified individuals to other programs, the Contractor shall notify the Contracting Officer reasonably in advance and shall submit justification* (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the Contractor without the written consent of the Contracting Officer; provided, that the Contracting Officer may ratify in writing such diversion and such ratification shall constitute the consent of the Contracting Officer required by the clause. The contract may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

*All proposed substitutions shall be submitted, in writing, to CMS at least 30 days prior to the proposed substitution. Each request shall provide a detailed explanation of the circumstance necessitating the proposed substitution, a complete resume and any other information required by CMS. All proposed substitutions shall have qualifications equal to or greater than the person being replaced. TBD

G.9 WORKING PAPERS

The Contractor shall provide, at the request of the Contracting Officer, all the working papers used by the participating officials and employees of the Contractor in connection with this project.

G.10 DATA TO BE DELIVERED

- a. Any working papers, interim reports, data given by the Government or first produced by the Contractor under the contract or collected or otherwise obtained by the Contractor under the contract, or results obtained or developed by the Contractor (subcontractor or consultants) pursuant to the fulfillment of this contract are to be delivered, documented, and formatted as directed by the Contracting Officer.
- b. In addition, information and/or data, which are held by the Contractor related to the operation of their business and/or institution and which are obtained without the use of Federal funds, shall be considered "PROPRIETARY DATA" and are not subject data to be delivered under this contract.

G.11 SERVICE OF CONSULTANTS

- a. Except as may otherwise be expressly provided elsewhere in this contract, prior written approval of the Contracting Officer for utilization of consultants shall be required. Whenever Contracting Officer approval is required, the Contractor shall furnish to the Contracting Officer information concerning the need for such consultant services and the reasonableness of the fees to be paid to any consultants.
- b. For utilization of the services of any consultants under this contract, the contractor shall be reimbursed in accordance with the rate(s) set forth below. If not identified below, the contractor shall be reimbursed for utilization of consultant services at a rate determined to be reasonable and appropriate for the services, exclusive of travel costs. TBD

G.12 DISSEMINATION, PUBLICATION AND DISTRIBUTION OF INFORMATION

- a. Data and information either provided to the Contractor, or to any subcontractor or generated by activities under this contract or derived from research or studies supported by this contract, shall be used only for the purposes of the contract. It shall not be duplicated, used or disclosed for any purpose other than the fulfillment of the requirements set forth in this contract. This restriction does not limit the contractor's right to use data or information obtained from a non-restrictive source. Any questions concerning "privileged information" shall be referred to the Contracting Officer.

b. Some data or information may require special consideration with regard to the timing of its disclosure so that preliminary findings which could create erroneous conclusions are not stimulated. Also, some data or information, which relate to policy matters under consideration by the Government, may also require special consideration with regard to the timing of its disclosure so that the open and vigorous debate, within the government, of possible policy options is not damaged.

c. Any questions about use or release of the data or information or handling of material under this contract, shall be referred to the Contracting Officer who must render a written determination. The Contracting Officer's determinations will reflect the results of internal coordination with appropriate program and legal officials.

d. Written advance notice of at least forty-five (45) days shall be provided to the Contracting Officer of the Contractor's desire to release findings of studies or research or data or information described above. If the Contractor disagrees with the Contracting Officer's determination, and if this disagreement cannot be settled by the Contractor and the Contracting Officer in a mutually satisfactory manner, then the issue will be settled pursuant to the "Disputes" clause.

e. Any presentation of any report, statistical or analytical material based on information obtained from this contract shall be subject to review by the Project Officer before dissemination, publication, or distribution. Presentation includes, but is not limited to, papers, articles, professional publications, speeches, testimony or interviews with public print or broadcast media. This does not apply to information that would be available under the Federal Freedom of Information Act.

f. The Project Officer review shall cover accuracy, content, manner of presentation of the information, and also the protection of the privacy of individuals. If the review finds that the Privacy Act is or may be violated, the release/use of the presentation shall be denied until the offending material is removed or until the Contracting Officer makes a formal determination, in writing, that the privacy of individuals is not being violated.

g. If the review shows that the accuracy, content, or manner of presentation is not correct or is inappropriate in the light of the purpose of the project, the Project Officer shall immediately inform the Contractor, in writing, of the nature of the problem. If the Contractor disagrees, the Project Officer may insist that the presentation contain, in a manner of equal importance, materials which show the government's problem with the presentation.

h. The Contractor agrees to acknowledge support by CMS whenever reports of projects funding, in whole or in part, by this contract are published in any medium. The Contractor shall include in any publication resulting from work under this contract, an acknowledgement substantially, as follows:

"The analyses upon which this publication is based were performed under Contract Number HHSM-500-2011-00042C, entitled, " State Demonstrations to Integrate Care for Dual Eligible Individuals."

Any deviation from the above legend shall be approved, in writing, by the Contracting Officer.

G.13 AUDIT OF HOURS

a. In addition to the examination of costs, as detailed in FAR Clause No. 52.215-2 entitled "Audit-Negotiation," the Contracting Officer or his representatives will have the right to examine all books, records, documents and other data of the Contractor relating to this contract for the purpose of evaluating the accuracy and completeness of the hours which the Contractor has recorded on his invoices as expended toward satisfaction of the requirements of this contract.

b. The materials described above shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction until:

(1) The expiration of three (3) years from the date of final payment under this contract,

(2) the expiration of three (3) years from the date of final settlement resulting from a termination or a partial termination of this contract.

G.14 CORRESPONDENCE PROCEDURES

To promote timely and effective administration, correspondence (except for invoices), submitted under this contract shall be subject to the following procedures:

- a. Technical Correspondence - Technical correspondence (as used herein, this term excludes technical correspondence which proposes or otherwise involves waivers, deviations or modifications to the requirements, terms or conditions of this contract) shall be addressed to the COTR with an informational copy of the basic correspondence to the Contracting Officer.
- b. Other Correspondence - All other correspondence shall be addressed to the Contracting Officer, in duplicate, with an informational copy of the basic correspondence to the COTR.
- c. Subject Lines - All correspondence shall contain a subject line, commencing with the contract number as illustrated below:

EXAMPLE: Contract No. HHSM-500-2011-00042C
Request for Subcontract Consent

G.15 SUBCONTRACT CONSENT

To facilitate the review of proposed subcontracts, the Contractor shall include in its proposal the information required by the FAR Clause 52.244-2 entitled, "Subcontracts".

In all other instances the Contractor shall submit its request for subcontracting consent to the Contracting Officer. The Contracting Officer shall consult with the Project Officer and advise the Contractor of his/her decision to consent to or dissent from the proposed subcontract, in writing.

Name Not to exceed
TBD

G.16 USE OF GOVERNMENT – DATA (REPORTS/FILES/COMPUTER TAPES OR DISKETTES)

Any data given to the Contractor by the Government shall be used only for the performance of the contract unless the Contracting Officer specifically permits another use, in writing. Should the Contracting Officer permit the Contractor the use of Government-supplied data for a purpose other than solely for performance of this contract and, if such use could result in a commercially viable product, the Contracting Officer and the Contractor must negotiate a financial benefit to the Government. This benefit should most often be in the form of a reduction in the price of the contract; however, the Contracting Officer may negotiate any other benefits he/she determines is adequate compensation for the use of these data.

Upon the request of the Contracting Officer, or the expiration date of this contract, whichever shall come first, the Contractor shall return or destroy all data given to the Contractor by the Government. However, the Contracting Officer may direct that the data be retained by the Contractor for a specific period of time, which period shall be subject to agreement by the Contractor. Whether the data are to be returned, retained, or destroyed shall be the decision of the Contracting Officer with the exception that the Contractor may refuse to retain the data. The Contractor shall retain no data, copies of data, or parts thereof, in any form, when the Contracting Officer directs that the data be returned or destroyed. If the data are to be destroyed, the Contractor shall directly furnish evidence of such destruction in a form the Contracting Officer shall determine is adequate.

G.17 ESRS REPORTING

The Contractor shall report all subcontract awards to small, small disadvantaged, women-owned, HUBZones, veteran-owned and service-disabled veteran-owned small business concerns. The reports shall be prepared using the electronic Subcontracting Reporting System (eSRS) via the internet at <http://www.esrs.gov>. The Individual

Subcontracting Report (ISR), formerly SF 294, shall be submitted semi-annually for the periods of October 1 through March 31 and April 1 through September 30. The Summary Subcontracting Report (SSR), formerly, SF 295 shall be submitted annually for the period of October 1 through September 30.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 CONDITIONS FOR PERFORMANCE

In addition to the performance requirements of this contract as set forth under Section C, the Contractor may be required to comply with the requirements of any revisions in legislation or regulations which may be enacted or implemented during the period of performance of this contract, and are directly applicable to the performance requirements of this contract.

Such legislative or regulatory requirements shall become a part of this contract only through an execution of a contract modification by the Contracting Officer. The contractor will be consulted and participate in negotiations to effect an equitable adjustment to the contract.

H. 2 HIPAA BUSINESS ASSOCIATE PROVISION II

Definitions:

All terms used herein and not otherwise defined shall have the same meaning as in the Health Insurance Portability and Accountability Act of 1996 ("HIPAA," 42 U.S.C. sec. 1320d) and the corresponding implementing regulations. Provisions governing the Contractor's duties and obligations under the Privacy Act (including data use agreements) are covered elsewhere in the contract.

"Business Associate" shall mean the Contractor.

"Covered Entity" shall mean CMS' Medicare Fee for Service program and/or Medicare's Prescription Drug Discount Care and Transitional Assistance Programs.

"Secretary" shall mean the Secretary of the Department of Health and Human Services or the Secretary's designee.

Obligations and Activities of Business Associate

(a) Business Associate agrees to not use or disclose Protected Health Information ("PHI"), as defined in 45 C.F.R. § 160.103, created or received by Business Associate from or on behalf of Covered Entity other than as permitted or required by this Contract or as required by law.

(b) Business Associate agrees to use safeguards to prevent use or disclosure of PHI created or received by Business Associate from or on behalf of Covered Entity other than as provided for by this Contract.

Furthermore, Business Associate agrees to use appropriate administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic protected health information ("E PHI"), as defined in 45 C.F.R. 160.103, it creates, receives, maintains or transmits on behalf of the Covered Entity to prevent use or disclosure of such E PHI.

(c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Contract.

(d) Business Associate agrees to report to Covered Entity any use or disclosure involving PHI it receives/maintains from/on behalf of the Covered Entity that is not provided for by this Contract of which it becomes aware. Furthermore, Business Associate agrees to report to Covered Entity any security incident involving E PHI of which it becomes aware.

(e) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Contract to Business Associate with respect to such information. Furthermore, Business Associate agrees to ensure that its agents and subcontractors implement reasonable and appropriate safeguards for the PHI received from or on behalf of the Business Associate.

(f) Business Associate agrees to provide access, at the request of Covered Entity, to PHI received by Business Associate in the course of contract performance, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR § 164.524.

- (g) Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR § 164.526 upon request of Covered Entity.
- (h) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, available to Covered Entity, or to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the various rules implementing the HIPAA.
- (i) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
- (j) Business Associate agrees to provide to Covered Entity, or an individual identified by the Covered Entity, information collected under this Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Contract, Business Associate may use or disclose PHI on behalf of, or to provide services to, Covered Entity for purposes of the performance of this Contract, if such use or disclosure of PHI would not violate the HIPAA Privacy or Security Rules if done by Covered Entity or the minimum necessary policies and procedures of Covered Entity.

Obligations of Covered Entity

- (a) Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- (b) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- (c) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Privacy or Security Rules.

Term of Provision

- (a) The term of this Provision shall be effective as of {insert effective date}, and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
- (b) Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - (1) Provide an opportunity for Business Associate to cure the breach or end the violation consistent with the termination terms of this Contract. Covered Entity may terminate this Contract for default if the Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or
 - (2) Consistent with the terms of this Contract, terminate this Contract for default if Business Associate has breached a material term of this Contract and cure is not possible; or
 - (3) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- (c) Effect of Termination.

(1) Except as provided in paragraph (2) of this section, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

(2) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon such notice that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

Miscellaneous

(a) A reference in this Contract to a section in the Rules issued under HIPAA means the section as in effect or as amended.

(b) The Parties agree to take such action as is necessary to amend this Contract from time to time as is necessary for Covered Entity to comply with the requirements of the Rules issued under HIPAA.

(c) The respective rights and obligations of Business Associate under paragraph (c) of the section entitled "term of Provision" shall survive the termination of this Contract.

(d) Any ambiguity in this Contract shall be resolved to permit Covered Entity to comply with the Rules implemented under HIPAA.

H.3 SECURITY CLAUSE -BACKGROUND - INVESTIGATIONS FOR CONTRACTOR PERSONNEL

If applicable, Contractor personnel performing services for CMS under this contract, task order or delivery order shall be required to undergo a background investigation. CMS will pay for the background investigations.

After contract award, the CMS Project Officer (PO) and the Emergency Management & Response Group (EMRG), with the assistance of the Contractor, shall perform a position-sensitivity analysis based on the duties contractor personnel shall perform on the contract, task order or delivery order. The results of the position-sensitivity analysis will determine first, whether the provisions of this clause are applicable to the contract and second, if applicable, determine each position's sensitivity level (i.e., high risk, moderate risk or low risk) and dictate the appropriate level of background investigation to be processed. Investigative packages may contain the following forms:

1. SF-85, Questionnaire for Non-Sensitive Positions, 09/1995
2. SF-85P, Questionnaire for Public Trust Positions, 09/1995
3. OF-612, Optional Application for Federal Employment, 12/2002
4. OF-306, Declaration for Federal Employment, 01/2001
5. Credit Report Release Form
6. FD-258, Fingerprint Card, 5/99, and
7. CMS-730A, Request for Physical Access to CMS Facilities (NON-CMS ONLY), 11/2003.

The Contractor personnel shall be required to undergo a background investigation commensurate with one of these position-sensitivity levels:

1) High Risk (Level 6)

Public Trust positions that would have a potential for exceptionally serious impact on the integrity and efficiency of the service. This would include computer security of a major automated information system (AIS). This includes positions in which the incumbent's actions or inaction could diminish public confidence in the integrity, efficiency, or effectiveness of assigned government activities, whether or not actual damage occurs, particularly if duties are especially critical to the agency or program mission with a broad scope of responsibility and authority.

Major responsibilities that would require this level include:

development and administration of CMS computer security programs, including direction and control of risk analysis and/or threat assessment; significant involvement in mission-critical systems; preparation or approval of data for input into a system which does not necessarily involve personal access to the system but with relatively high risk of causing grave damage or realizing significant personal gain; other responsibilities that involve relatively high risk of causing damage or realizing personal gain; policy implementation; higher level management duties/assignments or major program responsibility; or independent spokespersons or non-management position with authority for independent action.

Approximate cost of each investigation: \$3,500

2) *Moderate Risk (Level 5)*

Public Trust positions that have potential for moderate to serious impact on the integrity and efficiency of the service, including computer security. These positions involve duties of considerable importance to the CMS mission with significant program responsibilities that could cause damage to large portions of AIS. Duties involved are considerably important to the agency or program mission with significant program responsibility, or delivery of service. Responsibilities that would require this level include:

the direction, planning, design, operation, or maintenance of a computer system and whose work is technically reviewed by a higher authority at the High Risk level to ensure the integrity of the system; systems design, operation, testing, maintenance, and/or monitoring that are carried out under the technical review of a higher authority at the High Risk level; access to and/or processing of information requiring protection under the Privacy Act of 1974; assists in policy development and implementation; mid-level management duties/assignments; any position with responsibility for independent or semi-independent action; or delivery of service positions that demand public confidence or trust.

Approximate cost range of each investigation: \$150 - \$2,600

3) *Low Risk (Level 1)*

Positions having the potential for limited interaction with the agency or program mission, so the potential for impact on the integrity and efficiency of the service is small. This includes computer security impact on AIS.

Approximate cost of each investigation: \$100

The Contractor shall submit the investigative package(s) to the EMRG within three (3) days after being advised by the EMRG of the need to submit packages. Investigative packages shall be submitted to the following address:

Centers for Medicare & Medicaid Services
Office of Operations Management
Emergency Management & Response Group
Mail Stop SL-13-15
7500 Security Boulevard
Baltimore, Maryland 21244-1850

The Contractor shall submit a copy of the transmittal letter to the Contracting Officer (CO).

Contractor personnel shall submit a CMS-730A (Request for Badge) to the EMRG (see attachment in Section J). The Contractor and the PO shall obtain all necessary signatures on the CMS-730A prior to any Contractor employee arriving for fingerprinting and badge processing.

The Contractor must appoint a Security Investigation Liaison as a point of contact to resolve any issues of inaccurate or incomplete form(s). Where personal information is involved, EMRG may need to contact the contractor employee directly. The Security Investigation Liaison may be required to facilitate such contact.

After EMRG fingerprints contractor personnel and issues them a temporary CMS identification badge, the EMRG

will send their completed investigative package to the Office of Personnel Management (OPM). OPM will conduct the background investigation. Badges will be provided by EMRG while contractor personnel investigative forms are being processed. The Contractor remains fully responsible for ensuring contract, task order or delivery order performance pending completion of background investigations of contractor personnel.

EMRG shall provide written notification to the CO with a copy to the PO of all suitability decisions. The PO shall then notify the Contractor in writing of the approval of the Contractor's employee(s), at that time the Contractor's employee(s) will receive a permanent identification badge. Contractor personnel who the EMRG determines to be ineligible may be required to cease working on the contract immediately.

The Contractor shall report immediately in writing to EMRG with copies to the CO and the PO, any adverse information regarding any of its employees that may impact their ability to perform under this contract, task order or delivery order. Reports should be based on reliable and substantiated information, not on rumor or innuendo. The report shall include the contractor employee's name and social security number, along with the adverse information being reported.

Contractor personnel shall be provided an opportunity to explain or refute unfavorable information found in an investigation to EMRG before an adverse adjudication is made. Contractor personnel may request, in writing, a copy of their own investigative results by contacting:

Office of Personnel Management
Freedom of Information
Federal Investigations Processing Center
PO Box 618
Boyers, PA 16018-0618.

At the Agency's discretion, if an investigated contractor employee leaves the employment of the contractor, or otherwise is no longer associated with the contract, task order, or delivery order within one (1) year from the date the background investigation was completed, then the Contractor may be required to reimburse CMS for the full cost of the investigation. Depending upon the type of background investigation conducted, the cost could be approximately \$100 to \$3,500. The amount to be paid by the Contractor shall be due and payable when the CO submits a written letter notifying the Contractor as to the cost of the investigation. The Contractor shall pay the amount due within thirty (30) days of the date of the CO's letter by check made payable to the "United States Treasury." The Contractor shall provide a copy of the CO's letter as an attachment to the check and submit both to the Office of Financial Management at the following address:

Centers for Medicare & Medicaid Services
PO Box 7520
Baltimore, Maryland 21207

The Contractor must immediately provide written notification to EMRG (with copies to the CO and the PO) of all terminations or resignations of Contractor personnel working on this contract, task order or delivery order. The Contractor must also notify EMRG (with copies to the CO and the PO) when a Contractor's employee is no longer working on this contract, task order or delivery order.

At the conclusion of the contract, task order or delivery order and at the time when a contractor employee is no longer working on the contract, task order or delivery order due to termination or resignation, all CMS-issued parking permits, identification badges, access cards, and/or keys must be promptly returned to EMRG. Contractor personnel who do not return their government-issued parking permits, identification badges, access cards, and/or keys within 48 hours of the last day of authorized access shall be permanently barred from the CMS complex and subject to fines and penalties authorized by applicable federal and State laws.

H.4 RESTRICTIONS ON THE USES OF INFORMATION

The access to and use of data/information under this contract shall be in accordance with FAR clause 52.224-2 Privacy Act, set forth in Section I.

H.5 APPROVAL OF CONTRACT ACQUIRED INFORMATION TECHNOLOGY (IT)

- A. The Contractor must obtain the Contracting Officer's written approval prior to the acquisition of any IT investments (see FAR Part 2.101, for definition of IT) to ensure compatibility and successful integration with CMS's infrastructure/architecture.
- B. In the performance of a system life cycle development project, the Contractor must submit to the Project Officer the technical specifications for each of the following incremental phase of the projected life cycle prior to the commencement of work:
 - 1. Design and Engineering
 - 2. Development, and
 - 3. Testing
- C. Upon written approval from the Contracting Officer, the Contractor shall commence work under the approved technical specification for the authorized incremental phase.
- D. In either instance of an approved IT investment acquisition, or an incremental phase of a system life cycle development project, the contract shall be modified accordingly and the Contractor shall proceed.
- E. CMS may disallow any contractor incurred cost that would not be allocated to the approved IT investment acquisition.

H.6 ORGANIZATIONAL CONFLICTS OF INTEREST

a. Purpose. The primary purpose of this clause is to aid in ensuring that the Contractor (1) does not obtain any unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interest (financial, organizational, or otherwise) which relate to the work under this contract.

b. Scope. The restrictions described herein shall apply to performance or participation by the Contractor and any of its affiliate organizations or their successors in interest (hereinafter collectively referred to as the "Contractor") in the activities covered by this clause as a prime Contractor, subcontractor, co-sponsor, joint venturer, consultant, or in any similar capacity.

(1) Advisory, consulting, analytical, evaluation, or study work, including the preparation of statements of work and specifications: (i) If the Contractor performs advisory, consulting, analytical, evaluation, study, or similar work under this contract, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the Contractor agrees not to perform similar work for prospective offerors with respect to any such contractual efforts.

Furthermore, unless so directed in writing by the Contracting Officer, the Contractor shall not perform any such work under this contract on any of its products or services, or the products or services of another firm for which the Contractor performs similar work. Nothing in this subparagraph shall preclude the Contractor from competing for HHS management and technical support services follow-on contracts as defined in paragraph 6. below.

If the Contractor under this contract assists substantially in the preparation of a statement of work or specifications, the Contractor shall be ineligible to perform or participate in any capacity in any contractual effort which is based on such statement of work or specifications. The Contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the Contracting Officer, in which case the restriction in this subparagraph shall not apply.

(2) Access to the use of information:

(a) If the Contractor in the performance of this contract obtains access to information, such as HHS plans, policies, reports, studies, financial plans, or data which has not been released to the public, the Contractor agrees not to (a) use such information for any private purpose unless the information has been released to the public; (b) disclose such information for a period of six (6) months after the completion of this contract, or the release of such information to the public, whichever is first; (c) submit an unsolicited proposal to the Government which is based on such information until one (1) year after the release of such information to the public; or (d) release such information without prior written approval by the Contracting Officer.

(b) In addition, the Contractor agrees that to the extent it receives or is given access to proprietary data or other confidential technical, business or financial information under this contract, it shall treat such information in accordance with any restrictions imposed on such information.

(c) The Contractor shall have, subject to patent and security provisions of this contract, the right to use technical data it first produces under this contract for its private purposes provided that, as of the date of such use, all data requirements of this contract have been met.

(3) Subcontracts. The Contractor shall include this clause, including this paragraph, in subcontracts of any tier which involve performance of work of the type specified in b.(1) above or access to information covered in b.(2) above. The use of this clause in such subcontracts shall be read by substituting the word "Subcontractor" for the word "Contractor" whenever the word "Contractor" appears.

(4) Remedies: For breach of the above restrictions or for non-disclosure or misrepresentation of any relevant interest required to be disclosed concerning this contract, the Government may, at no cost, terminate the contract, disqualify the Contractor for subsequent related contractual efforts, and pursue other remedies as may be permitted by law or this contract.

(5) Waiver. Any request for waiver under this clause shall be directed in writing to the Contracting Officer and shall include a full description of the requested waiver and the reasons in support thereof. If it is determined to be in the best interest of the Government, the Contracting Officer shall grant such waiver in writing.

(6) Definitions. The term "management and technical support services" includes any advice, assistance, analysis, consultation, evaluation, examination, report, review, study, survey, or similar assistance, including providing assistance in procurement and related activities, to support any program or their operations of CMS.

H.7 ELECTRONIC INFORMATION AND TECHNOLOGY ACCESSIBILITY – HHSAR 352.239-73 (JAN 2006)

Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended by Public Law 105–220 under Title IV (Rehabilitation Act Amendments of 1998) and the Architectural and Transportation Barriers Compliance Board Electronic and Information (EIT) Accessibility Standards (36 CFR part 1194), require that all EIT acquired must ensure that:

(1) Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities; and

(2) Members of the public with disabilities seeking information or services from an agency have access to and use of information and data that is comparable to the access to and use of information and data by members of the public who are not individuals with disabilities. This requirement includes the development, procurement, maintenance, and/or use of EIT products/services; therefore, any proposal submitted in response to this solicitation must demonstrate compliance with the established EIT Accessibility Standards. Information about Section 508 is available at <http://www.section508.gov/> (New Window).

H.8 CODE OF CONDUCT

SMOKING

Effective June 9, 2004, smoking is not permitted anywhere on the CMS single site campus. This includes all areas outside the building, such as off-site facility, entranceways, sidewalks and parking areas. Smoking will not be permitted anywhere in Regional Offices or Washington, D.C. Office locations unless permitted by GSA guidelines or local landlord requirements. Contractor employees are subject to the same restrictions as government personnel. Fines up to \$50 per occurrence will be issued and enforced by the Federal Protective Service.

DRESS

The preferred dress codes at CMS facilities are professional attire, business attire or business casual attire.

H.9 CMS INFORMATION SECURITY

This clause applies to all organizations which possess or use Federal information, or which operate, use or have access to Federal information systems (whether automated or manual), on behalf of CMS.

The central tenet of the CMS Information Security (IS) Program is that all CMS information and information systems shall be protected from unauthorized access, disclosure, duplication, modification, diversion, destruction, loss, misuse, or theft—whether accidental or intentional. The security safeguards to provide this protection shall be risk-based and business-driven with implementation achieved through a multi-layered security structure. All information access shall be limited based on a least-privilege approach and a need-to-know basis, i.e., authorized user access is only to information necessary in the performance of required tasks. Most of CMS' information relates to the health care provided to the nation's Medicare and Medicaid beneficiaries, and as such, has access restrictions as required under legislative and regulatory mandates.

The CMS IS Program has a two-fold purpose:

- (1) To enable CMS' business processes to function in an environment with commensurate security protections, and
- (2) To meet the security requirements of federal laws, regulations, and directives.

The principal legislation for the CMS IS Program is Public Law (P.L.) 107-347, Title III, *Federal Information Security Management Act of 2002 (FISMA)*, <http://csrc.nist.gov/drivers/documents/FISMA-final.pdf>. FISMA places responsibility and accountability for IS at all levels within federal agencies as well as those entities acting on their behalf. FISMA directs Office of Management and Budget (OMB) through the Department of Commerce, National Institute of Standards and Technology (NIST), to establish the standards and guidelines for federal agencies in implementing FISMA and managing cost-effective programs to protect their information and information systems. As a contractor acting on behalf of CMS, this legislation requires that the Contractor shall:

- Establish senior management level responsibility for IS,
- Define key IS roles and responsibilities within their organization,
- Comply with a minimum set of controls established for protecting all Federal information, and
- Act in accordance with CMS reporting rules and procedures for IS.

Additionally, the following laws, regulations and directives and any revisions or replacements of same have IS implications and are applicable to all CMS contractors.

- P.L. 93-579, *The Privacy Act of 1974*, <http://www.usdoj.gov/oip/privstat.htm> , (as amended);
- P.L. 99-474, *Computer Fraud & Abuse Act of 1986*, www.usdoj.gov/criminal/cybercrime/ccmanual/01ccma.pdf P.L. 104-13, *Paperwork Reduction Act of 1978*, as amended in 1995, U.S. Code 44 Chapter 35, www.archives.gov/federal-register/laws/paperwork-reduction;
- P.L. 104-208, *Clinger-Cohen Act of 1996* (formerly known as the Information Technology Management Reform Act), http://www.cio.gov/Documents/it_management_reform_act_Feb_1996.html;

- P.L. 104-191, *Health Insurance Portability and Accountability Act of 1996* (formerly known as the Kennedy-Kassenbaum Act) <http://aspe.hhs.gov/admsimp/pl104191.htm>;
- OMB Circular No. A-123, *Management's Responsibility for Internal Control*, December 21, 2004, http://www.whitehouse.gov/omb/circulars/a123/a123_rev.html;
- OMB Circular A-130, *Management of Federal Information Resources*, Transmittal 4, November 30, 2000, <http://www.whitehouse.gov/omb/circulars/a130/a130trans4.html>;
- NIST standards and guidance, <http://csrc.nist.gov/>; and,
- Department of Health and Human Services (DHHS) regulations, policies, standards and guidance <http://www.hhs.gov/policies/index.html>

These laws and regulations provide the structure for CMS to implement and manage a cost-effective IS program to protect its information and information systems. Therefore, the Contractor shall monitor and adhere to all IT policies, standards, procedures, directives, templates, and guidelines that govern the CMS IS Program, <http://www.cms.hhs.gov/informationsecurity> and the CMS System Lifecycle Framework, <http://www.cms.hhs.gov/SystemLifecycleFramework>.

The Contractor shall comply with the CMS IS Program requirements by performing, but not limited to, the following:

- Implement their own IS program that adheres to CMS IS policies, standards, procedures, and guidelines, as well as industry best practices;
- Participate and fully cooperate with CMS IS audits, reviews, evaluations, tests, and assessments of contractor systems, processes, and facilities;
- Provide upon request results from any other audits, reviews, evaluations, tests and/or assessments that involve CMS information or information systems;
- Report and process corrective actions for all findings, regardless of the source, in accordance with CMS procedures;
- Document its compliance with CMS security requirements and maintain such documentation in the systems security profile;
- Prepare and submit in accordance with CMS procedures, an incident report to CMS of any suspected or confirmed incidents that may impact CMS information or information systems; and
- Participate in CMS IT information conferences as directed by CMS.

If the contractor believes that an updated IS-related requirement posted to the CMS website may result in a significant cost impact, the contractor may submit a request for equitable cost adjustment before implementing change.

H.10 SECTION 508 COMPLIANCE FOR COMMUNICATIONS

The contractor shall comply with the standards, policies, and procedures below. In the event of conflicts between the referenced documents and the SOW, the SOW shall take precedence.

Rehabilitation Act, Section 508 Accessibility Standards

1. 29 U.S.C. 794d (Rehabilitation Act as amended)
2. 36 CFR 1194 (508 Standards)
3. www.access-board.gov/sec508/508standards.htm (508 standards)
4. FAR 39.2 (Section 508)
5. CMS/HHS Standards, policies and procedures (Section 508)

In addition, all contract deliverables are subject to these 508 standards as applicable.

Regardless of format, all Web content or communications materials produced, including text, audio or video - must conform to applicable Section 508 standards to allow federal employees and members of the public with disabilities to access information that is comparable to information provided to persons without disabilities. All contractors (including subcontractors) or consultants responsible for preparing or posting content must comply with applicable Section 508 accessibility standards, and where applicable, those set forth in the referenced policy or standards documents (above/below). Remediation of any materials that do not comply with the applicable provisions of 36 CFR Part 1194 as set forth in the SOW shall be the responsibility of the contractor or consultant.

The following Section 508 provisions apply to the content or communications material identified in this SOW:

36 CFR Part 1194.22 a – j, l – p

36 CFR Part 1194.41 a – c

SECTION I - CONTRACT CLAUSES

I.1 CLAUSES INCORPORATED BY REFERENCE – 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

- 52.203-1 DEFINITIONS (JUL 2004)
- 52.203-3 GRATUITIES (APR 1984)
- 52.203-5 COVENANT AGAINST CONTINGENT FEES (APR 1984)
- 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)
- 52.203-7 ANTI-KICKBACK PROCEDURES (JUL 1995)
- 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEPT 2007)
- 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEP 2007)
- 52.204-2 SECURITY REQUIREMENTS (AUG 1996)
- 52.204-4 PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER (AUG 2000)
- 52.204-7 CENTRAL CONTRACTOR REGISTRATION (JUL 2006)
- 52.207-3 RIGHT OF FIRST REFUSAL OF EMPLOYMENT (MAY 2006)
- 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (SEP 2006)
- 52.215-1 INSTRUCTIONS TO OFFERORS—COMPETITIVE ACQUISITION (JAN 2004)
- 52.215-2 AUDIT AND RECORDS-NEGOTIATION (JUN 1999)
- 52.215-8 ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT (OCT 1997)
- 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1997)
- 52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS (OCT 1997)
- 52.215-12 SUBCONTRACTOR COST OR PRICING DATA (OCT 1997)

52.215-13 SUBCONTRACTOR COST OR PRICING DATA – MODIFICATIONS (OCT 1997)

52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2004)

52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997)

52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (OCT 1997)

52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997)

52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA—MODIFICATIONS (OCT 1997)

52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984)

52.216-25 CONTRACT DEFINITIZATION (OCT 2010)

52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

52.217-9 OPTION TO EXTEND THE TERMS OF THE CONTRACT (MAR 2000)

52.219-14 LIMITATIONS OF SUBCONTRACTING (DEC 1996)

52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)

52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JULY 1990)

52.222-3 CONVICT LABOR (JUN 2003)

52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT OVERTIME COMPENSATION. (JUL 2005)

52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)

52.222-26 EQUAL OPPORTUNITY (MAR 2007)

52.222-35 EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF VIETNAM EAR, AND OTHER ELIGIBLE VETERANS (DEC 2001)

52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)

52.222-37 EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (SEP 2006)

52.223-6 DRUG-FREE WORKPLACE (MAY 2001)

52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (AUG 2003)

52.223-14 TOXIC CHEMICAL RELEASE REPORTING (AUG 2003)

52.223-18 CONTRACTOR POLICY TO BAN TEXT MESSAGING WHILE DRIVING (SEP 2010)

52.224-1 PRIVACY ACT NOTIFICATION (APR 1984)

52.224-2 PRIVACY ACT (APR 1984)

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (FEB 2006)

52.225-25 PROHIBITION ON ENGAGING IN SANCTIONED ACTIVITIES RELATING TO IRAN—
CERTIFICATION (SEP 2010)

52.227-1 AUTHORIZATION AND CONSENT (DEC 2007)

52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT.
(DEC 2007)

52.227-3 PATENT INDEMNITY (APR 1984)

52.228-7 INSURANCE – LIABILITY TO THIRD PERSON (MAY 1996)

52.227-14 RIGHTS IN DATA-GENERAL (DEC 2007)

52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)

52.229-3 FEDERAL, STATE, AND LOCAL TAXES (APR 2003)

52.232-1 PAYMENTS (APR 1984)

52.232-9 LIMITATION ON WITHHOLDING OF PAYMENTS (APR 1984)

52.232-17 INTEREST (JUN 1996)

52.232-23 ASSIGNMENT OF CLAIMS (JAN 1986)

52.232-25 PROMPT PAYMENT (OCT 2003)

52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER – CENTRAL CONTRACTOR
REGISTRATION (OCT 2003)

52.233-1 DISPUTES (JUL 2002) - ALTERNATE I (DEC 1991)

52.233-3 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (OCT 2004)

52.237-3 CONTINUITY OF SERVICE (JAN 1991)

52.239-1 PRIVACY OR SECURITY SAFEGUARDS (AUG 1996)

52.242-13 BANKRUPTCY (JUL 1995)

52.243-2 CHANGES – FIXED PRICE (AUG 1987) - ALTERNATE I (APR 1984)

52.243-7 NOTIFICATION OF CHANGES (APR 1984)

52.244-2 SUBCONTRACTS (JUN 2007)

52.244-5 COMPETITION IN SUBCONTRACTING (DEC 1996)

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (MAR 2007) - ALTERNATE I (JUN 2010)

- 52.245-1 GOVERNMENT PROPERTY (JUNE 2007)
- 52.246-25 LIMITATION OF LIABILITY – SERVICES (FEB 1997)
- 52.249-2 TERMINATION (FIXED PRICE) (MAY 2004)
- 52.251-1 GOVERNMENT SUPPLY SOURCES (APR 1984)
- 52.252-4 ALTERATIONS IN CONTRACT. (APR 1984)
- 52.253-1 COMPUTER GENERATED FORMS (JAN 1991)

I.2 AUTHORIZED DEVIATIONS IN CLAUSES – FAR 52.252-6 (APR 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of “(DEVIATION)” after the date of the clause.
- (b) The use in this solicitation or contract of any _____. [insert regulation name] (48 CFR _____) clause with an authorized deviation is indicated by the addition of “(DEVIATION)” after the name of the regulation.

I.3 ORDER OF PRECEDENCE – UNIFORM CONTRACT

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order:

- (a) The Schedule (excluding the specifications).
- (b) Representations and other instructions.
- (c) Contract clauses.
- (d) Other documents, exhibits, and attachments.
- (e) The specifications.

I.4 DEPARTMENT OF HEALTH AND HUMAN SERVICES ACQUISITION REGULATIONS (HHSAR) INCORPORATED BY REFERENCE

- 352.201-70 PAPERWORK REDUCTION ACT (JAN 2006)
- 352.203-70 ANTI-LOBBYING (JAN 2006)
- 352.202-1 DEFINITIONS (APR 1984) ALTERNATE I
- 352.216-70 ADDITIONAL COST PRINCIPLES (JAN 2006)
- 352.227-70 PUBLICATIONS AND PUBLICITY (JAN 2006)
- 352.228-7 INSURANCE – LIABILITY TO THIRD PERSONS (DEC 1991)
- 352.231-71 PRICING OF ADJUSTMENTS (JAN 2001)
- 353.233-71 LITIGATION AND CLAIMS (JAN 2006)
- 352.242-74 FINAL DECISION ON AUDIT FINDINGS (APR 1984)
- 352.270-1 ACCESSIBILITY OF MEETINGS, CONFERENCES, AND SEMINARS TO PERSONS WITH DISABILITIES. (JAN 2001)

I.5 PRIVACY ACT – HHSAR 352.224-70 (JAN 2006)

- (a) Confidential information, as used in this clause, means information or data of a personal nature about an individual, or proprietary information or data submitted by or pertaining to an institution or organization.
- (b) The Contracting Officer and the Contractor may, by mutual consent, identify elsewhere in this contract specific information and/or categories of information which the Government will furnish to the Contractor or that the Contractor is expected to generate which is confidential. Similarly, the Contracting Officer and the Contractor may, by mutual consent, identify such confidential information from time to time during the performance of the contract. Failure to agree will be settled pursuant to the “Disputes” clause.
- (c) If it is established elsewhere in this contract that information to be utilized under this contract, or a portion thereof, is subject to the Privacy Act, the Contractor will follow the rules and procedures of disclosure set forth in

the Privacy Act of 1974, 5 U.S.C. 552a, and implementing regulations and policies, with respect to systems of records determined to be subject to the Privacy Act.

(d) Confidential information, as defined in paragraph (a) of this clause, shall not be disclosed without the prior written consent of the individual, institution, or organization.

(e) Whenever the Contractor is uncertain with regard to the proper handling of material under the contract, or if the material in question is subject to the Privacy Act or is confidential information subject to the provisions of this clause, the Contractor should obtain a written determination from the Contracting Officer prior to any release, disclosure, dissemination, or publication.

(f) Contracting Officer determinations will reflect the result of internal coordination with appropriate program and legal officials.

(g) The provisions of paragraph (d) of this clause shall not apply to conflicting or overlapping provisions in other Federal, State, or local laws.

2. CONTRACT (Proc. Inst. Ident.) NO. HHSM-500-2011-00042C	3. EFFECTIVE DATE See Block 20C	4. REQUISITION/PURCHASE REQUEST/PROJECT NO. 102-1-7733-13
--	------------------------------------	--

5. ISSUED BY CODE AGG - DSPSCG CMS, OAGM, AGG, DSPSCG 7500 SECURITY BLVD., MS: C2-21-15 BALTIMORE MD 21244-1850	6. ADMINISTERED BY (If other than Item 5) CODE AGG/CLITTLETON Charles Littleton Contract Specialist 410-786-3291
--	---

7. NAME AND ADDRESS OF CONTRACTOR (No., Street, City, Country, State and ZIP Code) HUMAN SERVICES, VERMONT DEPARTMENT OF Attn: SHIRLEY DOW 103 S MAIN ST WATERBURY VT 056713711	8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below) 9. DISCOUNT FOR PROMPT PAYMENT Net 30 10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN
---	---

CODE 809376155 FACILITY CODE	11. SHIP TO/MARK FOR CODE
12. PAYMENT WILL BE MADE BY CODE ACCT DHHS, CMS, OFM, AMG Div. of Financial Operations P.O. Box 7520 Baltimore MD 21207-0520	

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) () <input type="checkbox"/> 41 U.S.C. 253 (c) ()	14. ACCOUNTING AND APPROPRIATION DATA 15991070-75X0522-252Z
---	--

15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
Continued					
15G. TOTAL AMOUNT OF CONTRACT					\$1,000,000.00

16. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
	A	SOLICITATION/CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/COSTS		PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
	C	DESCRIPTION/SPECS./WORK STATEMENT			J	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	F	DELIVERIES OR PERFORMANCE			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
	G	CONTRACT ADMINISTRATION DATA			M	EVALUATION FACTORS FOR AWARD	
	H	SPECIAL CONTRACT REQUIREMENTS					

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>1</u> copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)	18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.
19A. NAME AND TITLE OF SIGNER (Type or print)	20A. NAME OF CONTRACTING OFFICER WILLIAM TATE
19B. NAME OF CONTRACTOR	20B. UNITED STATES OF AMERICA
19C. DATE SIGNED	20C. DATE SIGNED
BY _____ (Signature of person authorized to sign)	BY _____ (Signature of the Contracting Officer)

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
HHSM-500-2011-00042C

PAGE OF
2 33

NAME OF OFFEROR OR CONTRACTOR
HUMAN SERVICES, VERMONT DEPARTMNT OF

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
0001	Tax ID Number: 03-6000264 DUNS Number: 809376155 Obligated Amount: \$1,000,000.00				1,000,000.00

NSN 7540-01

PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

- B.1 DESCRIPTION OF SERVICES
- B.2 TYPE OF CONTRACT
- B.3 PRICING
- B.4 CONTRACT PHASES
- B.5 WITHHOLDING OF CONTRACT PAYMENTS
- B.6 OPTIONAL PHASE 2 – IMPLEMENTATION

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

- C.1 STATEMENT OF WORK

SECTION D - PACKAGING AND MARKING

- D.1 PACKAGING AND MARKING

SECTION E - INSPECTION AND ACCEPTANCE

- E.1 CLAUSES INCORPORATED BY REFERENCE
- E.2 INSPECTION AND ACCEPTANCE
- E.3 APPROVALS BY THE COTR

SECTION F - DELIVERIES OR PERFORMANCE

- F.1 CLAUSES INCORPORATED BY REFERENCE
- F.2 PERIOD OF PERFORMANCE
- F.3 ITEMS TO BE FURNISHED AND DELIVERY SCHEDULE
- F.4 IMPLEMENTATION PHASE

SECTION G - CONTRACT ADMINISTRATION DATA

- G.1 ACCOUNTING AND APPROPRIATION DATA
- G.2 INVOICING
- G.3 PAYMENT
- G.4 PROJECT OFFICER
- G.5 TECHNICAL DIRECTION
- G.6 CONTRACTING OFFICER RESPONSIBILITY
- G.7 PROJECT DIRECTOR/PROJECT MANAGER
- G.8 KEY PERSONNEL
- G.9 WORKING PAPERS
- G.10 DATA TO BE DELIVERED
- G.11 SERVICE OF CONSULTANTS
- G.12 DISSEMINATION, PUBLICATION AND DISTRIBUTION OF INFORMATION
- G.13 AUDIT OF HOURS
- G.14 CORRESPONDENCE PROCEDURES
- G.15 SUBCONTRACT CONSENT
- G.16 USE OF GOVERNMENT – DATA (REPORTS/FILES/COMPUTER TAPES OR DISKETTES)
- G.17 ESRS REPORTING

SECTION H - SPECIAL CONTRACT REQUIREMENTS

- H.1 CONDITIONS FOR PERFORMANCE
- H.2 HIPAA BUSINESS ASSOCIATE PROVISION II
- H.3 SECURITY CLAUSE
- H.4 RESTRICTIONS ON THE USES OF INFORMATION
- H.5 APPROVAL OF CONTRACT ACQUIRED INFORMATION TECHNOLOGY (IT)
- H.6 ORGANIZATION CONFLICTS OF INTEREST
- H.7 ELECTRONIC INFORMATION AND TECHNOLOGY ACCESSIBILITY
- H.8 CODE OF CONDUCT
- H.9 CMS INFORMATION SECURITY
- H.10 SECTION 508 COMPLIANCE FOR COMMUNICATIONS

SECTION I - CONTRACT CLAUSES

- I.1 CLAUSES INCORPORATED BY REFERENCE
- I.2 AUTHORIZED DEVIATIONS IN CLAUSES
- I.3 ORDER OF PRECEDENCE – UNIFORM CONTRACT
- I.4 DEPARTMENT OF HEALTH AND HUMAN SERVICES
ACQUISITION REGULATIONS (HHSAR) INCORPORATED
BY REFERENCE
- I.6 PRIVACY ACT

SECTION J - LIST OF ATTACHMENTS

- J.1 ACCOUNTING CERTIFICATION

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS

- K.1 CERTIFICATION OF FILING AND PAYMENT OF FEDERAL TAXES

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 DESCRIPTION OF SERVICES

State Demonstrations to Integrate Care for Dual Eligible Individuals.

B.2 TYPE OF CONTRACT

This is a Firm Fixed Price contract.

B.3 PRICING

The Firm Fixed Price value of this design contract is \$1,000,000

The CMS shall pay the contractor one-sixth (1/6) of the total contract value (Firm-Fixed-Price (FFP)) for each invoice submitted in accordance with the following payment schedule. The contractor shall submit a Final Invoice for final payment after the Government has **received and approved** all contract deliverables:

Invoice #	Invoice #1	Invoice #2	Invoice #3	Invoice #4	Invoice #5	Final invoice
For period	Month 1	Months 2-3	Months 4-6	Months 7-9	Months 10-12	Final deliverable
Payment	166,666.67	166,666.67	166,666.67	166,666.67	166,666.67	166,666.65

B.4 CONTRACT PHASES

Phase 1 – Design

- i) The contractor shall design an innovative integrated care model to improve the quality, coordination, and cost effectiveness of care for dual populations eligible for Medicare and Medicaid in their respective state.
- ii) The period of performance of the design phase of this contract shall not exceed eighteen (18) months.

Phase 2 – Implementation

- i) Based upon an evaluation of the design model, the CMS shall make a determination as to whether the contractor shall move forward with Phase 2, “Implementation of the Design Model.” At such time during the eighteen (18) month design phase that CMS determines to move forward with implementation of the design; the contractor will be requested to submit their proposed infrastructure costs for conducting implementation of the design model demonstration.
- ii) The implementation and infrastructure costs may include system change costs at the state level for testing a new payment approach, development of a more efficient data exchange feed for real-time tracking of claims, and additional resources that may be required to ensure successful implementation of the state design model demonstration.

NOTE: The contractor is not authorized to incur any costs or perform any work under the Implementation Phase without the prior approval of the Contracting Officer. It should further be noted that approval for proceeding with Implementation of the State’s design model is subject to funding availability.

B.5 WITHHOLDING OF CONTRACT PAYMENTS - HHSAR 352.242-73 (JAN 2006)

Notwithstanding any other payment provisions of this contract, failure of the Contractor to submit required reports when due or failure to perform or deliver required work, supplies, or services, may result in the withholding of payments under this contract unless such failure arises out of causes beyond the control, and without the fault or negligence of the Contractor as defined by the clause entitled "Excusable Delays" or "Default," as applicable. The Government will immediately notify the Contractor of its intention to withhold payment of any invoice or voucher submitted.

B.6 OPTIONAL PHASE 2 - IMPLEMENTATION

If the CMS determines to exercise the Optional Phase 2 implementation of the approved designed model, the following modification to the contract shall be made as follows:

- i. The period of performance of this contract, as modified, shall be extended by _____ months from eighteen (18) months to _____ months.
- ii. The Firm Fixed Price contract amount shall be increased by \$_____ from \$1,000,000 to \$_____.

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 STATEMENT OF WORK

Background

Created by the Affordable Care Act, the Center for Medicare and Medicaid Innovation (Innovation Center) aims to explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through improvement. There is perhaps no better opportunity to test innovative service delivery and payment models than for individuals who are eligible for both Medicare and Medicaid (the “dual eligibles”). Dual eligibles account for 16 to 18 percent of enrollees in Medicare and Medicaid, but roughly 25 to 45 percent of spending in these programs respectively. With the vast majority of these nine million individuals still receiving care through fragmented care at an estimated cost of over \$300 billion in state and federal spending, improving care for this population is ripe for innovation.

Purpose

The Innovation Center is fostering interaction with a diverse group of stakeholders, including hospitals, doctors, consumers, payers, states, employers, advocates, relevant federal agencies and others to obtain direct input and build partnerships for its upcoming work. Given the partnership that exists between federal and state governments with respect to dual eligible individuals, the Centers for Medicare and Medicaid Services (CMS), through the Innovation Center, will provide funding for states to support the design of innovative service delivery and payment models that integrate care for this population. CMS is interested in identifying, supporting, and evaluating person-centered models that integrate the full range of acute, behavioral health, and long-term supports and services for dual eligible individuals.¹

The primary deliverable of the initial design period is a demonstration proposal that describes how the State would structure, implement, and evaluate an intervention aimed at improving the quality, coordination, and cost-effectiveness of care for dual eligible individuals. Technical assistance and related tools will be provided by the Federal Coordinated Health Care Office (FCHCO), created by Section 2602 of the Affordable Care Act, to support both the design and implementation efforts.

Deliverables

Over the course of the contract, the following deliverables will be required:

- **Monthly Conference Calls.** States shall participate in monthly conference calls with the CMS project officer and other CMS staff. These calls shall be used as a mechanism for discussing and managing administrative and project issues as they arise.
- **Progress Reports.** States will be responsible for submitting interim and final progress reports that document the development process and lessons learned as part of the design contract.
- **Innovation Demonstration Model.** The main deliverable of the design contract will be a demonstration proposal that describes how the state would structure, implement, and evaluate an integrated delivery system and payment model aimed at improving the quality, coordination, and cost-effectiveness of care for dual eligibles. The demonstration proposal will be expected to contain at a minimum:
 - Explanation of how the proposed demonstration will achieve the overall goals of better health, better care, and lower costs through improvement.

¹ Potential models could include those that enhance existing integration vehicles such as the Program for All-Inclusive Care for the Elderly (PACE) and Medicare Advantage Special Needs Plans (SNPs) as well as those that test new/emerging models such as health homes or accountable care organizations (ACOs).

- Problem statement describing how or why changes to current policy would lead to improvements in access, quality, and reductions in Medicare and Medicaid expenditures over time.
- Discussion of how the proposed model will improve the actual care experience and lives of eligible beneficiaries, including findings from any beneficiary focus groups the state conducted to inform its proposed design.
- Detailed description of the dual eligible population, including key subpopulations (e.g., individuals with nursing facility level of care, serious mental illness, Alzheimer's/dementia, multi-morbidities, etc.); utilization patterns; service settings; costs; etc.
- Description of proposed delivery system/programmatic elements, including: benefit design; geographic service area; enrollment method; and provider network/capacity.
- Description of plans to expand to other populations and/or service areas if the model is focused on a subset of dual eligibles or is less than statewide.
- Description of proposed payment reform, including payment type (e.g., full-risk capitation, partial cap, administrative PMPM); methodology for blending Medicaid and Medicare funding; financial incentives; risk sharing arrangements; etc.
- Discussion of the expected impact of the proposed demonstration on Medicare and Medicaid costs, including specific mention of any effect on cost-shifting occurring today between the two programs.
- Description of state infrastructure/capacity to implement and monitor the demonstration proposal.
- Identification of key performance metrics, including how these data will be used to continuously improve access, quality, satisfaction, and efficiency as well as how they will fit within existing Medicaid and Medicare performance and quality measures.
- Plan for engaging internal and external stakeholders, including a process for gathering and incorporating feedback on an ongoing basis.
- If applicable, description of how the proposed model fits with: (a) current Medicaid waivers and/or state plan services available to this population; (b) existing managed long term care programs; (c) existing integrated programs via Medicare Advantage Special Need Plans (SNPs) or PACE programs; and (d) other health reform efforts underway in the state (e.g., accountable care organizations, bundled payments, multi-payer initiatives, etc.).
- Discussion of the scalability of the proposed model and its replicability in other settings/states.
- Description of proposed evaluation design, including key metrics that could be used to examine the model's quality and cost outcomes for the target population, beneficiary experience, access to care, etc.
- Description of the overall implementation strategy and anticipated timeline, including: a) the activities associated with building the infrastructure necessary to implement proposed demonstration (e.g., staffing needs, actuarial support, etc); and b) any funds needed to support the development of such infrastructure (e.g., systems change costs at the state-level for testing a new payment approach, development of a more efficient data exchange feed for near real-time tracking of claims, etc.).

Schedule of Deliverables

Deliverable	Due Date
Monthly Conference Calls	Ongoing
Progress Report	Interim: 6 months from award date Final: Within 30 days of submission of the demonstration proposal
Demonstration Proposal	Within 12 months from award date

SECTION D - PACKAGING AND MARKING

D.1 PACKAGING, AND MARKING

All deliverables required under this contract shall be packaged, marked and shipped in accordance with Government specifications. The Contractor shall guarantee that all required materials shall be delivered in immediate usable and acceptable condition.

SECTION E - INSPECTION AND ACCEPTANCE

E.1 CLAUSES INCORPORATED BY REFERENCE – FAR 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

FAR 52.246-2 INSPECTION OF SERVICES – FIXED-PRICE (AUG 1996)

E.2 INSPECTION AND ACCEPTANCE

- a. All work under this contract is subject to inspection and final acceptance by the Contracting Officer or the fully authorized representative of the Government.
- b. The Contracting Officer's Technical Representative (COTR) is a duly authorized representative of the Government and is responsible for inspection and acceptance of all items to be delivered under this contract.
- c. Inspection and acceptance of the Contractor's performance shall be in accordance with the applicable FAR clauses.

E.3 APPROVALS BY THE CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

All items to be delivered to the COTR will be deemed to have been approved 30 calendar days after date of delivery, except as otherwise specified in this contract, if written approval or disapproval has not been given within such period. The Project Officer's approval or revision to the items submitted shall be within the general scope of work stated in this contract.

SECTION F - DELIVERIES OR PERFORMANCE

F.1 CLAUSES INCORPORATED BY REFERENCE – FAR 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

FAR 52.242-15 STOP-WORK ORDER – (AUG 1989)

F.2 PERIOD OF PERFORMANCE

The period of performance of the design contract will be a total of 18 months. The first 12 months are designated as the design period, at which time the demonstration proposal is due. The final six months of the contract will be used by CMS to review demonstration proposals and to enter into discussions with states about possible implementation.

F.3 ITEMS TO BE FURNISHED AND DELIVERY SCHEDULE

- a. All deliverables required under this contract shall be packaged, marked and shipped in accordance with U.S. Government specifications. The Contractor shall guarantee that all required materials shall be delivered in immediate usable and acceptable condition.
- b. The Contractor shall submit all required deliverables and reports in accordance with the following schedule. Reports submitted under the contract shall reference and cite the contract number and identify CMS as the sponsoring agency.
- c. Satisfactory performance of the final contract shall be deemed to occur upon delivery and acceptance by the Contracting Officer, or the duly authorized representative, of the following items in accordance with the following schedule (reports submitted under the contract shall reference and cite the contract number and identify CMS as the sponsoring agency):

The contractor shall submit all required reports and deliverables in accordance with the following schedule. Reports and/or deliverables submitted under this contract shall be **in accordance with this Statement of Work**.

F.4 IMPLEMENTATION PHASE

The CMS shall advise the contractor of its intent to proceed with implementation of the State's design model at least forty-five (45) day's prior to expiration of the design phase. At least within thirty (30) days prior to expiration of the eighteen (18) months period of performance, the contractor shall submit its technical proposal and business approach for implementation of the demonstration.

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 ACCOUNTING AND APPROPRIATION DATA

See SF-26

G.2 INVOICING

Submission of Invoices and Place of Payment

(1) Contractor shall submit to the Government an invoice for payment. Invoices shall be prepared using Standard Form 1034, PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL.

(2) To expedite payment, invoices shall be sent, as follows:

(a) Invoices (original and four copies) shall be sent directly to the address below (where applicable, the Contractor shall submit the invoice to said office via the cognizant government auditor):

Department of Health and Human Services
Centers for Medicare & Medicaid Services
P.O. BOX 7520
7500 Security Boulevard
Baltimore, Maryland 21207-0520

G.3 PAYMENT

(1) In accordance with FAR 52.232-33, the Centers for Medicare and Medicaid Services (CMS) shall only make an electronic reimbursement/payment.

In accordance with FAR 52.204-7, the contractor must register in the Central Contractor Registration (CCR) database. Failure to register in CCR may prohibit CMS from making awards to your organization.

The contractor shall notify CMS' Division of Accounting Operations of all EFT and address changes in CCR via the following email address: CCRChanges@cms.hhs.gov

(2) The target date for payment of this contract shall be 30 calendar days after an invoice containing the information set forth in Paragraph "a" of this article is received in the payment office designated herein.

(3) Payment shall be authorized after the Division of Accounting has audited the invoice in accordance with Federal Regulations. This audit includes verification that the invoice contains the rates/unit prices, those indicated in the contract or purchase order. Any discrepancies determined as a result of the audit, could delay the processing of the invoice and may result in the invoice being returned to the vendor for correction.

G.4 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

Lindsay Barnette is hereby designated as the COTR. The Project Officer responsibilities shall include continuous **overall** monitoring of the Contractor's compliance with all substantive project objectives. Specific duties and responsibilities are identified in G.5, Technical Direction.

G.5 TECHNICAL DIRECTION

a. Performance of the work under this contract shall be subject to the technical direction of the COTR. The term "technical direction" is defined to include, without limitation, the following:

- Directions to the Contractor which redirect the contract effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details or otherwise serve to

accomplish the contractual statement of work.

- Provision of information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work description.
 - Review and, where required by the contract, approval of technical reports, drawings, specifications, and technical information to be delivered by the Contractor to the Government under the contract.
- b. Technical direction must be within the general Statement of Work stated in the contract. The COTR does not have the authority to and may not issue any technical directions which:
- (1) Constitutes an assignment of additional work outside the general Statement of Work of the contract.
 - (2) Constitutes a change as defined in the FAR contract clause entitled:
52.243-1 Changes – Fixed Price (AUG 1987)
 - (3) In any manner cause an increase or decrease in the total estimated contract cost, fixed-fee, or the time required for contract performance.
 - (4) Change any of the expressed terms, conditions, or specifications of the contract.
- c. All technical direction shall be issued in writing by the COTR or shall be confirmed by him/her in writing within 5 working days after issuance.
- d. The Contractor shall proceed promptly with the performance of technical direction duly issued by the COTR in the manner prescribed by this article and within his/her authority under the provisions of this article.
- e. If, in the opinion of the Contractor, any instruction or direction issued by the COTR is within one of the categories as defined in b(1) through b(4) above, the Contractor shall not proceed but shall notify the Contracting Officer in accordance with FAR 52.243-7, Notification of Changes.

G.6 CONTRACTING OFFICER RESPONSIBILITY

In accordance with FAR 52.201-1 Definitions, The term Contracting Officer means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority delegated by the Contracting Officer.

Notwithstanding any of the other provisions of this Contract, the Contracting Officer shall be the ONLY individual authorized to:

- a. enter into and commit/bind the Government by contract for supplies or services;
- b. accept nonconforming work or waive any requirement of this Contract;
- c. authorize reimbursement to the Contractor for any costs incurred during the performance of the Contract, and
- d. modify any term or condition of this Contract, i.e., make any changes in the Statement of Work; modify/extend the period of performance; change the delivery schedule.

G.7 PROJECT DIRECTOR/PROJECT MANAGER

[TBD] will serve as Contractor's Project Director/Project Manager. It will be his responsibility to obtain the staff necessary and to direct the work for the conduct of this project. The Government reserves the right to approve any necessary successor to be designated as Contractor's Project Director/Project Manager.

G.8 KEY PERSONNEL - HHSAR 352.242-70 (JAN 2006)

The personnel specified in this contract are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified individuals to other programs, the Contractor shall notify the Contracting Officer reasonably in advance and shall submit justification* (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the Contractor without the written consent of the Contracting Officer; provided, that the Contracting Officer may ratify in writing such diversion and such ratification shall constitute the consent of the Contracting Officer required by the clause. The contract may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

*All proposed substitutions shall be submitted, in writing, to CMS at least 30 days prior to the proposed substitution. Each request shall provide a detailed explanation of the circumstance necessitating the proposed substitution, a complete resume and any other information required by CMS. All proposed substitutions shall have qualifications equal to or greater than the person being replaced. TBD

G.9 WORKING PAPERS

The Contractor shall provide, at the request of the Contracting Officer, all the working papers used by the participating officials and employees of the Contractor in connection with this project.

G.10 DATA TO BE DELIVERED

- a. Any working papers, interim reports, data given by the Government or first produced by the Contractor under the contract or collected or otherwise obtained by the Contractor under the contract, or results obtained or developed by the Contractor (subcontractor or consultants) pursuant to the fulfillment of this contract are to be delivered, documented, and formatted as directed by the Contracting Officer.
- b. In addition, information and/or data, which are held by the Contractor related to the operation of their business and/or institution and which are obtained without the use of Federal funds, shall be considered "PROPRIETARY DATA" and are not subject data to be delivered under this contract.

G.11 SERVICE OF CONSULTANTS

- a. Except as may otherwise be expressly provided elsewhere in this contract, prior written approval of the Contracting Officer for utilization of consultants shall be required. Whenever Contracting Officer approval is required, the Contractor shall furnish to the Contracting Officer information concerning the need for such consultant services and the reasonableness of the fees to be paid to any consultants.
- b. For utilization of the services of any consultants under this contract, the contractor shall be reimbursed in accordance with the rate(s) set forth below. If not identified below, the contractor shall be reimbursed for utilization of consultant services at a rate determined to be reasonable and appropriate for the services, exclusive of travel costs. TBD

G.12 DISSEMINATION, PUBLICATION AND DISTRIBUTION OF INFORMATION

- a. Data and information either provided to the Contractor, or to any subcontractor or generated by activities under this contract or derived from research or studies supported by this contract, shall be used only for the purposes of the contract. It shall not be duplicated, used or disclosed for any purpose other than the fulfillment of the requirements set forth in this contract. This restriction does not limit the contractor's right to use data or information obtained from a non-restrictive source. Any questions concerning "privileged information" shall be referred to the Contracting Officer.

b. Some data or information may require special consideration with regard to the timing of its disclosure so that preliminary findings which could create erroneous conclusions are not stimulated. Also, some data or information, which relate to policy matters under consideration by the Government, may also require special consideration with regard to the timing of its disclosure so that the open and vigorous debate, within the government, of possible policy options is not damaged.

c. Any questions about use or release of the data or information or handling of material under this contract, shall be referred to the Contracting Officer who must render a written determination. The Contracting Officer's determinations will reflect the results of internal coordination with appropriate program and legal officials.

d. Written advance notice of at least forty-five (45) days shall be provided to the Contracting Officer of the Contractor's desire to release findings of studies or research or data or information described above. If the Contractor disagrees with the Contracting Officer's determination, and if this disagreement cannot be settled by the Contractor and the Contracting Officer in a mutually satisfactory manner, then the issue will be settled pursuant to the "Disputes" clause.

e. Any presentation of any report, statistical or analytical material based on information obtained from this contract shall be subject to review by the Project Officer before dissemination, publication, or distribution. Presentation includes, but is not limited to, papers, articles, professional publications, speeches, testimony or interviews with public print or broadcast media. This does not apply to information that would be available under the Federal Freedom of Information Act.

f. The Project Officer review shall cover accuracy, content, manner of presentation of the information, and also the protection of the privacy of individuals. If the review finds that the Privacy Act is or may be violated, the release/use of the presentation shall be denied until the offending material is removed or until the Contracting Officer makes a formal determination, in writing, that the privacy of individuals is not being violated.

g. If the review shows that the accuracy, content, or manner of presentation is not correct or is inappropriate in the light of the purpose of the project, the Project Officer shall immediately inform the Contractor, in writing, of the nature of the problem. If the Contractor disagrees, the Project Officer may insist that the presentation contain, in a manner of equal importance, materials which show the government's problem with the presentation.

h. The Contractor agrees to acknowledge support by CMS whenever reports of projects funding, in whole or in part, by this contract are published in any medium. The Contractor shall include in any publication resulting from work under this contract, an acknowledgement substantially, as follows:

"The analyses upon which this publication is based were performed under Contract Number HHSM-500-2011-00042C, entitled, " State Demonstrations to Integrate Care for Dual Eligible Individuals."

Any deviation from the above legend shall be approved, in writing, by the Contracting Officer.

G.13 AUDIT OF HOURS

a. In addition to the examination of costs, as detailed in FAR Clause No. 52.215-2 entitled "Audit-Negotiation," the Contracting Officer or his representatives will have the right to examine all books, records, documents and other data of the Contractor relating to this contract for the purpose of evaluating the accuracy and completeness of the hours which the Contractor has recorded on his invoices as expended toward satisfaction of the requirements of this contract.

b. The materials described above shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction until:

(1) The expiration of three (3) years from the date of final payment under this contract,

(2) the expiration of three (3) years from the date of final settlement resulting from a termination or a partial termination of this contract.

G.14 CORRESPONDENCE PROCEDURES

To promote timely and effective administration, correspondence (except for invoices), submitted under this contact shall be subject to the following procedures:

- a. Technical Correspondence - Technical correspondence (as used herein, this term excludes technical correspondence which proposes or otherwise involves waivers, deviations or modifications to the requirements, terms or conditions of this contract) shall be addressed to the COTR with an informational copy of the basic correspondence to the Contracting Officer.
- b. Other Correspondence - All other correspondence shall be addressed to the Contracting Officer, in duplicate, with an informational copy of the basic correspondence to the COTR.
- c. Subject Lines - All correspondence shall contain a subject line, commencing with the contract number as illustrated below:

EXAMPLE: Contract No. HHSM-500-2011-00042C
 Request for Subcontract Consent

G.15 SUBCONTRACT CONSENT

To facilitate the review of proposed subcontracts, the Contractor shall include in its proposal the information required by the FAR Clause 52.244-2 entitled, "Subcontracts".

In all other instances the Contractor shall submit its request for subcontracting consent to the Contracting Officer. The Contracting Officer shall consult with the Project Officer and advise the Contractor of his/her decision to consent to or dissent from the proposed subcontract, in writing.

Name	Not to exceed
TBD	

G.16 USE OF GOVERNMENT – DATA (REPORTS/FILES/COMPUTER TAPES OR DISKETTES)

Any data given to the Contractor by the Government shall be used only for the performance of the contract unless the Contracting Officer specifically permits another use, in writing. Should the Contracting Officer permit the Contractor the use of Government-supplied data for a purpose other than solely for performance of this contract and, if such use could result in a commercially viable product, the Contracting Officer and the Contractor must negotiate a financial benefit to the Government. This benefit should most often be in the form of a reduction in the price of the contract; however, the Contracting Officer may negotiate any other benefits he/she determines is adequate compensation for the use of these data.

Upon the request of the Contracting Officer, or the expiration date of this contract, whichever shall come first, the Contractor shall return or destroy all data given to the Contractor by the Government. However, the Contracting Officer may direct that the data be retained by the Contractor for a specific period of time, which period shall be subject to agreement by the Contractor. Whether the data are to be returned, retained, or destroyed shall be the decision of the Contracting Officer with the exception that the Contractor may refuse to retain the data. The Contractor shall retain no data, copies of data, or parts thereof, in any form, when the Contracting Officer directs that the data be returned or destroyed. If the data are to be destroyed, the Contractor shall directly furnish evidence of such destruction in a form the Contracting Officer shall determine is adequate.

G.17 ESRS REPORTING

The Contractor shall report all subcontract awards to small, small disadvantaged, women-owned, HUBZones, veteran-owned and service-disabled veteran-owned small business concerns. The reports shall be prepared using the electronic Subcontracting Reporting System (eSRS) via the internet at <http://www.esrs.gov>. The Individual

Subcontracting Report (ISR), formerly SF 294, shall be submitted semi-annually for the periods of October 1 through March 31 and April 1 through September 30. The Summary Subcontracting Report (SSR), formerly, SF 295 shall be submitted annually for the period of October 1 through September 30.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 CONDITIONS FOR PERFORMANCE

In addition to the performance requirements of this contract as set forth under Section C, the Contractor may be required to comply with the requirements of any revisions in legislation or regulations which may be enacted or implemented during the period of performance of this contract, and are directly applicable to the performance requirements of this contract.

Such legislative or regulatory requirements shall become a part of this contract only through an execution of a contract modification by the Contracting Officer. The contractor will be consulted and participate in negotiations to effect an equitable adjustment to the contract.

H.2 HIPAA BUSINESS ASSOCIATE PROVISION II

Definitions:

All terms used herein and not otherwise defined shall have the same meaning as in the Health Insurance Portability and Accountability Act of 1996 ("HIPAA," 42 U.S.C. sec. 1320d) and the corresponding implementing regulations. Provisions governing the Contractor's duties and obligations under the Privacy Act (including data use agreements) are covered elsewhere in the contract.

"Business Associate" shall mean the Contractor.

"Covered Entity" shall mean CMS' Medicare Fee for Service program and/or Medicare's Prescription Drug Discount Care and Transitional Assistance Programs.

"Secretary" shall mean the Secretary of the Department of Health and Human Services or the Secretary's designee.

Obligations and Activities of Business Associate

(a) Business Associate agrees to not use or disclose Protected Health Information ("PHI"), as defined in 45 C.F.R. § 160.103, created or received by Business Associate from or on behalf of Covered Entity other than as permitted or required by this Contract or as required by law.

(b) Business Associate agrees to use safeguards to prevent use or disclosure of PHI created or received by Business Associate from or on behalf of Covered Entity other than as provided for by this Contract. Furthermore, Business Associate agrees to use appropriate administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic protected health information ("E PHI"), as defined in 45 C.F.R. 160.103, it creates, receives, maintains or transmits on behalf of the Covered Entity to prevent use or disclosure of such E PHI.

(c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Contract.

(d) Business Associate agrees to report to Covered Entity any use or disclosure involving PHI it receives/maintains from/on behalf of the Covered Entity that is not provided for by this Contract of which it becomes aware. Furthermore, Business Associate agrees to report to Covered Entity any security incident involving E PHI of which it becomes aware.

(e) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Contract to Business Associate with respect to such information. Furthermore, Business Associate agrees to ensure that its agents and subcontractors implement reasonable and appropriate safeguards for the PHI received from or on behalf of the Business Associate.

(f) Business Associate agrees to provide access, at the request of Covered Entity, to PHI received by Business Associate in the course of contract performance, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR § 164.524.

- (g) Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR § 164.526 upon request of Covered Entity.
- (h) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, available to Covered Entity, or to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the various rules implementing the HIPAA.
- (i) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
- (j) Business Associate agrees to provide to Covered Entity, or an individual identified by the Covered Entity, information collected under this Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Contract, Business Associate may use or disclose PHI on behalf of, or to provide services to, Covered Entity for purposes of the performance of this Contract, if such use or disclosure of PHI would not violate the HIPAA Privacy or Security Rules if done by Covered Entity or the minimum necessary policies and procedures of Covered Entity.

Obligations of Covered Entity

- (a) Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- (b) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- (c) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Privacy or Security Rules.

Term of Provision

- (a) The term of this Provision shall be effective as of {insert effective date}, and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
- (b) Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - (1) Provide an opportunity for Business Associate to cure the breach or end the violation consistent with the termination terms of this Contract. Covered Entity may terminate this Contract for default if the Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or
 - (2) Consistent with the terms of this Contract, terminate this Contract for default if Business Associate has breached a material term of this Contract and cure is not possible; or
 - (3) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- (c) Effect of Termination.

(1) Except as provided in paragraph (2) of this section, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

(2) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon such notice that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

Miscellaneous

(a) A reference in this Contract to a section in the Rules issued under HIPAA means the section as in effect or as amended.

(b) The Parties agree to take such action as is necessary to amend this Contract from time to time as is necessary for Covered Entity to comply with the requirements of the Rules issued under HIPAA.

(c) The respective rights and obligations of Business Associate under paragraph (c) of the section entitled "term of Provision" shall survive the termination of this Contract.

(d) Any ambiguity in this Contract shall be resolved to permit Covered Entity to comply with the Rules implemented under HIPAA.

H.3 SECURITY CLAUSE -BACKGROUND - INVESTIGATIONS FOR CONTRACTOR PERSONNEL

If applicable, Contractor personnel performing services for CMS under this contract, task order or delivery order shall be required to undergo a background investigation. CMS will pay for the background investigations.

After contract award, the CMS Project Officer (PO) and the Emergency Management & Response Group (EMRG), with the assistance of the Contractor, shall perform a position-sensitivity analysis based on the duties contractor personnel shall perform on the contract, task order or delivery order. The results of the position-sensitivity analysis will determine first, whether the provisions of this clause are applicable to the contract and second, if applicable, determine each position's sensitivity level (i.e., high risk, moderate risk or low risk) and dictate the appropriate level of background investigation to be processed. Investigative packages may contain the following forms:

1. SF-85, Questionnaire for Non-Sensitive Positions, 09/1995
2. SF-85P, Questionnaire for Public Trust Positions, 09/1995
3. OF-612, Optional Application for Federal Employment, 12/2002
4. OF-306, Declaration for Federal Employment, 01/2001
5. Credit Report Release Form
6. FD-258, Fingerprint Card, 5/99, and
7. CMS-730A, Request for Physical Access to CMS Facilities (NON-CMS ONLY), 11/2003.

The Contractor personnel shall be required to undergo a background investigation commensurate with one of these position-sensitivity levels:

1) High Risk (Level 6)

Public Trust positions that would have a potential for exceptionally serious impact on the integrity and efficiency of the service. This would include computer security of a major automated information system (AIS). This includes positions in which the incumbent's actions or inaction could diminish public confidence in the integrity, efficiency, or effectiveness of assigned government activities, whether or not actual damage occurs, particularly if duties are especially critical to the agency or program mission with a broad scope of responsibility and authority.

Major responsibilities that would require this level include:

development and administration of CMS computer security programs, including direction and control of risk analysis and/or threat assessment; significant involvement in mission-critical systems; preparation or approval of data for input into a system which does not necessarily involve personal access to the system but with relatively high risk of causing grave damage or realizing significant personal gain; other responsibilities that involve relatively high risk of causing damage or realizing personal gain; policy implementation; higher level management duties/assignments or major program responsibility; or independent spokespersons or non-management position with authority for independent action.

Approximate cost of each investigation: \$3,500

2) *Moderate Risk (Level 5)*

Public Trust positions that have potential for moderate to serious impact on the integrity and efficiency of the service, including computer security. These positions involve duties of considerable importance to the CMS mission with significant program responsibilities that could cause damage to large portions of AIS. Duties involved are considerably important to the agency or program mission with significant program responsibility, or delivery of service. Responsibilities that would require this level include:

the direction, planning, design, operation, or maintenance of a computer system and whose work is technically reviewed by a higher authority at the High Risk level to ensure the integrity of the system; systems design, operation, testing, maintenance, and/or monitoring that are carried out under the technical review of a higher authority at the High Risk level; access to and/or processing of information requiring protection under the Privacy Act of 1974; assists in policy development and implementation; mid-level management duties/assignments; any position with responsibility for independent or semi-independent action; or delivery of service positions that demand public confidence or trust.

Approximate cost range of each investigation: \$150 - \$2,600

3) *Low Risk (Level 1)*

Positions having the potential for limited interaction with the agency or program mission, so the potential for impact on the integrity and efficiency of the service is small. This includes computer security impact on AIS.

Approximate cost of each investigation: \$100

The Contractor shall submit the investigative package(s) to the EMRG within three (3) days after being advised by the EMRG of the need to submit packages. Investigative packages shall be submitted to the following address:

Centers for Medicare & Medicaid Services
Office of Operations Management
Emergency Management & Response Group
Mail Stop SL-13-15
7500 Security Boulevard
Baltimore, Maryland 21244-1850

The Contractor shall submit a copy of the transmittal letter to the Contracting Officer (CO).

Contractor personnel shall submit a CMS-730A (Request for Badge) to the EMRG (see attachment in Section J). The Contractor and the PO shall obtain all necessary signatures on the CMS-730A prior to any Contractor employee arriving for fingerprinting and badge processing.

The Contractor must appoint a Security Investigation Liaison as a point of contact to resolve any issues of inaccurate or incomplete form(s). Where personal information is involved, EMRG may need to contact the contractor employee directly. The Security Investigation Liaison may be required to facilitate such contact.

After EMRG fingerprints contractor personnel and issues them a temporary CMS identification badge, the EMRG

will send their completed investigative package to the Office of Personnel Management (OPM). OPM will conduct the background investigation. Badges will be provided by EMRG while contractor personnel investigative forms are being processed. The Contractor remains fully responsible for ensuring contract, task order or delivery order performance pending completion of background investigations of contractor personnel.

EMRG shall provide written notification to the CO with a copy to the PO of all suitability decisions. The PO shall then notify the Contractor in writing of the approval of the Contractor's employee(s), at that time the Contractor's employee(s) will receive a permanent identification badge. Contractor personnel who the EMRG determines to be ineligible may be required to cease working on the contract immediately.

The Contractor shall report immediately in writing to EMRG with copies to the CO and the PO, any adverse information regarding any of its employees that may impact their ability to perform under this contract, task order or delivery order. Reports should be based on reliable and substantiated information, not on rumor or innuendo. The report shall include the contractor employee's name and social security number, along with the adverse information being reported.

Contractor personnel shall be provided an opportunity to explain or refute unfavorable information found in an investigation to EMRG before an adverse adjudication is made. Contractor personnel may request, in writing, a copy of their own investigative results by contacting:

Office of Personnel Management
Freedom of Information
Federal Investigations Processing Center
PO Box 618
Boyers, PA 16018-0618.

At the Agency's discretion, if an investigated contractor employee leaves the employment of the contractor, or otherwise is no longer associated with the contract, task order, or delivery order within one (1) year from the date the background investigation was completed, then the Contractor may be required to reimburse CMS for the full cost of the investigation. Depending upon the type of background investigation conducted, the cost could be approximately \$100 to \$3,500. The amount to be paid by the Contractor shall be due and payable when the CO submits a written letter notifying the Contractor as to the cost of the investigation. The Contractor shall pay the amount due within thirty (30) days of the date of the CO's letter by check made payable to the "United States Treasury." The Contractor shall provide a copy of the CO's letter as an attachment to the check and submit both to the Office of Financial Management at the following address:

Centers for Medicare & Medicaid Services
PO Box 7520
Baltimore, Maryland 21207

The Contractor must immediately provide written notification to EMRG (with copies to the CO and the PO) of all terminations or resignations of Contractor personnel working on this contract, task order or delivery order. The Contractor must also notify EMRG (with copies to the CO and the PO) when a Contractor's employee is no longer working on this contract, task order or delivery order.

At the conclusion of the contract, task order or delivery order and at the time when a contractor employee is no longer working on the contract, task order or delivery order due to termination or resignation, all CMS-issued parking permits, identification badges, access cards, and/or keys must be promptly returned to EMRG. Contractor personnel who do not return their government-issued parking permits, identification badges, access cards, and/or keys within 48 hours of the last day of authorized access shall be permanently barred from the CMS complex and subject to fines and penalties authorized by applicable federal and State laws.

H.4 RESTRICTIONS ON THE USES OF INFORMATION

The access to and use of data/information under this contract shall be in accordance with FAR clause 52.224-2 Privacy Act, set forth in Section I.

H.5 APPROVAL OF CONTRACT ACQUIRED INFORMATION TECHNOLOGY (IT)

- A. The Contractor must obtain the Contracting Officer's written approval prior to the acquisition of any IT investments (see FAR Part 2.101, for definition of IT) to ensure compatibility and successful integration with CMS's infrastructure/architecture.
- B. In the performance of a system life cycle development project, the Contractor must submit to the Project Officer the technical specifications for each of the following incremental phase of the projected life cycle prior to the commencement of work:
 - 1. Design and Engineering
 - 2. Development, and
 - 3. Testing
- C. Upon written approval from the Contracting Officer, the Contractor shall commence work under the approved technical specification for the authorized incremental phase.
- D. In either instance of an approved IT investment acquisition, or an incremental phase of a system life cycle development project, the contract shall be modified accordingly and the Contractor shall proceed.
- E. CMS may disallow any contractor incurred cost that would not be allocated to the approved IT investment acquisition.

H.6 ORGANIZATIONAL CONFLICTS OF INTEREST

- a. Purpose. The primary purpose of this clause is to aid in ensuring that the Contractor (1) does not obtain any unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interest (financial, organizational, or otherwise) which relate to the work under this contract.
- b. Scope. The restrictions described herein shall apply to performance or participation by the Contractor and any of its affiliate organizations or their successors in interest (hereinafter collectively referred to as the "Contractor") in the activities covered by this clause as a prime Contractor, subcontractor, co-sponsor, joint venturer, consultant, or in any similar capacity.
 - (1) Advisory, consulting, analytical, evaluation, or study work, including the preparation of statements of work and specifications: (i) If the Contractor performs advisory, consulting, analytical, evaluation, study, or similar work under this contract, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the Contractor agrees not to perform similar work for prospective offerors with respect to any such contractual efforts.

Furthermore, unless so directed in writing by the Contracting Officer, the Contractor shall not perform any such work under this contract on any of its products or services, or the products or services of another firm for which the Contractor performs similar work. Nothing in this subparagraph shall preclude the Contractor from competing for HHS management and technical support services follow-on contracts as defined in paragraph 6. below.

If the Contractor under this contract assists substantially in the preparation of a statement of work or specifications, the Contractor shall be ineligible to perform or participate in any capacity in any contractual effort which is based on such statement of work or specifications. The Contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the Contracting Officer, in which case the restriction in this subparagraph shall not apply.

- (2) Access to the use of information:

(a) If the Contractor in the performance of this contract obtains access to information, such as HHS plans, policies, reports, studies, financial plans, or data which has not been released to the public, the Contractor agrees not to (a) use such information for any private purpose unless the information has been released to the public; (b) disclose such information for a period of six (6) months after the completion of this contract, or the release of such information to the public, whichever is first; (c) submit an unsolicited proposal to the Government which is based on such information until one (1) year after the release of such information to the public; or (d) release such information without prior written approval by the Contracting Officer.

(b) In addition, the Contractor agrees that to the extent it receives or is given access to proprietary data or other confidential technical, business or financial information under this contract, it shall treat such information in accordance with any restrictions imposed on such information.

(c) The Contractor shall have, subject to patent and security provisions of this contract, the right to use technical data it first produces under this contract for its private purposes provided that, as of the date of such use, all data requirements of this contract have been met.

(3) Subcontracts. The Contractor shall include this clause, including this paragraph, in subcontracts of any tier which involve performance of work of the type specified in b.(1) above or access to information covered in b.(2) above. The use of this clause in such subcontracts shall be read by substituting the word "Subcontractor" for the word "Contractor" whenever the word "Contractor" appears.

(4) Remedies: For breach of the above restrictions or for non-disclosure or misrepresentation of any relevant interest required to be disclosed concerning this contract, the Government may, at no cost, terminate the contract, disqualify the Contractor for subsequent related contractual efforts, and pursue other remedies as may be permitted by law or this contract.

(5) Waiver. Any request for waiver under this clause shall be directed in writing to the Contracting Officer and shall include a full description of the requested waiver and the reasons in support thereof. If it is determined to be in the best interest of the Government, the Contracting Officer shall grant such waiver in writing.

(6) Definitions. The term "management and technical support services" includes any advice, assistance, analysis, consultation, evaluation, examination, report, review, study, survey, or similar assistance, including providing assistance in procurement and related activities, to support any program or their operations of CMS.

H.7 ELECTRONIC INFORMATION AND TECHNOLOGY ACCESSIBILITY – HHSAR 352.239-73 (JAN 2006)

Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended by Public Law 105–220 under Title IV (Rehabilitation Act Amendments of 1998) and the Architectural and Transportation Barriers Compliance Board Electronic and Information (EIT) Accessibility Standards (36 CFR part 1194), require that all EIT acquired must ensure that:

(1) Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities; and

(2) Members of the public with disabilities seeking information or services from an agency have access to and use of information and data that is comparable to the access to and use of information and data by members of the public who are not individuals with disabilities. This requirement includes the development, procurement, maintenance, and/or use of EIT products/services; therefore, any proposal submitted in response to this solicitation must demonstrate compliance with the established EIT Accessibility Standards. Information about Section 508 is available at <http://www.section508.gov/> (New Window).

H.8 CODE OF CONDUCT

SMOKING

Effective June 9, 2004, smoking is not permitted anywhere on the CMS single site campus. This includes all areas outside the building, such as off-site facility, entranceways, sidewalks and parking areas. Smoking will not be permitted anywhere in Regional Offices or Washington, D.C. Office locations unless permitted by GSA guidelines or local landlord requirements. Contractor employees are subject to the same restrictions as government personnel. Fines up to \$50 per occurrence will be issued and enforced by the Federal Protective Service.

DRESS

The preferred dress codes at CMS facilities are professional attire, business attire or business casual attire.

H.9 CMS INFORMATION SECURITY

This clause applies to all organizations which possess or use Federal information, or which operate, use or have access to Federal information systems (whether automated or manual), on behalf of CMS.

The central tenet of the CMS Information Security (IS) Program is that all CMS information and information systems shall be protected from unauthorized access, disclosure, duplication, modification, diversion, destruction, loss, misuse, or theft—whether accidental or intentional. The security safeguards to provide this protection shall be risk-based and business-driven with implementation achieved through a multi-layered security structure. All information access shall be limited based on a least-privilege approach and a need-to-know basis, i.e., authorized user access is only to information necessary in the performance of required tasks. Most of CMS' information relates to the health care provided to the nation's Medicare and Medicaid beneficiaries, and as such, has access restrictions as required under legislative and regulatory mandates.

The CMS IS Program has a two-fold purpose:

- (1) To enable CMS' business processes to function in an environment with commensurate security protections, and
- (2) To meet the security requirements of federal laws, regulations, and directives.

The principal legislation for the CMS IS Program is Public Law (P.L.) 107-347, Title III, *Federal Information Security Management Act of 2002 (FISMA)*, <http://csrc.nist.gov/drivers/documents/FISMA-final.pdf>. FISMA places responsibility and accountability for IS at all levels within federal agencies as well as those entities acting on their behalf. FISMA directs Office of Management and Budget (OMB) through the Department of Commerce, National Institute of Standards and Technology (NIST), to establish the standards and guidelines for federal agencies in implementing FISMA and managing cost-effective programs to protect their information and information systems. As a contractor acting on behalf of CMS, this legislation requires that the Contractor shall:

- Establish senior management level responsibility for IS,
- Define key IS roles and responsibilities within their organization,
- Comply with a minimum set of controls established for protecting all Federal information, and
- Act in accordance with CMS reporting rules and procedures for IS.

Additionally, the following laws, regulations and directives and any revisions or replacements of same have IS implications and are applicable to all CMS contractors.

- P.L. 93-579, *The Privacy Act of 1974*, <http://www.usdoj.gov/oip/privstat.htm>, (as amended);
- P.L. 99-474, *Computer Fraud & Abuse Act of 1986*, www.usdoj.gov/criminal/cybercrime/ccmanual/01ccma.pdf P.L. 104-13, *Paperwork Reduction Act of 1978*, as amended in 1995, U.S. Code 44 Chapter 35, www.archives.gov/federal-register/laws/paperwork-reduction;
- P.L. 104-208, *Clinger-Cohen Act of 1996* (formerly known as the Information Technology Management Reform Act), http://www.cio.gov/Documents/it_management_reform_act_Feb_1996.html;

- P.L. 104-191, *Health Insurance Portability and Accountability Act of 1996* (formerly known as the Kennedy-Kassenbaum Act) <http://aspe.hhs.gov/admnsimp/pl104191.htm>;
- OMB Circular No. A-123, *Management's Responsibility for Internal Control*, December 21, 2004, http://www.whitehouse.gov/omb/circulars/a123/a123_rev.html;
- OMB Circular A-130, *Management of Federal Information Resources*, Transmittal 4, November 30, 2000, <http://www.whitehouse.gov/omb/circulars/a130/a130trans4.html>;
- NIST standards and guidance, <http://csrc.nist.gov/>; and,
- Department of Health and Human Services (DHHS) regulations, policies, standards and guidance <http://www.hhs.gov/policies/index.html>

These laws and regulations provide the structure for CMS to implement and manage a cost-effective IS program to protect its information and information systems. Therefore, the Contractor shall monitor and adhere to all IT policies, standards, procedures, directives, templates, and guidelines that govern the CMS IS Program, <http://www.cms.hhs.gov/informationsecurity> and the CMS System Lifecycle Framework, <http://www.cms.hhs.gov/SystemLifecycleFramework>.

The Contractor shall comply with the CMS IS Program requirements by performing, but not limited to, the following:

- Implement their own IS program that adheres to CMS IS policies, standards, procedures, and guidelines, as well as industry best practices;
- Participate and fully cooperate with CMS IS audits, reviews, evaluations, tests, and assessments of contractor systems, processes, and facilities;
- Provide upon request results from any other audits, reviews, evaluations, tests and/or assessments that involve CMS information or information systems;
- Report and process corrective actions for all findings, regardless of the source, in accordance with CMS procedures;
- Document its compliance with CMS security requirements and maintain such documentation in the systems security profile;
- Prepare and submit in accordance with CMS procedures, an incident report to CMS of any suspected or confirmed incidents that may impact CMS information or information systems; and
- Participate in CMS IT information conferences as directed by CMS.

If the contractor believes that an updated IS-related requirement posted to the CMS website may result in a significant cost impact, the contractor may submit a request for equitable cost adjustment before implementing change.

H.10 SECTION 508 COMPLIANCE FOR COMMUNICATIONS

The contractor shall comply with the standards, policies, and procedures below. In the event of conflicts between the referenced documents and the SOW, the SOW shall take precedence.

Rehabilitation Act, Section 508 Accessibility Standards

1. 29 U.S.C. 794d (Rehabilitation Act as amended)
2. 36 CFR 1194 (508 Standards)
3. www.access-board.gov/sec508/508standards.htm (508 standards)
4. FAR 39.2 (Section 508)
5. CMS/HHS Standards, policies and procedures (Section 508)

In addition, all contract deliverables are subject to these 508 standards as applicable.

Regardless of format, all Web content or communications materials produced, including text, audio or video - must conform to applicable Section 508 standards to allow federal employees and members of the public with disabilities to access information that is comparable to information provided to persons without disabilities. All contractors (including subcontractors) or consultants responsible for preparing or posting content must comply with applicable Section 508 accessibility standards, and where applicable, those set forth in the referenced policy or standards documents (above/below). Remediation of any materials that do not comply with the applicable provisions of 36 CFR Part 1194 as set forth in the SOW shall be the responsibility of the contractor or consultant.

The following Section 508 provisions apply to the content or communications material identified in this SOW:

36 CFR Part 1194.22 a – j, l – p

36 CFR Part 1194.41 a – c

SECTION I - CONTRACT CLAUSES

I.1 CLAUSES INCORPORATED BY REFERENCE – 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

- 52.203-1 DEFINITIONS (JUL 2004)
- 52.203-3 GRATUITIES (APR 1984)
- 52.203-5 COVENANT AGAINST CONTINGENT FEES (APR 1984)
- 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)
- 52.203-7 ANTI-KICKBACK PROCEDURES (JUL 1995)
- 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEPT 2007)
- 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEP 2007)
- 52.204-2 SECURITY REQUIREMENTS (AUG 1996)
- 52.204-4 PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER (AUG 2000)
- 52.204-7 CENTRAL CONTRACTOR REGISTRATION (JUL 2006)
- 52.207-3 RIGHT OF FIRST REFUSAL OF EMPLOYMENT (MAY 2006)
- 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (SEP 2006)
- 52.215-1 INSTRUCTIONS TO OFFERORS—COMPETITIVE ACQUISITION (JAN 2004)
- 52.215-2 AUDIT AND RECORDS-NEGOTIATION (JUN 1999)
- 52.215-8 ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT (OCT 1997)
- 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1997)
- 52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS (OCT 1997)
- 52.215-12 SUBCONTRACTOR COST OR PRICING DATA (OCT 1997)

- 52.215-13 SUBCONTRACTOR COST OR PRICING DATA – MODIFICATIONS (OCT 1997)
- 52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2004)
- 52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997)
- 52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (OCT 1997)
- 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997)
- 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA—MODIFICATIONS (OCT 1997)
- 52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984)
- 52.216-25 CONTRACT DEFINITIZATION (OCT 2010)
- 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)
- 52.217-9 OPTION TO EXTEND THE TERMS OF THE CONTRACT (MAR 2000)
- 52.219-14 LIMITATIONS OF SUBCONTRACTING (DEC 1996)
- 52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)
- 52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JULY 1990)
- 52.222-3 CONVICT LABOR (JUN 2003)
- 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT OVERTIME COMPENSATION. (JUL 2005)
- 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)
- 52.222-26 EQUAL OPPORTUNITY (MAR 2007)
- 52.222-35 EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF VIETNAM EAR, AND OTHER ELIGIBLE VETERANS (DEC 2001)
- 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)
- 52.222-37 EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (SEP 2006)
- 52.223-6 DRUG-FREE WORKPLACE (MAY 2001)
- 52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (AUG 2003)
- 52.223-14 TOXIC CHEMICAL RELEASE REPORTING (AUG 2003)
- 52.223-18 CONTRACTOR POLICY TO BAN TEXT MESSAGING WHILE DRIVING (SEP 2010)
- 52.224-1 PRIVACY ACT NOTIFICATION (APR 1984)

52.224-2 PRIVACY ACT (APR 1984)

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (FEB 2006)

52.225-25 PROHIBITION ON ENGAGING IN SANCTIONED ACTIVITIES RELATING TO IRAN—
CERTIFICATION (SEP 2010)

52.227-1 AUTHORIZATION AND CONSENT (DEC 2007)

52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT.
(DEC 2007)

52.227-3 PATENT INDEMNITY (APR 1984)

52.228-7 INSURANCE – LIABILITY TO THIRD PERSON (MAY 1996)

52.227-14 RIGHTS IN DATA-GENERAL (DEC 2007)

52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)

52.229-3 FEDERAL, STATE, AND LOCAL TAXES (APR 2003)

52.232-1 PAYMENTS (APR 1984)

52.232-9 LIMITATION ON WITHHOLDING OF PAYMENTS (APR 1984)

52.232-17 INTEREST (JUN 1996)

52.232-23 ASSIGNMENT OF CLAIMS (JAN 1986)

52.232-25 PROMPT PAYMENT (OCT 2003)

52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER – CENTRAL CONTRACTOR
REGISTRATION (OCT 2003)

52.233-1 DISPUTES (JUL 2002) - ALTERNATE I (DEC 1991)

52.233-3 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (OCT 2004)

52.237-3 CONTINUITY OF SERVICE (JAN 1991)

52.239-1 PRIVACY OR SECURITY SAFEGUARDS (AUG 1996)

52.242-13 BANKRUPTCY (JUL 1995)

52.243-2 CHANGES – FIXED PRICE (AUG 1987) - ALTERNATE I (APR 1984)

52.243-7 NOTIFICATION OF CHANGES (APR 1984)

52.244-2 SUBCONTRACTS (JUN 2007)

52.244-5 COMPETITION IN SUBCONTRACTING (DEC 1996)

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (MAR 2007) - ALTERNATE I (JUN 2010)

- 52.245-1 GOVERNMENT PROPERTY (JUNE 2007)
- 52.246-25 LIMITATION OF LIABILITY – SERVICES (FEB 1997)
- 52.249-2 TERMINATION (FIXED PRICE) (MAY 2004)
- 52.251-1 GOVERNMENT SUPPLY SOURCES (APR 1984)
- 52.252-4 ALTERATIONS IN CONTRACT. (APR 1984)
- 52.253-1 COMPUTER GENERATED FORMS (JAN 1991)

I.2 AUTHORIZED DEVIATIONS IN CLAUSES – FAR 52.252-6 (APR 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of “(DEVIATION)” after the date of the clause.
- (b) The use in this solicitation or contract of any _____. [insert regulation name] (48 CFR _____) clause with an authorized deviation is indicated by the addition of “(DEVIATION)” after the name of the regulation.

I.3 ORDER OF PRECEDENCE – UNIFORM CONTRACT

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order:

- (a) The Schedule (excluding the specifications).
- (b) Representations and other instructions.
- (c) Contract clauses.
- (d) Other documents, exhibits, and attachments.
- (e) The specifications.

I.4 DEPARTMENT OF HEALTH AND HUMAN SERVICES ACQUISITION REGULATIONS (HHSAR) INCORPORATED BY REFERENCE

- 352.201-70 PAPERWORK REDUCTION ACT (JAN 2006)
- 352.203-70 ANTI-LOBBYING (JAN 2006)
- 352.202-1 DEFINITIONS (APR 1984) ALTERNATE I
- 352.216-70 ADDITIONAL COST PRINCIPLES (JAN 2006)
- 352.227-70 PUBLICATIONS AND PUBLICITY (JAN 2006)
- 352.228-7 INSURANCE – LIABILITY TO THIRD PERSONS (DEC 1991)
- 352.231-71 PRICING OF ADJUSTMENTS (JAN 2001)
- 353.233-71 LITIGATION AND CLAIMS (JAN 2006)
- 352.242-74 FINAL DECISION ON AUDIT FINDINGS (APR 1984)
- 352.270-1 ACCESSIBILITY OF MEETINGS, CONFERENCES, AND SEMINARS TO PERSONS WITH DISABILITIES. (JAN 2001)

I.5 PRIVACY ACT – HHSAR 352.224-70 (JAN 2006)

- (a) Confidential information, as used in this clause, means information or data of a personal nature about an individual, or proprietary information or data submitted by or pertaining to an institution or organization.
- (b) The Contracting Officer and the Contractor may, by mutual consent, identify elsewhere in this contract specific information and/or categories of information which the Government will furnish to the Contractor or that the Contractor is expected to generate which is confidential. Similarly, the Contracting Officer and the Contractor may, by mutual consent, identify such confidential information from time to time during the performance of the contract. Failure to agree will be settled pursuant to the “Disputes” clause.
- (c) If it is established elsewhere in this contract that information to be utilized under this contract, or a portion thereof, is subject to the Privacy Act, the Contractor will follow the rules and procedures of disclosure set forth in

the Privacy Act of 1974, 5 U.S.C. 552a, and implementing regulations and policies, with respect to systems of records determined to be subject to the Privacy Act.

(d) Confidential information, as defined in paragraph (a) of this clause, shall not be disclosed without the prior written consent of the individual, institution, or organization.

(e) Whenever the Contractor is uncertain with regard to the proper handling of material under the contract, or if the material in question is subject to the Privacy Act or is confidential information subject to the provisions of this clause, the Contractor should obtain a written determination from the Contracting Officer prior to any release, disclosure, dissemination, or publication.

(f) Contracting Officer determinations will reflect the result of internal coordination with appropriate program and legal officials.

(g) The provisions of paragraph (d) of this clause shall not apply to conflicting or overlapping provisions in other Federal, State, or local laws.

AWARD/CONTRACT	1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)	RATING	PAGE OF PAGES 1 33
-----------------------	---	--------	-------------------------

2. CONTRACT (Proc. Inst. Ident.) NO. HHSM-500-2011-00042C	3. EFFECTIVE DATE See Block 20C	4. REQUISITION/PURCHASE REQUEST/PROJECT NO. 102-1-7733-13
--	------------------------------------	--

5. ISSUED BY CODE	AGG - DSPSCG	6. ADMINISTERED BY (If other than Item 5) CODE	AGG/CLITTLETON
----------------------	--------------	---	----------------

CMS, OAGM, AGG, DSPSCG
7500 SECURITY BLVD., MS: C2-21-15
BALTIMORE MD 21244-1850

Charles Littleton
Contract Specialist
410-786-3291

7. NAME AND ADDRESS OF CONTRACTOR (No., Street, City, Country, State and ZIP Code)

HUMAN SERVICES, VERMONT DEPARTMNT OF
Attn: SHIRLEY DOW
103 S MAIN ST
WATERBURY VT 056713711

8. DELIVERY
 FOB ORIGIN OTHER (See below)

9. DISCOUNT FOR PROMPT PAYMENT
Net 30

10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN
ITEM

CODE 809376155 FACILITY CODE

11. SHIP TO/MARK FOR
CODE

12. PAYMENT WILL BE MADE BY
CODE ACCT
DHHS, CMS, OFM, AMG
Div. of Financial Operations
P.O. Box 7520
Baltimore MD 21207-0520

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION:
 10 U.S.C. 2304 (c) () 41 U.S.C. 253 (c) ()

14. ACCOUNTING AND APPROPRIATION DATA
15991070-75X0522-252Z

15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
Continued					

15G. TOTAL AMOUNT OF CONTRACT \$1,000,000.00

16. TABLE OF CONTENTS

(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
	A	SOLICITATION/CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/COSTS		PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
	C	DESCRIPTION/SPECS./WORK STATEMENT			J	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	F	DELIVERIES OR PERFORMANCE			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
	G	CONTRACT ADMINISTRATION DATA			M	EVALUATION FACTORS FOR AWARD	
	H	SPECIAL CONTRACT REQUIREMENTS					

17. CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 1 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)

18. AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

19A. NAME AND TITLE OF SIGNER (Type or print)

20A. NAME OF CONTRACTING OFFICER
WILLIAM TATE

19B. NAME OF CONTRACTOR

20B. UNITED STATES OF AMERICA

19C. DATE SIGNED

20C. DATE SIGNED

BY _____
(Signature of person authorized to sign)

BY _____
(Signature of the Contracting Officer)

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
HHSM-500-2011-00042C

PAGE OF
2 33

NAME OF OFFEROR OR CONTRACTOR
HUMAN SERVICES, VERMONT DEPARTMNT OF

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
0001	Tax ID Number: 03-6000264 DUNS Number: 809376155 Obligated Amount: \$1,000,000.00				1,000,000.00

PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

- B.1 DESCRIPTION OF SERVICES
- B.2 TYPE OF CONTRACT
- B.3 PRICING
- B.4 CONTRACT PHASES
- B.5 WITHHOLDING OF CONTRACT PAYMENTS
- B.6 OPTIONAL PHASE 2 – IMPLEMENTATION

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

- C.1 STATEMENT OF WORK

SECTION D - PACKAGING AND MARKING

- D.1 PACKAGING AND MARKING

SECTION E - INSPECTION AND ACCEPTANCE

- E.1 CLAUSES INCORPORATED BY REFERENCE
- E.2 INSPECTION AND ACCEPTANCE
- E.3 APPROVALS BY THE COTR

SECTION F - DELIVERIES OR PERFORMANCE

- F.1 CLAUSES INCORPORATED BY REFERENCE
- F.2 PERIOD OF PERFORMANCE
- F.3 ITEMS TO BE FURNISHED AND DELIVERY SCHEDULE
- F.4 IMPLEMENTATION PHASE

SECTION G - CONTRACT ADMINISTRATION DATA

- G.1 ACCOUNTING AND APPROPRIATION DATA
- G.2 INVOICING
- G.3 PAYMENT
- G.4 PROJECT OFFICER
- G.5 TECHNICAL DIRECTION
- G.6 CONTRACTING OFFICER RESPONSIBILITY
- G.7 PROJECT DIRECTOR/PROJECT MANAGER
- G.8 KEY PERSONNEL
- G.9 WORKING PAPERS
- G.10 DATA TO BE DELIVERED
- G.11 SERVICE OF CONSULTANTS
- G.12 DISSEMINATION, PUBLICATION AND DISTRIBUTION OF INFORMATION
- G.13 AUDIT OF HOURS
- G.14 CORRESPONDENCE PROCEDURES
- G.15 SUBCONTRACT CONSENT
- G.16 USE OF GOVERNMENT – DATA (REPORTS/FILES/COMPUTER TAPES OR DISKETTES)
- G.17 ESRs REPORTING

SECTION H - SPECIAL CONTRACT REQUIREMENTS

- H.1 CONDITIONS FOR PERFORMANCE
- H.2 HIPAA BUSINESS ASSOCIATE PROVISION II
- H.3 SECURITY CLAUSE
- H.4 RESTRICTIONS ON THE USES OF INFORMATION
- H.5 APPROVAL OF CONTRACT ACQUIRED INFORMATION TECHNOLOGY (IT)
- H.6 ORGANIZATION CONFLICTS OF INTEREST
- H.7 ELECTRONIC INFORMATION AND TECHNOLOGY ACCESSIBILITY
- H.8 CODE OF CONDUCT
- H.9 CMS INFORMATION SECURITY
- H.10 SECTION 508 COMPLIANCE FOR COMMUNICATIONS

SECTION I - CONTRACT CLAUSES

- I.1 CLAUSES INCORPORATED BY REFERENCE
- I.2 AUTHORIZED DEVIATIONS IN CLAUSES
- I.3 ORDER OF PRECEDENCE - UNIFORM CONTRACT
- I.4 DEPARTMENT OF HEALTH AND HUMAN SERVICES
ACQUISITION REGULATIONS (HHSAR) INCORPORATED
BY REFERENCE
- I.6 PRIVACY ACT

SECTION J - LIST OF ATTACHMENTS

- J.1 ACCOUNTING CERTIFICATION

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS

- K.1 CERTIFICATION OF FILING AND PAYMENT OF FEDERAL TAXES

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 DESCRIPTION OF SERVICES

State Demonstrations to Integrate Care for Dual Eligible Individuals.

B.2 TYPE OF CONTRACT

This is a Firm Fixed Price contract.

B.3 PRICING

The Firm Fixed Price value of this design contract is \$1,000,000

The CMS shall pay the contractor one-sixth (1/6) of the total contract value (Firm-Fixed-Price (FFP)) for each invoice submitted in accordance with the following payment schedule. The contractor shall submit a Final Invoice for final payment after the Government has **received and approved** all contract deliverables:

Invoice #	Invoice #1	Invoice #2	Invoice #3	Invoice #4	Invoice #5	Final invoice
For period	Month 1	Months 2-3	Months 4-6	Months 7-9	Months 10-12	Final deliverable
Payment	166,666.67	166,666.67	166,666.67	166,666.67	166,666.67	166,666.65

B.4 CONTRACT PHASES

Phase 1 – Design

- i) The contractor shall design an innovative integrated care model to improve the quality, coordination, and cost effectiveness of care for dual populations eligible for Medicare and Medicaid in their respective state.
- ii) The period of performance of the design phase of this contract shall not exceed eighteen (18) months.

Phase 2 – Implementation

- i) Based upon an evaluation of the design model, the CMS shall make a determination as to whether the contractor shall move forward with Phase 2, "Implementation of the Design Model." At such time during the eighteen (18) month design phase that CMS determines to move forward with implementation of the design; the contractor will be requested to submit their proposed infrastructure costs for conducting implementation of the design model demonstration.
- ii) The implementation and infrastructure costs may include system change costs at the state level for testing a new payment approach, development of a more efficient data exchange feed for real-time tracking of claims, and additional resources that may be required to ensure successful implementation of the state design model demonstration.

NOTE: The contractor is not authorized to incur any costs or perform any work under the Implementation Phase without the prior approval of the Contracting Officer. It should further be noted that approval for proceeding with Implementation of the State's design model is subject to funding availability.

B.5 WITHHOLDING OF CONTRACT PAYMENTS - HHSAR 352.242-73 (JAN 2006)

Notwithstanding any other payment provisions of this contract, failure of the Contractor to submit required reports when due or failure to perform or deliver required work, supplies, or services, may result in the withholding of payments under this contract unless such failure arises out of causes beyond the control, and without the fault or negligence of the Contractor as defined by the clause entitled "Excusable Delays" or "Default," as applicable. The Government will immediately notify the Contractor of its intention to withhold payment of any invoice or voucher submitted.

B.6 OPTIONAL PHASE 2 - IMPLEMENTATION

If the CMS determines to exercise the Optional Phase 2 implementation of the approved designed model, the following modification to the contract shall be made as follows:

- i. The period of performance of this contract, as modified, shall be extended by _____ months from eighteen (18) months to _____ months.
- ii. The Firm Fixed Price contract amount shall be increased by \$ _____ from \$1,000,000 to \$ _____.

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 STATEMENT OF WORK

Background

Created by the Affordable Care Act, the Center for Medicare and Medicaid Innovation (Innovation Center) aims to explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through improvement. There is perhaps no better opportunity to test innovative service delivery and payment models than for individuals who are eligible for both Medicare and Medicaid (the “dual eligibles”). Dual eligibles account for 16 to 18 percent of enrollees in Medicare and Medicaid, but roughly 25 to 45 percent of spending in these programs respectively. With the vast majority of these nine million individuals still receiving care through fragmented care at an estimated cost of over \$300 billion in state and federal spending, improving care for this population is ripe for innovation.

Purpose

The Innovation Center is fostering interaction with a diverse group of stakeholders, including hospitals, doctors, consumers, payers, states, employers, advocates, relevant federal agencies and others to obtain direct input and build partnerships for its upcoming work. Given the partnership that exists between federal and state governments with respect to dual eligible individuals, the Centers for Medicare and Medicaid Services (CMS), through the Innovation Center, will provide funding for states to support the design of innovative service delivery and payment models that integrate care for this population. CMS is interested in identifying, supporting, and evaluating person-centered models that integrate the full range of acute, behavioral health, and long-term supports and services for dual eligible individuals.¹

The primary deliverable of the initial design period is a demonstration proposal that describes how the State would structure, implement, and evaluate an intervention aimed at improving the quality, coordination, and cost-effectiveness of care for dual eligible individuals. Technical assistance and related tools will be provided by the Federal Coordinated Health Care Office (FCHCO), created by Section 2602 of the Affordable Care Act, to support both the design and implementation efforts.

Deliverables

Over the course of the contract, the following deliverables will be required:

- **Monthly Conference Calls.** States shall participate in monthly conference calls with the CMS project officer and other CMS staff. These calls shall be used as a mechanism for discussing and managing administrative and project issues as they arise.
- **Progress Reports.** States will be responsible for submitting interim and final progress reports that document the development process and lessons learned as part of the design contract.
- **Innovation Demonstration Model.** The main deliverable of the design contract will be a demonstration proposal that describes how the state would structure, implement, and evaluate an integrated delivery system and payment model aimed at improving the quality, coordination, and cost-effectiveness of care for dual eligibles. The demonstration proposal will be expected to contain at a minimum:
 - Explanation of how the proposed demonstration will achieve the overall goals of better health, better care, and lower costs through improvement.

¹ Potential models could include those that enhance existing integration vehicles such as the Program for All-Inclusive Care for the Elderly (PACE) and Medicare Advantage Special Needs Plans (SNPs) as well as those that test new/emerging models such as health homes or accountable care organizations (ACOs).

- Problem statement describing how or why changes to current policy would lead to improvements in access, quality, and reductions in Medicare and Medicaid expenditures over time.
- Discussion of how the proposed model will improve the actual care experience and lives of eligible beneficiaries, including findings from any beneficiary focus groups the state conducted to inform its proposed design.
- Detailed description of the dual eligible population, including key subpopulations (e.g., individuals with nursing facility level of care, serious mental illness, Alzheimer's/dementia, multi-morbidities, etc.); utilization patterns; service settings; costs; etc.
- Description of proposed delivery system/programmatic elements, including: benefit design; geographic service area; enrollment method; and provider network/capacity.
- Description of plans to expand to other populations and/or service areas if the model is focused on a subset of dual eligibles or is less than statewide.
- Description of proposed payment reform, including payment type (e.g., full-risk capitation, partial cap, administrative PMPM); methodology for blending Medicaid and Medicare funding; financial incentives; risk sharing arrangements; etc.
- Discussion of the expected impact of the proposed demonstration on Medicare and Medicaid costs, including specific mention of any effect on cost-shifting occurring today between the two programs.
- Description of state infrastructure/capacity to implement and monitor the demonstration proposal.
- Identification of key performance metrics, including how these data will be used to continuously improve access, quality, satisfaction, and efficiency as well as how they will fit within existing Medicaid and Medicare performance and quality measures.
- Plan for engaging internal and external stakeholders, including a process for gathering and incorporating feedback on an ongoing basis.
- If applicable, description of how the proposed model fits with: (a) current Medicaid waivers and/or state plan services available to this population; (b) existing managed long term care programs; (c) existing integrated programs via Medicare Advantage Special Need Plans (SNPs) or PACE programs; and (d) other health reform efforts underway in the state (e.g., accountable care organizations, bundled payments, multi-payer initiatives, etc.).
- Discussion of the scalability of the proposed model and its replicability in other settings/states.
- Description of proposed evaluation design, including key metrics that could be used to examine the model's quality and cost outcomes for the target population, beneficiary experience, access to care, etc.
- Description of the overall implementation strategy and anticipated timeline, including: a) the activities associated with building the infrastructure necessary to implement proposed demonstration (e.g., staffing needs, actuarial support, etc); and b) any funds needed to support the development of such infrastructure (e.g., systems change costs at the state-level for testing a new payment approach, development of a more efficient data exchange feed for near real-time tracking of claims, etc.).

Schedule of Deliverables

Deliverable	Due Date
Monthly Conference Calls	Ongoing
Progress Report	Interim: 6 months from award date Final: Within 30 days of submission of the demonstration proposal
Demonstration Proposal	Within 12 months from award date

SECTION D - PACKAGING AND MARKING

D.1 PACKAGING, AND MARKING

All deliverables required under this contract shall be packaged, marked and shipped in accordance with Government specifications. The Contractor shall guarantee that all required materials shall be delivered in immediate usable and acceptable condition.

SECTION E - INSPECTION AND ACCEPTANCE

E.1 CLAUSES INCORPORATED BY REFERENCE – FAR 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

FAR 52.246-2 INSPECTION OF SERVICES – FIXED-PRICE (AUG 1996)

E.2 INSPECTION AND ACCEPTANCE

- a. All work under this contract is subject to inspection and final acceptance by the Contracting Officer or the fully authorized representative of the Government.
- b. The Contracting Officer's Technical Representative (COTR) is a duly authorized representative of the Government and is responsible for inspection and acceptance of all items to be delivered under this contract.
- c. Inspection and acceptance of the Contractor's performance shall be in accordance with the applicable FAR clauses.

E.3 APPROVALS BY THE CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

All items to be delivered to the COTR will be deemed to have been approved 30 calendar days after date of delivery, except as otherwise specified in this contract, if written approval or disapproval has not been given within such period. The Project Officer's approval or revision to the items submitted shall be within the general scope of work stated in this contract.

SECTION F - DELIVERIES OR PERFORMANCE

F.1 CLAUSES INCORPORATED BY REFERENCE – FAR 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

FAR 52.242-15 STOP-WORK ORDER – (AUG 1989)

F.2 PERIOD OF PERFORMANCE

The period of performance of the design contract will be a total of 18 months. The first 12 months are designated as the design period, at which time the demonstration proposal is due. The final six months of the contract will be used by CMS to review demonstration proposals and to enter into discussions with states about possible implementation.

F.3 ITEMS TO BE FURNISHED AND DELIVERY SCHEDULE

a. All deliverables required under this contract shall be packaged, marked and shipped in accordance with U.S. Government specifications. The Contractor shall guarantee that all required materials shall be delivered in immediate usable and acceptable condition.

b. The Contractor shall submit all required deliverables and reports in accordance with the following schedule. Reports submitted under the contract shall reference and cite the contract number and identify CMS as the sponsoring agency.

c. Satisfactory performance of the final contract shall be deemed to occur upon delivery and acceptance by the Contracting Officer, or the duly authorized representative, of the following items in accordance with the following schedule (reports submitted under the contract shall reference and cite the contract number and identify CMS as the sponsoring agency):

The contractor shall submit all required reports and deliverables in accordance with the following schedule. Reports and/or deliverables submitted under this contract shall be **in accordance with this Statement of Work**.

F.4 IMPLEMENTATION PHASE

The CMS shall advise the contractor of its intent to proceed with implementation of the State's design model at least forty-five (45) day's prior to expiration of the design phase. At least within thirty (30) days prior to expiration of the eighteen (18) months period of performance, the contractor shall submit its technical proposal and business approach for implementation of the demonstration.

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 ACCOUNTING AND APPROPRIATION DATA

See SF-26

G.2 INVOICING

Submission of Invoices and Place of Payment

(1) Contractor shall submit to the Government an invoice for payment. Invoices shall be prepared using Standard Form 1034, PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL.

(2) To expedite payment, invoices shall be sent, as follows:

(a) Invoices (original and four copies) shall be sent directly to the address below (where applicable, the Contractor shall submit the invoice to said office via the cognizant government auditor):

Department of Health and Human Services
Centers for Medicare & Medicaid Services
P.O. BOX 7520
7500 Security Boulevard
Baltimore, Maryland 21207-0520

G.3 PAYMENT

(1) In accordance with FAR 52.232-33, the Centers for Medicare and Medicaid Services (CMS) shall only make an electronic reimbursement/payment.

In accordance with FAR 52.204-7, the contractor must register in the Central Contractor Registration (CCR) database. Failure to register in CCR may prohibit CMS from making awards to your organization.

The contractor shall notify CMS' Division of Accounting Operations of all EFT and address changes in CCR via the following email address: CCRChanges@cms.hhs.gov

(2) The target date for payment of this contract shall be 30 calendar days after an invoice containing the information set forth in Paragraph "a" of this article is received in the payment office designated herein.

(3) Payment shall be authorized after the Division of Accounting has audited the invoice in accordance with Federal Regulations. This audit includes verification that the invoice contains the rates/unit prices, those indicated in the contract or purchase order. Any discrepancies determined as a result of the audit, could delay the processing of the invoice and may result in the invoice being returned to the vendor for correction.

G.4 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

Lindsay Barnette is hereby designated as the COTR. The Project Officer responsibilities shall include continuous **overall** monitoring of the Contractor's compliance with all substantive project objectives. Specific duties and responsibilities are identified in G.5, Technical Direction.

G.5 TECHNICAL DIRECTION

a. Performance of the work under this contract shall be subject to the technical direction of the COTR. The term "technical direction" is defined to include, without limitation, the following:

- Directions to the Contractor which redirect the contract effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details or otherwise serve to

accomplish the contractual statement of work.

- Provision of information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work description.

Review and, where required by the contract, approval of technical reports, drawings, specifications, and technical information to be delivered by the Contractor to the Government under the contract.

b. Technical direction must be within the general Statement of Work stated in the contract. The COTR does not have the authority to and may not issue any technical directions which:

(1) Constitutes an assignment of additional work outside the general Statement of Work of the contract.

(2) Constitutes a change as defined in the FAR contract clause entitled:

52.243-1 Changes – Fixed Price (AUG 1987)

(3) In any manner cause an increase or decrease in the total estimated contract cost, fixed-fee, or the time required for contract performance.

(4) Change any of the expressed terms, conditions, or specifications of the contract.

c. All technical direction shall be issued in writing by the COTR or shall be confirmed by him/her in writing within 5 working days after issuance.

d. The Contractor shall proceed promptly with the performance of technical direction duly issued by the COTR in the manner prescribed by this article and within his/her authority under the provisions of this article.

e. If, in the opinion of the Contractor, any instruction or direction issued by the COTR is within one of the categories as defined in b(1) through b(4) above, the Contractor shall not proceed but shall notify the Contracting Officer in accordance with FAR 52.243-7, Notification of Changes.

G.6 CONTRACTING OFFICER RESPONSIBILITY

In accordance with FAR 52.201-1 Definitions, The term Contracting Officer means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority delegated by the Contracting Officer.

Notwithstanding any of the other provisions of this Contract, the Contracting Officer shall be the ONLY individual authorized to:

a. enter into and commit/bind the Government by contract for supplies or services;

b. accept nonconforming work or waive any requirement of this Contract;

c. authorize reimbursement to the Contractor for any costs incurred during the performance of the Contract, and

d. modify any term or condition of this Contract, i.e., make any changes in the Statement of Work; modify/extend the period of performance; change the delivery schedule.

G.7 PROJECT DIRECTOR/PROJECT MANAGER

[TBD] will serve as Contractor's Project Director/Project Manager. It will be his responsibility to obtain the staff necessary and to direct the work for the conduct of this project. The Government reserves the right to approve any necessary successor to be designated as Contractor's Project Director/Project Manager.

G.8 KEY PERSONNEL - HHSAR 352.242-70 (JAN 2006)

The personnel specified in this contract are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified individuals to other programs, the Contractor shall notify the Contracting Officer reasonably in advance and shall submit justification* (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the Contractor without the written consent of the Contracting Officer; provided, that the Contracting Officer may ratify in writing such diversion and such ratification shall constitute the consent of the Contracting Officer required by the clause. The contract may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

*All proposed substitutions shall be submitted, in writing, to CMS at least 30 days prior to the proposed substitution. Each request shall provide a detailed explanation of the circumstance necessitating the proposed substitution, a complete resume and any other information required by CMS. All proposed substitutions shall have qualifications equal to or greater than the person being replaced. TBD

G.9 WORKING PAPERS

The Contractor shall provide, at the request of the Contracting Officer, all the working papers used by the participating officials and employees of the Contractor in connection with this project.

G.10 DATA TO BE DELIVERED

- a. Any working papers, interim reports, data given by the Government or first produced by the Contractor under the contract or collected or otherwise obtained by the Contractor under the contract, or results obtained or developed by the Contractor (subcontractor or consultants) pursuant to the fulfillment of this contract are to be delivered, documented, and formatted as directed by the Contracting Officer.
- b. In addition, information and/or data, which are held by the Contractor related to the operation of their business and/or institution and which are obtained without the use of Federal funds, shall be considered "PROPRIETARY DATA" and are not subject data to be delivered under this contract.

G.11 SERVICE OF CONSULTANTS

- a. Except as may otherwise be expressly provided elsewhere in this contract, prior written approval of the Contracting Officer for utilization of consultants shall be required. Whenever Contracting Officer approval is required, the Contractor shall furnish to the Contracting Officer information concerning the need for such consultant services and the reasonableness of the fees to be paid to any consultants.
- b. For utilization of the services of any consultants under this contract, the contractor shall be reimbursed in accordance with the rate(s) set forth below. If not identified below, the contractor shall be reimbursed for utilization of consultant services at a rate determined to be reasonable and appropriate for the services, exclusive of travel costs. TBD

G.12 DISSEMINATION, PUBLICATION AND DISTRIBUTION OF INFORMATION

- a. Data and information either provided to the Contractor, or to any subcontractor or generated by activities under this contract or derived from research or studies supported by this contract, shall be used only for the purposes of the contract. It shall not be duplicated, used or disclosed for any purpose other than the fulfillment of the requirements set forth in this contract. This restriction does not limit the contractor's right to use data or information obtained from a non-restrictive source. Any questions concerning "privileged information" shall be referred to the Contracting Officer.

b. Some data or information may require special consideration with regard to the timing of its disclosure so that preliminary findings which could create erroneous conclusions are not stimulated. Also, some data or information, which relate to policy matters under consideration by the Government, may also require special consideration with regard to the timing of its disclosure so that the open and vigorous debate, within the government, of possible policy options is not damaged.

c. Any questions about use or release of the data or information or handling of material under this contract, shall be referred to the Contracting Officer who must render a written determination. The Contracting Officer's determinations will reflect the results of internal coordination with appropriate program and legal officials.

d. Written advance notice of at least forty-five (45) days shall be provided to the Contracting Officer of the Contractor's desire to release findings of studies or research or data or information described above. If the Contractor disagrees with the Contracting Officer's determination, and if this disagreement cannot be settled by the Contractor and the Contracting Officer in a mutually satisfactory manner, then the issue will be settled pursuant to the "Disputes" clause.

e. Any presentation of any report, statistical or analytical material based on information obtained from this contract shall be subject to review by the Project Officer before dissemination, publication, or distribution. Presentation includes, but is not limited to, papers, articles, professional publications, speeches, testimony or interviews with public print or broadcast media. This does not apply to information that would be available under the Federal Freedom of Information Act.

f. The Project Officer review shall cover accuracy, content, manner of presentation of the information, and also the protection of the privacy of individuals. If the review finds that the Privacy Act is or may be violated, the release/use of the presentation shall be denied until the offending material is removed or until the Contracting Officer makes a formal determination, in writing, that the privacy of individuals is not being violated.

g. If the review shows that the accuracy, content, or manner of presentation is not correct or is inappropriate in the light of the purpose of the project, the Project Officer shall immediately inform the Contractor, in writing, of the nature of the problem. If the Contractor disagrees, the Project Officer may insist that the presentation contain, in a manner of equal importance, materials which show the government's problem with the presentation.

h. The Contractor agrees to acknowledge support by CMS whenever reports of projects funding, in whole or in part, by this contract are published in any medium. The Contractor shall include in any publication resulting from work under this contract, an acknowledgement substantially, as follows:

"The analyses upon which this publication is based were performed under Contract Number HHSM-500-2011-00042C, entitled, " State Demonstrations to Integrate Care for Dual Eligible Individuals."

Any deviation from the above legend shall be approved, in writing, by the Contracting Officer.

G.13 AUDIT OF HOURS

a. In addition to the examination of costs, as detailed in FAR Clause No. 52.215-2 entitled "Audit-Negotiation," the Contracting Officer or his representatives will have the right to examine all books, records, documents and other data of the Contractor relating to this contract for the purpose of evaluating the accuracy and completeness of the hours which the Contractor has recorded on his invoices as expended toward satisfaction of the requirements of this contract.

b. The materials described above shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction until:

(1) The expiration of three (3) years from the date of final payment under this contract,

(2) the expiration of three (3) years from the date of final settlement resulting from a termination or a partial termination of this contract.

Subcontracting Report (ISR), formerly SF 294, shall be submitted semi-annually for the periods of October 1 through March 31 and April 1 through September 30. The Summary Subcontracting Report (SSR), formerly, SF 295 shall be submitted annually for the period of October 1 through September 30.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 CONDITIONS FOR PERFORMANCE

In addition to the performance requirements of this contract as set forth under Section C, the Contractor may be required to comply with the requirements of any revisions in legislation or regulations which may be enacted or implemented during the period of performance of this contract, and are directly applicable to the performance requirements of this contract.

Such legislative or regulatory requirements shall become a part of this contract only through an execution of a contract modification by the Contracting Officer. The contractor will be consulted and participate in negotiations to effect an equitable adjustment to the contract.

H.2 HIPAA BUSINESS ASSOCIATE PROVISION II

Definitions:

All terms used herein and not otherwise defined shall have the same meaning as in the Health Insurance Portability and Accountability Act of 1996 ("HIPAA," 42 U.S.C. sec. 1320d) and the corresponding implementing regulations. Provisions governing the Contractor's duties and obligations under the Privacy Act (including data use agreements) are covered elsewhere in the contract.

"Business Associate" shall mean the Contractor.

"Covered Entity" shall mean CMS' Medicare Fee for Service program and/or Medicare's Prescription Drug Discount Care and Transitional Assistance Programs.

"Secretary" shall mean the Secretary of the Department of Health and Human Services or the Secretary's designee.

Obligations and Activities of Business Associate

(a) Business Associate agrees to not use or disclose Protected Health Information ("PHI"), as defined in 45 C.F.R. § 160.103, created or received by Business Associate from or on behalf of Covered Entity other than as permitted or required by this Contract or as required by law.

(b) Business Associate agrees to use safeguards to prevent use or disclosure of PHI created or received by Business Associate from or on behalf of Covered Entity other than as provided for by this Contract.

Furthermore, Business Associate agrees to use appropriate administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic protected health information ("E PHI"), as defined in 45 C.F.R. 160.103, it creates, receives, maintains or transmits on behalf of the Covered Entity to prevent use or disclosure of such E PHI.

(c) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Contract.

(d) Business Associate agrees to report to Covered Entity any use or disclosure involving PHI it receives/maintains from/on behalf of the Covered Entity that is not provided for by this Contract of which it becomes aware. Furthermore, Business Associate agrees to report to Covered Entity any security incident involving E PHI of which it becomes aware.

(e) Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Contract to Business Associate with respect to such information. Furthermore, Business Associate agrees to ensure that its agents and subcontractors implement reasonable and appropriate safeguards for the PHI received from or on behalf of the Business Associate.

(f) Business Associate agrees to provide access, at the request of Covered Entity, to PHI received by Business Associate in the course of contract performance, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR § 164.524.

(g) Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR § 164.526 upon request of Covered Entity.

(h) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, available to Covered Entity, or to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the various rules implementing the HIPAA.

(i) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

(j) Business Associate agrees to provide to Covered Entity, or an individual identified by the Covered Entity, information collected under this Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Contract, Business Associate may use or disclose PHI on behalf of, or to provide services to, Covered Entity for purposes of the performance of this Contract, if such use or disclosure of PHI would not violate the HIPAA Privacy or Security Rules if done by Covered Entity or the minimum necessary policies and procedures of Covered Entity.

Obligations of Covered Entity

(a) Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

(b) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(c) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Privacy or Security Rules.

Term of Provision

(a) The term of this Provision shall be effective as of {insert effective date}, and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

(b) Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

- (1) Provide an opportunity for Business Associate to cure the breach or end the violation consistent with the termination terms of this Contract. Covered Entity may terminate this Contract for default if the Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; or
- (2) Consistent with the terms of this Contract, terminate this Contract for default if Business Associate has breached a material term of this Contract and cure is not possible; or
- (3) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(c) Effect of Termination.

(1) Except as provided in paragraph (2) of this section, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

(2) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon such notice that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

Miscellaneous

(a) A reference in this Contract to a section in the Rules issued under HIPAA means the section as in effect or as amended.

(b) The Parties agree to take such action as is necessary to amend this Contract from time to time as is necessary for Covered Entity to comply with the requirements of the Rules issued under HIPAA.

(c) The respective rights and obligations of Business Associate under paragraph (c) of the section entitled "term of Provision" shall survive the termination of this Contract.

(d) Any ambiguity in this Contract shall be resolved to permit Covered Entity to comply with the Rules implemented under HIPAA.

H.3 SECURITY CLAUSE -BACKGROUND - INVESTIGATIONS FOR CONTRACTOR PERSONNEL

If applicable, Contractor personnel performing services for CMS under this contract, task order or delivery order shall be required to undergo a background investigation. CMS will pay for the background investigations.

After contract award, the CMS Project Officer (PO) and the Emergency Management & Response Group (EMRG), with the assistance of the Contractor, shall perform a position-sensitivity analysis based on the duties contractor personnel shall perform on the contract, task order or delivery order. The results of the position-sensitivity analysis will determine first, whether the provisions of this clause are applicable to the contract and second, if applicable, determine each position's sensitivity level (i.e., high risk, moderate risk or low risk) and dictate the appropriate level of background investigation to be processed. Investigative packages may contain the following forms:

1. SF-85, Questionnaire for Non-Sensitive Positions, 09/1995
2. SF-85P, Questionnaire for Public Trust Positions, 09/1995
3. OF-612, Optional Application for Federal Employment, 12/2002
4. OF-306, Declaration for Federal Employment, 01/2001
5. Credit Report Release Form
6. FD-258, Fingerprint Card, 5/99, and
7. CMS-730A, Request for Physical Access to CMS Facilities (NON-CMS ONLY), 11/2003.

The Contractor personnel shall be required to undergo a background investigation commensurate with one of these position-sensitivity levels:

1) High Risk (Level 6)

Public Trust positions that would have a potential for exceptionally serious impact on the integrity and efficiency of the service. This would include computer security of a major automated information system (AIS). This includes positions in which the incumbent's actions or inaction could diminish public confidence in the integrity, efficiency, or effectiveness of assigned government activities, whether or not actual damage occurs, particularly if duties are especially critical to the agency or program mission with a broad scope of responsibility and authority.

Major responsibilities that would require this level include:

development and administration of CMS computer security programs, including direction and control of risk analysis and/or threat assessment; significant involvement in mission-critical systems; preparation or approval of data for input into a system which does not necessarily involve personal access to the system but with relatively high risk of causing grave damage or realizing significant personal gain; other responsibilities that involve relatively high risk of causing damage or realizing personal gain; policy implementation; higher level management duties/assignments or major program responsibility; or independent spokespersons or non-management positions with authority for independent action.

Approximate cost of each investigation: \$3,500

2) *Moderate Risk (Level 5)*

Public Trust positions that have potential for moderate to serious impact on the integrity and efficiency of the service, including computer security. These positions involve duties of considerable importance to the CMS mission with significant program responsibilities that could cause damage to large portions of AIS. Duties involved are considerably important to the agency or program mission with significant program responsibility, or delivery of service. Responsibilities that would require this level include:

the direction, planning, design, operation, or maintenance of a computer system and whose work is technically reviewed by a higher authority at the High Risk level to ensure the integrity of the system; systems design, operation, testing, maintenance, and/or monitoring that are carried out under the technical review of a higher authority at the High Risk level; access to and/or processing of information requiring protection under the Privacy Act of 1974; assists in policy development and implementation; mid-level management duties/assignments; any position with responsibility for independent or semi-independent action; or delivery of service positions that demand public confidence or trust.

Approximate cost range of each investigation: \$150 - \$2,600

3) *Low Risk (Level 1)*

Positions having the potential for limited interaction with the agency or program mission, so the potential for impact on the integrity and efficiency of the service is small. This includes computer security impact on AIS.

Approximate cost of each investigation: \$100

The Contractor shall submit the investigative package(s) to the EMRG within three (3) days after being advised by the EMRG of the need to submit packages. Investigative packages shall be submitted to the following address:

Centers for Medicare & Medicaid Services
Office of Operations Management
Emergency Management & Response Group
Mail Stop SL-13-15
7500 Security Boulevard
Baltimore, Maryland 21244-1850

The Contractor shall submit a copy of the transmittal letter to the Contracting Officer (CO).

Contractor personnel shall submit a CMS-730A (Request for Badge) to the EMRG (see attachment in Section J). The Contractor and the PO shall obtain all necessary signatures on the CMS-730A prior to any Contractor employee arriving for fingerprinting and badge processing.

The Contractor must appoint a Security Investigation Liaison as a point of contact to resolve any issues of inaccurate or incomplete form(s). Where personal information is involved, EMRG may need to contact the contractor employee directly. The Security Investigation Liaison may be required to facilitate such contact.

After EMRG fingerprints contractor personnel and issues them a temporary CMS identification badge, the EMRG

will send their completed investigative package to the Office of Personnel Management (OPM). OPM will conduct the background investigation. Badges will be provided by EMRG while contractor personnel investigative forms are being processed. The Contractor remains fully responsible for ensuring contract, task order or delivery order performance pending completion of background investigations of contractor personnel.

EMRG shall provide written notification to the CO with a copy to the PO of all suitability decisions. The PO shall then notify the Contractor in writing of the approval of the Contractor's employee(s), at that time the Contractor's employee(s) will receive a permanent identification badge. Contractor personnel who the EMRG determines to be ineligible may be required to cease working on the contract immediately.

The Contractor shall report immediately in writing to EMRG with copies to the CO and the PO, any adverse information regarding any of its employees that may impact their ability to perform under this contract, task order or delivery order. Reports should be based on reliable and substantiated information, not on rumor or innuendo. The report shall include the contractor employee's name and social security number, along with the adverse information being reported.

Contractor personnel shall be provided an opportunity to explain or refute unfavorable information found in an investigation to EMRG before an adverse adjudication is made. Contractor personnel may request, in writing, a copy of their own investigative results by contacting:

Office of Personnel Management
Freedom of Information
Federal Investigations Processing Center
PO Box 618
Boyers, PA 16018-0618.

At the Agency's discretion, if an investigated contractor employee leaves the employment of the contractor, or otherwise is no longer associated with the contract, task order, or delivery order within one (1) year from the date the background investigation was completed, then the Contractor may be required to reimburse CMS for the full cost of the investigation. Depending upon the type of background investigation conducted, the cost could be approximately \$100 to \$3,500. The amount to be paid by the Contractor shall be due and payable when the CO submits a written letter notifying the Contractor as to the cost of the investigation. The Contractor shall pay the amount due within thirty (30) days of the date of the CO's letter by check made payable to the "United States Treasury." The Contractor shall provide a copy of the CO's letter as an attachment to the check and submit both to the Office of Financial Management at the following address:

Centers for Medicare & Medicaid Services
PO Box 7520
Baltimore, Maryland 21207

The Contractor must immediately provide written notification to EMRG (with copies to the CO and the PO) of all terminations or resignations of Contractor personnel working on this contract, task order or delivery order. The Contractor must also notify EMRG (with copies to the CO and the PO) when a Contractor's employee is no longer working on this contract, task order or delivery order.

At the conclusion of the contract, task order or delivery order and at the time when a contractor employee is no longer working on the contract, task order or delivery order due to termination or resignation, all CMS-issued parking permits, identification badges, access cards, and/or keys must be promptly returned to EMRG. Contractor personnel who do not return their government-issued parking permits, identification badges, access cards, and/or keys within 48 hours of the last day of authorized access shall be permanently barred from the CMS complex and subject to fines and penalties authorized by applicable federal and State laws.

H.4 RESTRICTIONS ON THE USES OF INFORMATION

The access to and use of data/information under this contract shall be in accordance with FAR clause 52.224-2 Privacy Act, set forth in Section I.

H.5 APPROVAL OF CONTRACT ACQUIRED INFORMATION TECHNOLOGY (IT)

- A. The Contractor must obtain the Contracting Officer's written approval prior to the acquisition of any IT investments (see FAR Part 2.101, for definition of IT) to ensure compatibility and successful integration with CMS's infrastructure/architecture.
- B. In the performance of a system life cycle development project, the Contractor must submit to the Project Officer the technical specifications for each of the following incremental phase of the projected life cycle prior to the commencement of work:
 - 1. Design and Engineering
 - 2. Development, and
 - 3. Testing
- C. Upon written approval from the Contracting Officer, the Contractor shall commence work under the approved technical specification for the authorized incremental phase.
- D. In either instance of an approved IT investment acquisition, or an incremental phase of a system life cycle development project, the contract shall be modified accordingly and the Contractor shall proceed.
- E. CMS may disallow any contractor incurred cost that would not be allocated to the approved IT investment acquisition.

H.6 ORGANIZATIONAL CONFLICTS OF INTEREST

a. Purpose. The primary purpose of this clause is to aid in ensuring that the Contractor (1) does not obtain any unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interest (financial, organizational, or otherwise) which relate to the work under this contract.

b. Scope. The restrictions described herein shall apply to performance or participation by the Contractor and any of its affiliate organizations or their successors in interest (hereinafter collectively referred to as the "Contractor") in the activities covered by this clause as a prime Contractor, subcontractor, co-sponsor, joint venturer, consultant, or in any similar capacity.

(1) Advisory, consulting, analytical, evaluation, or study work, including the preparation of statements of work and specifications: (i) If the Contractor performs advisory, consulting, analytical, evaluation, study, or similar work under this contract, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the Contractor agrees not to perform similar work for prospective offerors with respect to any such contractual efforts.

Furthermore, unless so directed in writing by the Contracting Officer, the Contractor shall not perform any such work under this contract on any of its products or services, or the products or services of another firm for which the Contractor performs similar work. Nothing in this subparagraph shall preclude the Contractor from competing for HHS management and technical support services follow-on contracts as defined in paragraph 6. below.

If the Contractor under this contract assists substantially in the preparation of a statement of work or specifications, the Contractor shall be ineligible to perform or participate in any capacity in any contractual effort which is based on such statement of work or specifications. The Contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the Contracting Officer, in which case the restriction in this subparagraph shall not apply.

(2) Access to the use of information:

(a) If the Contractor in the performance of this contract obtains access to information, such as HHS plans, policies, reports, studies, financial plans, or data which has not been released to the public, the Contractor agrees not to (a) use such information for any private purpose unless the information has been released to the public; (b) disclose such information for a period of six (6) months after the completion of this contract, or the release of such information to the public, whichever is first; (c) submit an unsolicited proposal to the Government which is based on such information until one (1) year after the release of such information to the public; or (d) release such information without prior written approval by the Contracting Officer.

(b) In addition, the Contractor agrees that to the extent it receives or is given access to proprietary data or other confidential technical, business or financial information under this contract, it shall treat such information in accordance with any restrictions imposed on such information.

(c) The Contractor shall have, subject to patent and security provisions of this contract, the right to use technical data it first produces under this contract for its private purposes provided that, as of the date of such use, all data requirements of this contract have been met.

(3) Subcontracts. The Contractor shall include this clause, including this paragraph, in subcontracts of any tier which involve performance of work of the type specified in b.(1) above or access to information covered in b.(2) above. The use of this clause in such subcontracts shall be read by substituting the word "Subcontractor" for the word "Contractor" whenever the word "Contractor" appears.

(4) Remedies: For breach of the above restrictions or for non-disclosure or misrepresentation of any relevant interest required to be disclosed concerning this contract, the Government may, at no cost, terminate the contract, disqualify the Contractor for subsequent related contractual efforts, and pursue other remedies as may be permitted by law or this contract.

(5) Waiver. Any request for waiver under this clause shall be directed in writing to the Contracting Officer and shall include a full description of the requested waiver and the reasons in support thereof. If it is determined to be in the best interest of the Government, the Contracting Officer shall grant such waiver in writing.

(6) Definitions. The term "management and technical support services" includes any advice, assistance, analysis, consultation, evaluation, examination, report, review, study, survey, or similar assistance, including providing assistance in procurement and related activities, to support any program or their operations of CMS.

H.7 ELECTRONIC INFORMATION AND TECHNOLOGY ACCESSIBILITY – HHSAR 352.239-73 (JAN 2006)

Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended by Public Law 105–220 under Title IV (Rehabilitation Act Amendments of 1998) and the Architectural and Transportation Barriers Compliance Board Electronic and Information (EIT) Accessibility Standards (36 CFR part 1194), require that all EIT acquired must ensure that:

(1) Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities; and

(2) Members of the public with disabilities seeking information or services from an agency have access to and use of information and data that is comparable to the access to and use of information and data by members of the public who are not individuals with disabilities. This requirement includes the development, procurement, maintenance, and/or use of EIT products/services; therefore, any proposal submitted in response to this solicitation must demonstrate compliance with the established EIT Accessibility Standards. Information about Section 508 is available at <http://www.section508.gov/> (New Window).

H.8 CODE OF CONDUCT

SMOKING

Effective June 9, 2004, smoking is not permitted anywhere on the CMS single site campus. This includes all areas outside the building, such as off-site facility, entranceways, sidewalks and parking areas. Smoking will not be permitted anywhere in Regional Offices or Washington, D.C. Office locations unless permitted by GSA guidelines or local landlord requirements. Contractor employees are subject to the same restrictions as government personnel. Fines up to \$50 per occurrence will be issued and enforced by the Federal Protective Service.

DRESS

The preferred dress codes at CMS facilities are professional attire, business attire or business casual attire.

H.9 CMS INFORMATION SECURITY

This clause applies to all organizations which possess or use Federal information, or which operate, use or have access to Federal information systems (whether automated or manual), on behalf of CMS.

The central tenet of the CMS Information Security (IS) Program is that all CMS information and information systems shall be protected from unauthorized access, disclosure, duplication, modification, diversion, destruction, loss, misuse, or theft—whether accidental or intentional. The security safeguards to provide this protection shall be risk-based and business-driven with implementation achieved through a multi-layered security structure. All information access shall be limited based on a least-privilege approach and a need-to-know basis, i.e., authorized user access is only to information necessary in the performance of required tasks. Most of CMS' information relates to the health care provided to the nation's Medicare and Medicaid beneficiaries, and as such, has access restrictions as required under legislative and regulatory mandates.

The CMS IS Program has a two-fold purpose:

- (1) To enable CMS' business processes to function in an environment with commensurate security protections, and
- (2) To meet the security requirements of federal laws, regulations, and directives.

The principal legislation for the CMS IS Program is Public Law (P.L.) 107-347, Title III, *Federal Information Security Management Act of 2002 (FISMA)*, <http://csrc.nist.gov/drivers/documents/FISMA-final.pdf>. FISMA places responsibility and accountability for IS at all levels within federal agencies as well as those entities acting on their behalf. FISMA directs Office of Management and Budget (OMB) through the Department of Commerce, National Institute of Standards and Technology (NIST), to establish the standards and guidelines for federal agencies in implementing FISMA and managing cost-effective programs to protect their information and information systems. As a contractor acting on behalf of CMS, this legislation requires that the Contractor shall:

- Establish senior management level responsibility for IS,
- Define key IS roles and responsibilities within their organization,
- Comply with a minimum set of controls established for protecting all Federal information, and
- Act in accordance with CMS reporting rules and procedures for IS.

Additionally, the following laws, regulations and directives and any revisions or replacements of same have IS implications and are applicable to all CMS contractors.

- P.L. 93-579, *The Privacy Act of 1974*, <http://www.usdoj.gov/oip/privstat.htm> , (as amended);
- P.L. 99-474, *Computer Fraud & Abuse Act of 1986*, www.usdoj.gov/criminal/cybercrime/ccmanual/01ccma.pdf P.L. 104-13, *Paperwork Reduction Act of 1978*, as amended in 1995, U.S. Code 44 Chapter 35, www.archives.gov/federal-register/laws/paperwork-reduction
- P.L. 104-208, *Clinger-Cohen Act of 1996* (formerly known as the Information Technology Management Reform Act), http://www.cio.gov/Documents/it_management_reform_act_Feb_1996.html;

- P.L. 104-191, *Health Insurance Portability and Accountability Act of 1996* (formerly known as the Kennedy-Kassenbaum Act) <http://aspe.hhs.gov/admsimp/pl104191.htm>;
- OMB Circular No. A-123, *Management's Responsibility for Internal Control*, December 21, 2004, http://www.whitehouse.gov/omb/circulars/a123/a123_rev.html;
- OMB Circular A-130, *Management of Federal Information Resources*, Transmittal 4, November 30, 2000, <http://www.whitehouse.gov/omb/circulars/a130/a130trans4.html>;
- NIST standards and guidance, <http://csrc.nist.gov/>; and,
- Department of Health and Human Services (DHHS) regulations, policies, standards and guidance <http://www.hhs.gov/policies/index.html>

These laws and regulations provide the structure for CMS to implement and manage a cost-effective IS program to protect its information and information systems. Therefore, the Contractor shall monitor and adhere to all IT policies, standards, procedures, directives, templates, and guidelines that govern the CMS IS Program, <http://www.cms.hhs.gov/informationsecurity> and the CMS System Lifecycle Framework, <http://www.cms.hhs.gov/SystemLifecycleFramework>.

The Contractor shall comply with the CMS IS Program requirements by performing, but not limited to, the following:

- Implement their own IS program that adheres to CMS IS policies, standards, procedures, and guidelines, as well as industry best practices;
- Participate and fully cooperate with CMS IS audits, reviews, evaluations, tests, and assessments of contractor systems, processes, and facilities;
- Provide upon request results from any other audits, reviews, evaluations, tests and/or assessments that involve CMS information or information systems;
- Report and process corrective actions for all findings, regardless of the source, in accordance with CMS procedures;
- Document its compliance with CMS security requirements and maintain such documentation in the systems security profile;
- Prepare and submit in accordance with CMS procedures, an incident report to CMS of any suspected or confirmed incidents that may impact CMS information or information systems; and
- Participate in CMS IT information conferences as directed by CMS.

If the contractor believes that an updated IS-related requirement posted to the CMS website may result in a significant cost impact, the contractor may submit a request for equitable cost adjustment before implementing change.

H.10 SECTION 508 COMPLIANCE FOR COMMUNICATIONS

The contractor shall comply with the standards, policies, and procedures below. In the event of conflicts between the referenced documents and the SOW, the SOW shall take precedence.

Rehabilitation Act, Section 508 Accessibility Standards

1. 29 U.S.C. 794d (Rehabilitation Act as amended)
2. 36 CFR 1194 (508 Standards)
3. www.access-board.gov/sec508/508standards.htm (508 standards)
4. FAR 39.2 (Section 508)
5. CMS/HHS Standards, policies and procedures (Section 508)

In addition, all contract deliverables are subject to these 508 standards as applicable.

Regardless of format, all Web content or communications materials produced, including text, audio or video - must conform to applicable Section 508 standards to allow federal employees and members of the public with disabilities to access information that is comparable to information provided to persons without disabilities. All contractors (including subcontractors) or consultants responsible for preparing or posting content must comply with applicable Section 508 accessibility standards, and where applicable, those set forth in the referenced policy or standards documents (above/below). Remediation of any materials that do not comply with the applicable provisions of 36 CFR Part 1194 as set forth in the SOW shall be the responsibility of the contractor or consultant.

The following Section 508 provisions apply to the content or communications material identified in this SOW:

36 CFR Part 1194.22 a – j, l – p

36 CFR Part 1194.41 a – c

SECTION I - CONTRACT CLAUSES

I.1 CLAUSES INCORPORATED BY REFERENCE – 52.252-2 (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full-text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: www.arnet.gov/far/

- 52.203-1 DEFINITIONS (JUL 2004)
- 52.203-3 GRATUITIES (APR 1984)
- 52.203-5 COVENANT AGAINST CONTINGENT FEES (APR 1984)
- 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)
- 52.203-7 ANTI-KICKBACK PROCEDURES (JUL 1995)
- 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEPT 2007)
- 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEP 2007)
- 52.204-2 SECURITY REQUIREMENTS (AUG 1996)
- 52.204-4 PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER (AUG 2000)
- 52.204-7 CENTRAL CONTRACTOR REGISTRATION (JUL 2006)
- 52.207-3 RIGHT OF FIRST REFUSAL OF EMPLOYMENT (MAY 2006)
- 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (SEP 2006)
- 52.215-1 INSTRUCTIONS TO OFFERORS—COMPETITIVE ACQUISITION (JAN 2004)
- 52.215-2 AUDIT AND RECORDS-NEGOTIATION (JUN 1999)
- 52.215-8 ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT (OCT 1997)
- 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1997)
- 52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS (OCT 1997)
- 52.215-12 SUBCONTRACTOR COST OR PRICING DATA (OCT 1997)

52.215-13 SUBCONTRACTOR COST OR PRICING DATA – MODIFICATIONS (OCT 1997)

52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (OCT 2004)

52.215-17 WAIVER OF FACILITIES CAPITAL COST OF MONEY (OCT 1997)

52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (OCT 1997)

52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997)

52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA—MODIFICATIONS (OCT 1997)

52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984)

52.216-25 CONTRACT DEFINITIZATION (OCT 2010)

52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

52.217-9 OPTION TO EXTEND THE TERMS OF THE CONTRACT (MAR 2000)

52.219-14 LIMITATIONS OF SUBCONTRACTING (DEC 1996)

52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)

52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JULY 1990)

52.222-3 CONVICT LABOR (JUN 2003)

52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT OVERTIME COMPENSATION. (JUL 2005)

52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)

52.222-26 EQUAL OPPORTUNITY (MAR 2007)

52.222-35 EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF VIETNAM EAR, AND OTHER ELIGIBLE VETERANS (DEC 2001)

52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)

52.222-37 EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (SEP 2006)

52.223-6 DRUG-FREE WORKPLACE (MAY 2001)

52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (AUG 2003)

52.223-14 TOXIC CHEMICAL RELEASE REPORTING (AUG 2003)

52.223-18 CONTRACTOR POLICY TO BAN TEXT MESSAGING WHILE DRIVING (SEP 2010)

52.224-1 PRIVACY ACT NOTIFICATION (APR 1984)

52.224-2 PRIVACY ACT (APR 1984)

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (FEB 2006)

52.225-25 PROHIBITION ON ENGAGING IN SANCTIONED ACTIVITIES RELATING TO IRAN—
CERTIFICATION (SEP 2010)

52.227-1 AUTHORIZATION AND CONSENT (DEC 2007)

52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT.
(DEC 2007)

52.227-3 PATENT INDEMNITY (APR 1984)

52.228-7 INSURANCE – LIABILITY TO THIRD PERSON (MAY 1996)

52.227-14 RIGHTS IN DATA-GENERAL (DEC 2007)

52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)

52.229-3 FEDERAL, STATE, AND LOCAL TAXES (APR 2003)

52.232-1 PAYMENTS (APR 1984)

52.232-9 LIMITATION ON WITHHOLDING OF PAYMENTS (APR 1984)

52.232-17 INTEREST (JUN 1996)

52.232-23 ASSIGNMENT OF CLAIMS (JAN 1986)

52.232-25 PROMPT PAYMENT (OCT 2003)

52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER – CENTRAL CONTRACTOR
REGISTRATION (OCT 2003)

52.233-1 DISPUTES (JUL 2002) - ALTERNATE I (DEC 1991)

52.233-3 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (OCT 2004)

52.237-3 CONTINUITY OF SERVICE (JAN 1991)

52.239-1 PRIVACY OR SECURITY SAFEGUARDS (AUG 1996)

52.242-13 BANKRUPTCY (JUL 1995)

52.243-2 CHANGES – FIXED PRICE (AUG 1987) - ALTERNATE I (APR 1984)

52.243-7 NOTIFICATION OF CHANGES (APR 1984)

52.244-2 SUBCONTRACTS (JUN 2007)

52.244-5 COMPETITION IN SUBCONTRACTING (DEC 1996)

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (MAR 2007) - ALTERNATE I (JUN 2010)

the Privacy Act of 1974, 5 U.S.C. 552a, and implementing regulations and policies, with respect to systems of records determined to be subject to the Privacy Act.

(d) Confidential information, as defined in paragraph (a) of this clause, shall not be disclosed without the prior written consent of the individual, institution, or organization.

(e) Whenever the Contractor is uncertain with regard to the proper handling of material under the contract, or if the material in question is subject to the Privacy Act or is confidential information subject to the provisions of this clause, the Contractor should obtain a written determination from the Contracting Officer prior to any release, disclosure, dissemination, or publication.

(f) Contracting Officer determinations will reflect the result of internal coordination with appropriate program and legal officials.

(g) The provisions of paragraph (d) of this clause shall not apply to conflicting or overlapping provisions in other Federal, State, or local laws.

AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)	RATING	PAGE OF PAGES 1 33
2. CONTRACT (Proc. Inst. Ident.) NO. HHSM-500-2011-00042C		3. EFFECTIVE DATE See Block 20C	4. REQUISITION/PURCHASE REQUEST/PROJECT NO. 102-1-7733-13	
5. ISSUED BY CODE	AGG - DSPSCG	6. ADMINISTERED BY (If other than Item 5) Charles Littleton Contract Specialist 410-786-3291		CODE AGG/CLITTLETON
CMS, OAGM, AGG, DSPSCG 7500 SECURITY BLVD., MS: C2-21-15 BALTIMORE MD 21244-1850				

7. NAME AND ADDRESS OF CONTRACTOR (No., Street, City, Country, State and ZIP Code) HUMAN SERVICES, VERMONT DEPARTMENT OF Attn: SHIRLEY DOW 103 S MAIN ST WATERBURY VT 056713711		8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)
		9. DISCOUNT FOR PROMPT PAYMENT Net 30
10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN		ITEM

CODE 809376155	FACILITY CODE	11. SHIP TO/MARK FOR	12. PAYMENT WILL BE MADE BY DHHS, CMS, OFM, AMG Div. of Financial Operations P.O. Box 7520 Baltimore MD 21207-0520	CODE	ACCT
----------------	---------------	----------------------	--	------	------

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) () <input type="checkbox"/> 41 U.S.C. 253 (c) ()	14. ACCOUNTING AND APPROPRIATION DATA 15991070-75X0522-252Z
---	--

15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
Continued					

15G. TOTAL AMOUNT OF CONTRACT	\$1,000,000.00
-------------------------------	----------------

16. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
	A	SOLICITATION/CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/COSTS		PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
	C	DESCRIPTION/SPECS./WORK STATEMENT			J	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	F	DELIVERIES OR PERFORMANCE			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
	G	CONTRACT ADMINISTRATION DATA			M	EVALUATION FACTORS FOR AWARD	
	H	SPECIAL CONTRACT REQUIREMENTS					

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>1</u> copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)		18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.	
19A. NAME AND TITLE OF SIGNER (Type or print)	19B. NAME OF CONTRACTOR	19C. DATE SIGNED	19D. UNITED STATES OF AMERICA
	BY (Signature of person authorized to sign)		BY (Signature of the Contracting Officer)
19E. NAME AND TITLE OF SIGNER (Type or print)	20A. NAME OF CONTRACTING OFFICER WILLIAM TATE	19F. DATE SIGNED	20B. UNITED STATES OF AMERICA
			BY

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
HHSM-500-2011-00042C

PAGE OF
2 33

NAME OF OFFEROR OR CONTRACTOR
HUMAN SERVICES, VERMONT DEPARTMNT OF

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
0001	Tax ID Number: 03-6000264 BUNS Number: 809376155 Obligated Amount: \$1,000,000.00				1,000,000.00