

Iowa Department of Human Services



Medicaid Enterprise

HIPAA 5010 and ICD-10 Code Sets

REQUEST FOR PROPOSAL

MED-09-017

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1.1 Purpose

The purpose of this Request for Proposal (RFP) is threefold. **First**, the Iowa Department of Human Services (Department) is soliciting proposals from qualified service providers (QSP) to assess the Iowa Medicaid Enterprise's (IME), readiness to comply with the Health Insurance Portability and Accountability (HIPAA) requirements that must be implemented no later than January 1, 2012 and the International Classification of Diseases, Tenth Edition (ICD-10) that must be implemented no later than October 1, 2013. The IME is the administrative entity for the Iowa Medicaid Program within the Iowa Department of Human Services (Department), the single State Medicaid Agency in Iowa..

The IME is a business driven model, most functions of which are very similar to most commercial insurance companies, put into production in 2005. It is the third largest payer of healthcare claims in Iowa after Wellmark and Medicare.

The purpose of the review would be to perform an assessment and gap analysis on the IME's Medicaid systems and related interfaces, the operational business procedures, and the Medicaid policies and recommend remediation strategies, in alignment with MITA standards and goals, so that the IME may comply with the Federal regulations as required by Federal Register/Vol. 74, No. 11/Friday, January 16, 2009/Rules and Regulations; 45 CFR Part 162 referring to Health Insurance Reform; Modifications to the Health Insurance Portability and Accountability Act (HIPAA) Electronic Transaction Standards <http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf> and Federal Register/Vol. 74, No. 11/Friday, January 16, 2009/Rules and Regulations; 45 CFR Part 162 HIPAA Administrative Simplification: Modifications to Medical Data Code Set Standards to Adopt ICD-10-CM and ICD-10-PCS, <http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf>

Second, the QSP will provide project oversight and technical assistance to the Department for the implementation of remediation strategies selected by the Department, updating, as needed, the Advanced Planning Document (APD) for enhanced funding from Centers for Medicare and Medicaid (CMS). **To avoid any potential conflict of interest or appearance of impropriety current IME service contractors and their parent companies and subsidiaries are prohibited from bidding on this RFP.**

Third, the QSP will provide a separate independent verification and validation (IV&V) function during the life cycle of the project to assure the Department of the quality and accuracy of the remediation strategies.

The scope of services for this RFP will allow, at the sole discretion of the

Department, for an amendment of the resulting contract to include future expansion of the related scope of work as deemed necessary with further federal expansion of the HIPAA requirements.

The Department intends to execute a forty eight (48) month contract, beginning January 2, 2010 and ending November 30, 2013. Any contract resulting from the RFP shall not be an exclusive contract.

1.2 Background Information

This RFP is designed to provide QSPs with the information necessary for the preparation of competitive bid proposals. The RFP process is for the Department's benefit and is intended to provide the Department with competitive information to assist in the selection process. It is not intended to be comprehensive. Each QSP is responsible for determining all factors necessary for submission of a comprehensive bid proposal. The Department adheres to all applicable federal and state laws, rules, and regulations when entering into a contract for services.

1.2.1 Iowa Medicaid Program

Medicaid is an entitlement program designed to provide medical care to low-income individuals who are aged, blind, or disabled, pregnant, under 21 years of age, or members of a family with dependent children. The program was authorized under Title XIX of the Social Security Act of 1965. The Medicaid program is funded jointly by the state and federal governments.

There are two major components to the Iowa Medicaid program: a traditional Medicaid fee-for-service component, and a medical managed care component. There are approximately 400,000 total members enrolled in Iowa's Medicaid program.

The fee-for-service component generates approximately 20 million claims for payment each year. Payments are made to physicians, hospitals, labs, pharmacies, home health providers, rural health providers, federally qualified health centers (FQHCs), and many other types of providers. Hospitals are paid on a schedule based on diagnosis related groups (DRGs) and ambulatory patient classifications (APCs). There are established fee schedules for both physicians and labs. The Department uses Medicare-based reimbursement schedules for payment of claims for services provided by home health care providers, rural health care providers, and FQHCs. For pharmacies, the Department established a point of sale (POS) system for prescription payment.

In Iowa, Medicaid managed care includes two main components:

- **Medical** managed health care, a primary care case management program (MediPASS), There are approximately 165,000 members enrolled in the **medical** managed care program.
- The Iowa Plan is a capitated mental health and substance abuse program. There are approximately 300,000 members enrolled in the Iowa Plan during any given month.

1.2.2 Iowa Medicaid Enterprise

In Iowa, the Iowa Medicaid Enterprise (IME) is the entity charged with administering the Iowa Medicaid Program. It is, in most ways, like a commercial insurance company. It operates a medical management component (including policy, medical professionals reviewing for medical necessity, prior authorization, etc.) and a business operations component that pays claims, enrolls providers, sets rates and so on. It is the third largest payer of healthcare claims in Iowa. It covers the standard populations of most insurers. It's distinct populations included in coverage, are the long term care population, Home and Community Based Services (HCBS) population, and a large disabled population. Functions specific to Medicaid include Estate Recovery and Drug Rebate.

Historically, the Department administered the state Medicaid program through the use of a fiscal agent, which provided daily administration of the state's Medicaid program. In 2005, the Department took back direct daily operations of the Medicaid program. After extensive research and planning and a lengthy RFP process, the Department entered into a series of contracts with vendors to provide services in defined functional areas of expertise, including:

- Medical and Pharmacy Medical Services
- Member and Provider Services
- Mailroom
- Workflow Management System
- Claims Adjudication
- Provider Cost Audit and Rate Setting
- Surveillance and Utilization Review
- Revenue Collections
- Systems including the Medicaid Management Information System (MMIS), Data Warehouse, and the Pharmacy Point of Sale (POS) system

The successful Contractors, representing the “best of breed” in their areas of expertise, are co-located with Department policy staff at the IME facility on the south side of Des Moines, Iowa. The IME became operational on June 30, 2005 and CMS certified the IME's

Medicaid Management Information System (MMIS) after an on-site inspection in February of 2006.

Nine of the individual functional areas within the IME are the product of separate and unique contracts that outline numerous performance measures and goals that are tied to operations and continued contract development. All of the functional areas are interrelated and interoperable. Data is shared among the IME units freely and without barriers so that each unit operates with maximum efficiency.

1.2.3 Medicaid Information Technology Architecture

The Medicaid IT Architecture (MITA) is an initiative of the Center for Medicaid and State Operations (CMSO) to establish national guidelines for technologies and processes that can enable improved program administration for Medicaid enterprises.

MITA is both an initiative and a framework. As an initiative MITA is a plan to promote improvements in the Medicaid enterprise and the systems that support it through collaboration between CMS and the States. As a framework, MITA is a blueprint consisting of models, guidelines, and principles to be used by States as they implement enterprise solutions.

The MITA initiative includes an architecture framework, processes, and planning guidelines that allow State Medicaid enterprises to meet their Medicaid objectives within the MITA Framework – yet support unique local needs.

The MITA Framework is a consolidation of principles, business and technical models, and guidelines that creates a template for States to use to develop their individual enterprise architectures.

The MITA Framework 2.0 comprises three parts:

- Business Architecture
- Information Architecture
- Technical Architecture

The MITA processes provide guidance to State Medicaid enterprises on how to adopt the MITA Framework through shared leadership, partnering, and reuse of solutions.

The MITA planning guidelines help States define their own strategic MITA goals and objectives and develop tailored enterprise architectures that are consistent with CMS expectations.

Iowa completed a State Self-Assessment (SS-A) under the MITA Framework 2.01. in May, 2009. For further information on Medicaid Information Technology Architecture Framework 2.0 go to www.cms.hhs.gov/MedicaidInfoTechArch

1.2.4 Department of Human Services Table of Organization

For a table of organization of the Department's structure refer to Attachment A.

1.2.5 Iowa Medicaid Enterprise Table of Organization

For a table of organization of the IME's structure refer to Attachment B.

1.2.6 Key Functional Responsibilities of the IME Units

For a table of functional responsibilities of each IME contracts and each current contractor refer to Attachment C.

- 2.1 Issuing Officer** – the Issuing Officer, identified below, is the sole point of contact regarding the RFP from the date of issuance until selection of the successful bidder.

JoAnn Cowger, Issuing Officer
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- 2.2 Restriction on Communication** – From the issue date of this RFP until announcement of the successful bidder, bidders may contact only the Issuing Officer. The Issuing Officer will respond only to questions regarding the procurement process. Bidders shall be disqualified if they contact any Department employee other than the Issuing Officer regarding this RFP.
- 2.3 Downloading the RFP from the Internet** – If the bidder obtained this RFP on the Internet from the Department of Administrative Services/Information Technology Enterprise website directly or by link from the Department of Human Service’s home page prior to submitting a letter of intent to bid, the bidder will not automatically receive amendments that may be made to the RFP. All amendments will be posted at <http://bidopportunities.iowa.gov>. The bidder is advised to check the web page periodically for any amendments to this RFP, particularly if the RFP from the Internet may not automatically receive amendments. Bidders who received this RFP as a result of a written request to the Department will automatically receive amendments.
- 2.4 Procurement Timetable** – The following dates are set forth for information and planning purposes; however, the Department reserves the right to change the dates.

Notice of Intent to Issue RFP.....	August 17, 2009
Issue RFP.....	October 7, 2009
Letters of Intent to Bid/Questions Due.....	October 28, 2009
Response to Questions Issued.....	November 12, 2009
Closing Date for Receipt of Bid Proposals and Amendments.....	December 8, 2009
Oral Presentations.....	December 15 - 16, 2009

Notice of Intent to Award Issued.....January 5, 2010
Completion of Contract Execution.....January 12, 2010
Begin Contract.....February 1, 2010

2.5 Bidders' Library – A Bidders' Library is available, on request, via CD-ROM and contains information detailed in Attachment D.

2.6 Letters of Intent to Bid – Submitting a letter of intent to bid is no longer a Mandatory requirement to submit a bid proposal. Submission of a letter of intent to bid permits bidders to ask questions about the RFP, ensures receipt of written responses to bidders' questions, and ensures receipt of amendments to the RFP.

2.7 Questions, Requests for Clarification and Suggested Changes – Bidders who have timely submitted a letter of intent to bid can submit written questions and requests for clarifications regarding the RFP. Bidders may also submit suggestions for changes to the requirements of this RFP. The questions, requests for clarifications, or suggestions must be in writing and be received by the Issuing Officer before 3:00 p.m., Central Time on the date specified in Section 2.4. Oral questions will not be permitted. If the questions, requests for clarification or suggestions pertain to a specific section of the RFP, the page and section number(s) must be referenced. Written responses to questions, requests for clarification, or suggestions will be sent on or before the date specified in Section 2.4 to bidders who have submitted a letter of intent by the required date. The Department's written responses will not be considered part of the RFP. If the Department decides to adopt a suggested change, the Department will issue an amendment to the RFP.

The Department assumes no responsibility for verbal representations made by its officers or employees unless such representations are confirmed in writing and incorporated into the RFP.

NOTE: Bidders may not include assumptions in their bid proposals. Any ambiguity regarding this RFP must be addressed through this question and answer process.

2.8 Amendment to the RFP or Bid Proposal and Withdrawal of Bid Proposal - The Department reserves the right to amend the RFP at any time. The bidder shall acknowledge receipt of an amendment in its proposal. If the amendment occurs after the closing date for receipt of bid proposals, the Department may, in its sole discretion, allow bidders to amend their bid proposals if necessary.

The bidder may amend its bid proposal. The amendment must be in writing and signed by the bidder. The Issuing Officer must receive the amendment by the deadline for submitting proposals. Electronic mail and faxed amendments will not be accepted.

The bidder may withdraw its bid proposal prior to the closing date for receipt of bid proposals by submitting a written request to withdraw to the Issuing Officer. Electronic mail and faxed requests to withdraw will not be accepted.

2.9 Submission of Bid Proposals - The bid proposal must be received by the Issuing Officer **no later than 3:00 P.M.** Central Time, on the date specified in Section 2.4. This mandatory requirement will not be waived by the Department. Any bid proposal received after this deadline will be rejected and returned unopened to the bidder. Bidders mailing bid proposals must allow ample mail delivery time to ensure timely receipt of their bid proposals. It is the bidder's responsibility to ensure that the bid proposal is received prior to the deadline. Postmarking by the due date will not substitute for actual receipt of the bid proposal by the Department. Electronic mail and faxed bid proposals will not be accepted.

2.10 Costs of Preparing the Bid Proposal - The costs of preparation and delivery of the bid proposal are solely the responsibility of the bidder.

2.11 Rejection of Bid Proposals - The Department reserves the right to reject any or all bid proposals, in whole and in part, and to cancel this RFP at any time prior to the execution of a written contract. Issuance of this RFP in no way constitutes a commitment by the Department to execute a contract.

2.12 Disqualification - The Department shall reject outright and shall not evaluate proposals for any one of the following reasons:

2.12.1 The bidder fails to deliver the bid proposal by the due date and time.

2.12.2 The bidder fails to deliver the cost proposal in a separate envelope.

2.12.3 The bidder states that a service requirement cannot be met.

2.12.4 The bidder's response materially changes a service requirement.

2.12.5 The bidder's response limits the rights of the Department.

2.12.6 The bidder fails to include information necessary to substantiate that it will be able to meet a service requirement. A response of "will comply" or merely repeating the requirement is not sufficient.

- 2.12.7 The bidder fails to respond to the Department's request for information, documents, or references.
 - 2.12.8 The bidder fails to include bid proposal security.
 - 2.12.9 The bidder fails to include any signature, certification, authorization, stipulation, disclosure or guarantee requested in Section 4 of this RFP.
 - 2.12.10 The bidder presents the information requested by this RFP in a format inconsistent with the instructions of the RFP.
 - 2.12.11 The bidder initiates unauthorized contact regarding the RFP with state employees.
 - 2.12.12 The bidder provides misleading or inaccurate responses.
 - 2.12.13 The bidder includes assumptions in its bid proposal.
- 2.13 Nonmaterial and Material Variances** - The Department reserves the right to waive or permit cure of nonmaterial variances in the bid proposal's form and content providing, in the judgment of the Department, such action is in the best interest of the Department. Nonmaterial variances include minor informalities that do not affect responsiveness; that are merely a matter of form or format; that do not change the relative standing or otherwise prejudice other bidders; that do not change the meaning or scope of the RFP; or that do not reflect a material change in the services. In the event the Department waives or permits cure of nonmaterial variances, such waiver or cure will not modify the RFP requirements or excuse the bidder from full compliance with RFP specifications or other contract requirements if the bidder executes a contract. The determination of materiality is in the sole discretion of the Department.
- 2.14 Reference Checks** - The Department reserves the right to contact any reference to assist in the evaluation of the bid proposal, to verify information contained in the bid proposal and to discuss the bidder's qualifications and the qualifications of any subcontractor identified in the bid proposal.
- 2.15 Information from Other Sources** - The Department reserves the right to obtain and consider information from other sources concerning a bidder, such as the bidder's capability and performance under other contracts.
- 2.16 Verification of Bid Proposal Contents** - The contents of a bid proposal submitted by a bidder is subject to verification. Misleading or inaccurate responses shall result in disqualification.

- 2.17 Criminal History and Background Investigation** - The Department reserves the right to conduct criminal history and other background investigations of the bidder, its officers, directors, shareholders, or partners and managerial and supervisory personnel retained by the bidder for the performance of the contract.
- 2.18 Bid Proposal Clarification Process** - The Department may request clarifications from bidders for the purpose of resolving ambiguities or questioning information presented in the bid proposals. Clarifications may occur throughout the bid proposal evaluation process. Clarification responses shall be in writing and shall address only the information requested. Responses shall be submitted to the Department within the time stipulated at the occasion of the request.
- 2.19 Disposition of Bid Proposals** - All bid proposals become the property of the Department and shall not be returned to the bidder. At the conclusion of the selection process, the contents of all bid proposals will be in the public domain and be open to inspection by interested parties subject to exceptions provided in Iowa Code Chapter 22 or other applicable law.
- 2.20 Public Records and Request for Confidential Treatment** - All information submitted by a bidder may be treated as public information by the Department following the conclusion of the selection process unless the bidder properly requests that information be treated as confidential at the time of submitting the bid proposal. The Department's release of information is governed by Iowa Code Chapter 22. Bidders are encouraged to familiarize themselves with Chapter 22 before submitting a proposal. The Department will copy public records as required to comply with the public records laws.

Any request for confidential treatment of information must be included in the transmittal letter with the bidder's bid proposal. In addition, the bidder must enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law, which support treatment of the material as confidential and explain why disclosure is not in the best interest of the public. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the bidder to respond to any inquiries by the Department concerning the confidential status of the materials.

Any bid proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. Identification of the entire bid proposal as confidential shall be deemed non-responsive and disqualify the bidder.

If the bidder designates any portion of the bid proposal as confidential, the bidder must submit one copy of the bid proposal from which the confidential information has been redacted. This redacted copy is in addition to the number of copies requested in Section 4 of this RFP. The confidential material must be redacted in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible. To the extent possible, pages should be redacted sentence by sentence unless all material on a page is clearly confidential under the law.

The Department will treat the information marked confidential as confidential information to the extent such information is determined confidential under Iowa Code Chapter 22 or other applicable law by a court of competent jurisdiction.

In the event the Department receives a request for information marked confidential, written notice shall be given to the bidder seventy-two (72) hours prior to the release of the information to allow the bidder to seek injunctive relief pursuant to Section 22.8 of the Iowa Code.

The bidder's failure to request confidential treatment of material pursuant to this section and the relevant law will be deemed by the Department as a waiver of any right to confidentiality which the bidder may have had.

- 2.21 Copyrights** - By submitting a bid proposal, the bidder agrees that the Department may copy the bid proposal for purposes of facilitating the evaluation of the bid proposal or to respond to requests for public records. The bidder consents to such copying by submitting a bid proposal represents and warrants that such copying will not violate the rights of any third party. The Department shall have the right to use ideas or adaptations of ideas that are presented in the bid proposals.
- 2.22 Release of Claims** - By submitting a bid proposal, the bidder agrees that it will not bring any claim or cause of action against the Department based on any misunderstanding concerning the information provided herein or concerning the Department's failure, negligent or otherwise, to provide the bidder with pertinent information as intended by this RFP.
- 2.23 Presentations** - Bidders may be required to make a presentation of the bid proposal. The presentation may occur at the Department's offices or at the offices of the bidder. The determination as to need for presentations, the location, order, and schedule of the presentations is at the sole discretion of the Department. The presentation may include slides, graphics and other media selected by the bidder to illustrate the bidder's bid proposal. The presentation shall not materially change the information contained in the bid proposal. **The bidder's Project Manager and Quality Assurance Manager, as well as the other assigned members of the project team, must be in attendance and they will lead the bidder's presentation.**

The purpose of this is to give the Department an opportunity to evaluate the project team that Department staff will interact with on a daily basis. It is the Department's expectation that each team member will fully understand the environment within which they will be working and they must communicate clearly to the Department how they will be successful in such an environment. The bidders will be evaluated on how clearly and successfully they can communicate this element.

- 2.24 Evaluation of Bid Proposals** - Bid proposals that are timely submitted and are not subject to disqualification will be reviewed in accordance with Section 5 of the RFP.
- 2.25 Notice of Intent to Award** - Notice of Intent to Award the contract will be sent by mail to all bidders submitting a timely bid proposal. The Notice of Intent to Award is subject to execution of a written contract and, as a result, the Notice does not constitute the formation of a contract between the Department and the apparent successful bidder.
- 2.26 Acceptance Period** - Execution of the contract shall be completed no later than the date specified in Section 2.4. If the apparent successful bidder fails to negotiate and execute a contract, in its sole discretion, the Department may revoke the Notice of Intent to Award and enter into negotiations with the next highest ranked bidder or withdraw the RFP.
- The Department further reserves the right to cancel the RFP or negotiations at any time prior to the execution of a written contract.
- 2.27 Review of Notice of Intent to Award Decision** - Bidders may request review of the award decision by filing a written appeal to the Iowa District Court.
- 2.28 Definition of Contract** - The full execution of a written contract shall constitute the making of a contract for services and no bidder shall acquire any legal or equitable rights relative to the contract services until the contract has been fully executed by the apparent successful bidder and the Department.
- 2.29 Choice of Law and Forum** - This RFP and the resulting contract are to be governed by the laws of the state of Iowa, excluding the conflicts of law provisions thereof. Changes in applicable laws and rules may affect the contracting process or the resulting contract. Bidders are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP shall be brought in the appropriate Iowa forum.
- 2.30 Restrictions on Gifts and Activities** - Iowa Code Chapter 68B restricts gifts which may be given or received by state employees and requires certain

individuals to disclose information concerning their activities with state government. Bidders are responsible to determine the applicability of this Chapter to their activities and to comply with the requirements. In addition, pursuant to Iowa Code Section 722.1, it is a felony offense to bribe or attempt to bribe a public official.

- 2.31 No Minimum Guaranteed** - The Department anticipates that the selected bidder will provide services as requested by the Department. The Department will not guarantee any minimum compensation will be paid to the bidder or any minimum usage of the bidder's services.

Introduction

Detailed below are the activities to be accomplished as a part of the of the Health Insurance Portability and Accountability Act (HIPAA) Version 5010/D.0 and ICD-10-CM Assessment and Implementation Project on Iowa Medicaid. The project is divided into phases. Key activities, deliverables, and performance measures are identified for each phase.

For purposes of this RFP all references to HIPAA 5010/D.0 refer to all requirements contained in Federal Register/Vol. 74, No. 11/Friday, January 16, 2009/Rules and Regulations; 45 CFR Part 162 referring to Health Insurance Reform; Modifications to the Health Insurance Portability and Accountability Act (HIPAA) Electronic Transaction Standards.

For purposes of this RFP all references to ICD-10 refer to all requirements contained in Federal Register/Vol. 74, No. 11/Friday, January 16, 2009/Rules and Regulations; 45 CFR Part 162 HIPAA Administrative Simplification: Modifications to Medical Data Code Set Standards to Adopt ICD-10-CM and ICD-10-PCS.

All aspects of the services described in this section must be addressed in the bidder's technical proposal. All fees associated with the services described in this section must be addressed in the bidder's cost proposal.

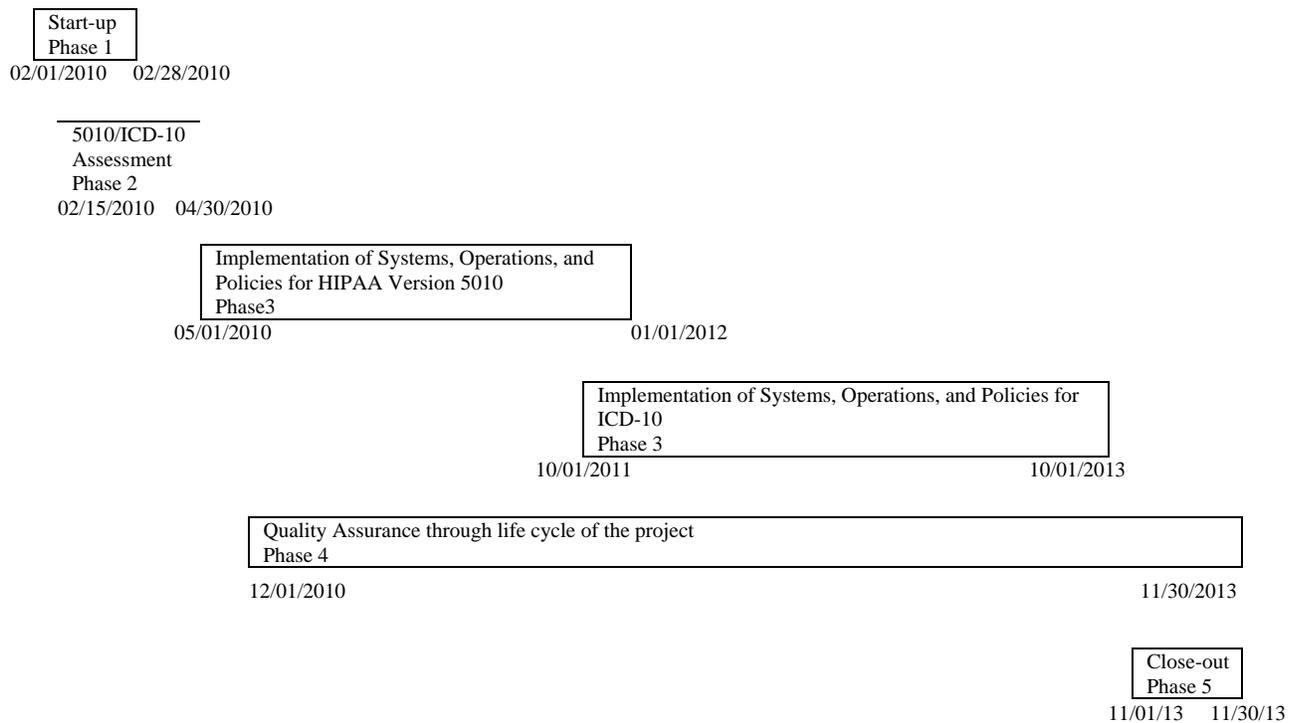
Describe how you propose to comply with each requirement. Include a detailed description of the manner in which the bidder will perform specific tasks and provide assurances that the deliverables will be completed. All deliverables must be reviewed and approved by the Department. As relates to performance, all reference to "quarter" or "quarterly" refers to State fiscal year quarters (State fiscal year begins July 1 each year). Any concerns about due dates of any of the deliverables must be addressed during the bidders' questioning period of the procurement.

Historically past work, similar to the project described below, was approached with preconceived ideas that "one size fits all models"; (i.e. an approach has been designed to perform the assessment therefore it is applicable to all business models (i.e. fiscal agent model, self-directed state model)). In the past contractors have approached the IME in this manner. However, because of the uniqueness of the IME model, it has proven that such an approach does not work. The approach must fit to the IME rather than the IME fitting the approach.

Following is the scope of work to be accomplished through the execution of a Contract with the Department of Human Services and the successful bidder. It is to be approached in five phases:

- Phase 1 – Start-up of Contract;

- Phase 2 - The performance of an assessment to determine possible implementation strategies for the Department to meet all requirements of the federal mandates of HIPAA Version 5010 and ICD – 10 implementations;
- Phase 3 - The implementation and operation of a Project Management Office (PMO) to oversee and coordinate all aspects of the implementation strategies needed to meet the federal mandates of HIPAA Version 5010 and ICD-10 implementations.
- Phase 4 - The implementation and operation of an Independent Quality Assurance process to verify and validate the implementation work being performed by all IME Units in the compliance strategies engaged by the Department with regard to HIPAA Version 5010 and ICD-10.
- Phase 5 – Close-out of the Contract



Scope of Work

Phase 1: Project Start-up

3.1 Project Start-up

3.1.1 **Project Start-up Activities:** (All processes, procedures, plans, reports, formats, etc. become final only upon Department approval.)

3.1.1.1 Key Activity: Identify and document the **operational procedures and the operational structure** of the Project Management Office (PMO)

Contractor Responsibilities:

- Develop and document operational procedures for the operation of the PMO through the life cycle of the HIPAA 5010/D.0 and ICD-10 compliance project.
- Develop and document the operational structure of the PMO.
- Develop a chart depicting the flow of processes through the PMO to the IME Project Director.

Deliverables:

- Set of operational procedures using the Department's operational procedure format.
- A chart documenting the structure of the PMO.
- A chart documenting the workflow of the PMO and related activities.
- Updates as determined by the Department.

Performance Measures:

- Operational procedures presented to the IME Project Director for Department approval received no later than fourteen (14) business days from the beginning date of the Contract.
- Charts presented to the IME Project Director for Department approval received no later than fourteen (14) business days from the beginning date of the Contract.
- Within one (1) business day of Department approval publish operational procedures for all stakeholders to view.
- Update operational procedures as needed and update library of operational procedures within one (1) business day of Department approval.

3.1.1.2 Key Activity: Establish project **governance procedures**.

Contractor Responsibilities:

- Develop and implement the project governance procedures including a table of organization and the procedures to effectively facilitate rapid and effective decision making.
- Identify all procedural needs and develop recommendations so that processes are efficient and effective.
- Update governance procedures as needed and distribute to all identified stakeholders after each update.

Deliverables:

- A list of recommended governance procedures for Department approval.
- A library of approved governance procedures able to be accessed by all approved participants of the project.

Performance Measures:

- Recommended governance procedures for Department approval presented within fourteen (14) business days of beginning of Contract.
- Within one (1) business day of approval publish governance procedures for all stakeholders to view.
- Update operational procedures as needed and update the library of governance procedures within one (1) business day of approval.

3.1.1.3 Key Activity: Produce a **work plan** initially for the scope of phase 1 and phase 2 of the project. Expand the work plan to include phase 3 and phase 5 prior to completion of phase 2. A separate work plan for phase 4, the independent quality assurance phase, will be submitted prior to the beginning of phase 3.

Contractor Responsibilities:

- Produce a detailed work plan to identify all tasks of the project with associated timelines in all its phases including start-up, assessment, implementation, and close out of the project (phases 1, 2, 3 and 5).
- Produce a separate detailed work plan to include all activities of the independent quality assurance process related to the verification and validation of all implementation activities (phase 4).

- Update work plans as required through the life cycle of the project.

Deliverables:

- Detailed work plan for Phases 1, 2, 3, and 5 with a walkthrough.
- Detailed work plan for Phase 4 with a walkthrough.
- Updates as determined by the Department.
- Reports as needed in a format and in intervals as determined by the Department.

Performance Measures:

- Within 7 business days of the beginning of the Contract submit a finalized detailed work plan for phase 1 & 2 with phases 3 and 5 detailed at a higher level that must meet Department approval.
- Upon completion of phase 2 (assessment) submit a finalized detailed work plan for phase 3 and 5 at least 14 business days prior to the beginning of phase 3 .
- Upon completion of phase 2 (assessment) submit a detailed work plan for phase 4 at least 14 business days prior to the beginning of phase 3.
- Updates to all work plans should be available within 1 business day of a request by the Department.

3.1.1.4

Key Activity: Implement a project **communication plan**.

Contractor Responsibilities:

- Establish a project communication plan that includes recommendations communications standards including meeting schedules, project documentation standards, reporting standards and reporting schedules.
- Publish approved plans to the project library.

Deliverables:

- Draft communication plan.
- Final communication plan.

Performance Measures:

- Submit a draft communication plan for Department approval, no later than twenty (20) business days from the beginning of Contract.
- Publish the final communication plan to the project library within one (1) business day of approval by the Department.

3.1.1.5. Key Activity: Implement a project **change management** plan.

Contractor Responsibilities:

- Develop a project change management plan.
- Develop all forms necessary for implementation of the project change management plan.
- Identify and incorporate into the operational procedures all procedures related to the operations of project change management.
- Update and modify on an “as needed” basis the project change management plan and all related procedures and forms.

Deliverables:

- A project change management plan.
- Operational procedures to operationalize the change management plan.
- Forms needed for operation of the change management plan.
- Updates, as required, to the forms, plan and procedures.
- Posting of all forms, procedures and the plan to the project library.

Performance Measures:

1. Recommendations for the project change management plan are due to the IME Project Director no later than twenty (20) business days from the beginning of the Contract.
2. Operational procedures are due within five (5) business days of approval of project change management plan
3. Forms for project change management plan are due within five (5) business days of approval of project change management plan
4. All materials must be posted to the project library within one (1) business day of approval by the Department.

3.1.1.6 Key Activity: Implement a project **issues management** plan.

Contractor Responsibilities:

- Develop and implement a project issues management plan.

- Develop a mechanism to record, track and monitor significant issues related to the project throughout the project life cycle.
- Identify and document operational procedures to handle project issues management.
- Develop and implement a mechanism to report on all issues regularly.

Deliverables:

- Issues management plan.
- Issues tracking database.
- Operational procedures for handling the significant issues related to the project.
- Standard reports of issues.

Performance Measures:

- Recommendations for the issues management plan are due to the IME Project Director no later than twenty (20) business days from the beginning of the Contract.
- Operational procedures are due within five (5) business days of approval of issues management plan.
- Database for issues management is due within five (5) business days of approval of issues management plan.
- Reports of all issues are to be discussed at least once each week with the Project Director.
- Update the project library within one (1) business day of receipt of approval from the Department.

3.1.1.7

Key Activity: Develop and implement a **risk management** plan.

Contractor Responsibilities:

- Create a risk management plan that includes pro-actively, on a regular basis, identifying and reporting risk to the project.
- Make recommendations to prevent, reduce and mitigate risk.
- Monitor status of corrective actions or risk intervention strategies.
- Create operational procedures for the implementation and operation of a risk management plan.

Deliverables:

- A risk management plan.

- Written procedures to implement and operationalize the risk management plan.
- Regular reports on project risks and mitigation strategies.

Performance Measures:

- A risk management plan submitted for Department approval within 20 business days of the beginning of the contract.
- Operational procedures submitted for Department approval within 20 business days of the beginning of the contract.
- Written reports on the identification and management of project risks through the project life cycle are due each week by noon on the Monday following the end of the week.
- Ad hoc reports are due to the Project Director within 1 business day of the request by the Department.

3.1.1.8

Key Activity: Develop, implement and maintain an electronic **project library**.

Contractor Responsibilities:

- Develop a structure for an electronic project library.
- Upon Department approval implement the project library on a IME share provided by the Department.
- Train project team staff on the location and use of the project library.
- At the conclusion of the project, finalize indexing and transition the project library to the Department
- Provide a back up copy of the project library on a Department approved medium.

Deliverables:

- A prototype of the project library.
- Upon approval of the project library structure, implement a working project library for use throughout the life of the project.
- Comprehensive population of the project library throughout the life of the project.
- Index and training materials on how to use and where to find the project library.
- A back up copy of the final project library.

Performance Measures:

- Project library prototype due to the Project Director within 15 business days of the beginning of the contract.
- Upon prototype approval implement the model within 5 business days of approval.
- Population of the project library must occur on a regular basis allowing one business day from receipt of Department approval to post materials.
- Training of the use of the library must occur within 5 business days of implementation of the approved structure.
- At least 5 business days prior to the expiration of the Contract, transition the project library to the Department with written documentation on how to maintain the library.
- At least 5 business days prior to the expiration of the Contract, provide a back up copy of the full project library to include indexing and the instructions of how to use the library.

3.1.1.9

Key Activity: **Identify** the need and ensure detailed HIPAA/ICD-10 **individual implementation work plans** are developed, coordinated and receive approval from the Department for functional areas including but not limited to the following: Core MMIS, POS, External Systems, Business/Policy, PMO activities and QA. **Monitor** all work plans (with the exception of QA) and **coordinate** all implementation activities of the implementation project.

Contractor Responsibilities:

- Coordinate all individual work plans with corresponding timeline and resources to successfully manage all elements of the project.
- Receive approval from the Department regarding the coordination of the work plans.
- Assure that all work plans are maintained and updated as needed throughout the life cycle of the project.
- Identify and coordinate all implementation activities.

Deliverables:

- A masterwork plan that includes all activities of the project so that all needed implementation work is completed timely and accurately with proper testing.
- Report regularly to the Project Director on the status of all work plans and the state of progress being made toward the final goal.

Performance Measures:

- The final masterwork plan is due to the Department at the time agreed to by the Department in the approved PMO work plan.
- Reports are due on a weekly basis, no later than noon each Monday for the previous week, as to the status of the all work plans.

3.1.2 Other Administrative Activities:

- 3.1.2.1. Key Activity: **Produce a summary** describing how the potential Contractor will support the IME business model and its interaction of the business units in the IME environment during assessment, implementation, and quality assurance during the HIPAA Version 5010/D.0 and ICD-10 projects.

Contractor Responsibilities:

- In written form, describe the operations of the IME and how this project will impact the IME
- In written form, describe how the contractor will support the IME and its individual units
- In written form, describe the methods and practices the contractor will use through the life cycle of the project to operate successfully within the IME structure

Deliverables:

- A written report to the Project Director

Performance Measures:

- A completed written report describing the issues listed in Contractor Responsibilities above is to be delivered to the Project Director no less than 5 business days from the begin date of the Contract.

- 3.1.2.2 Key Activity: Provide Medicaid HIPAA and ICD-10 **technical subject matter experts** to keep all functional and technical areas of the Iowa HIPAA/ICD-10 project updated through all of its phases, so all decisions made are made with the most current information available.

Contractor Responsibilities:

- Provide a senior resource to coordinate the effort for the IME as the point person for issues related to policies, business processes, and operational issues.

- The point person will be on-site for critical meetings and major project reviews as determined through mutual agreement between the Contractor and the Department.
- Provide access to a senior technical resource to consult with the systems implementation team members during implementation and testing.
- The senior technical resource will be on-site for critical meetings and major project reviews as determined through mutual agreement between the Contractor and the Department; this person will be on-site during all phases of regression testing.
- Provide access to additional HIPAA/ICD-10 resources as needed so the project has expertise needed to correctly and effectively implement all requirements.
- Additional technical resources will be on-site for critical meetings and major project reviews and other times as determined through mutual agreement between the Contractor and the Department.
- Subject matter experts will lend their expertise at meetings with other payers, providers, and other external entities as determined necessary by the IME Project Director.

Deliverables:

- On-site schedule for the point person for issues related to policies, business processes and operational issues.
- Contact information for the point person when off-site.
- On-site schedule for the senior technical resource to consult with systems implementation teams including the schedule for on-site testing.
- Contact information for senior technical resource when off-site.
- Contact information for additional HIPAA/ICD-10 resources while off-site.

Performance Measures:

- All appointed resources, when off-site, will be accessible by phone within 60 minutes of a Department determined need to communicate.
- During phase 2 of the project (assessment) both the technical and business resource point persons will be on-site for a percentage of time to be agreed to by the Department within 5 business days of the beginning of the Contract.
- During subsequent phases of the project, the technical and business resource point persons will be on-site for a

percentage of time to be agreed to by the Department within 5 business days of the start of each phase.

3.1.2.3 Key Activity: **Train** the project teams.

Contractor Responsibilities:

- Train all team members on the location and use of the project library.
- Train all team members on procedures and timelines of reporting to the PMO.
- Train all team members on all standards and formats that relate to their deliverables being accepted by the PMO.
- Train all team members on issues standards, and the reporting thereof.
- Train all team members on the operational procedures of the PMO.

Deliverables:

- Training materials on the use of the project library.
- Training materials on procedures and reporting to the PMO.
- Training materials on standards and formats.
- Training materials on issues standards and issues reporting.
- Training materials on PMO operational procedures.
- Timeline for training.

Performance Measures:

- All training materials are due to the IME Project Director within 30 business days of the beginning of the Contract.
- Timeline for training is due to the IME Project Director within 25 business days of the beginning of the Contract.

3.1.2.4 Key Activity: **Schedule and facilitate** all project meetings for the IME including a project kick-off meeting.

Contractor Responsibilities:

- Schedule all meetings as outlined in the approved communication plan.
- Facilitate meetings unless otherwise directed by the Department.

- Distribute written notices of meetings to appropriate staff.
- Prepare and distribute agendas for each meeting prior to the scheduled meeting time.
- Prepare and distribute draft meeting notes for review by meeting participants.
- Update notes based on feedback from staff; conflicts should be addressed so that a consensus is reached for final notes.
- File and maintain all agenda and notes in an approved location in the project library.
- Prepare decision documents as needed and upon approval by the Department, file decision documents in the project library.
- The initial project kick-off meeting should be held and facilitated at the beginning of Phase 2 of the project.
- The kick-off meeting should review the project goals and timelines.

Deliverables:

- Meeting agendas
- Meeting notes
- Decision Documents

Performance Measures:

- All agendas must be distributed to meeting participants at least one hour prior to the scheduled meeting times unless meeting times were scheduled with less than two hours notice; agendas may then be presented at the meeting.
- All notes for Department approval must be distributed within 2 business days of the completion of the meeting.
- All agendas and notes must be located in the project library within 3 business days of the meetings.
- All decision documents must be presented to the Department for approval within 2 business days of the decision to which they pertain.
- Upon approval by the Department, all decision documents must be located in the project library the following business day.
- The project kick-off meeting is to be scheduled with at least 1 week's notice given to participants.
- Kick-off meeting must be held within 10 business days of the beginning of the Contract.

3.1.2.5 **Key Activity: Monitor and generate reports** weekly on all of the following including but not limited to: project status, project issues, project risks, project change management, project communication.

Contractor Responsibilities:

- Create report formats for each of the areas in project start up activities.
- Recommend content for each of the reports subject to Department approval.
- Submit all reports weekly.
- Monitor reports for any significant issues or risks and recommend solutions or mitigating strategies.

Deliverables:

- Weekly reports

Performance Measures:

- Submit all weekly reports to the IME Project Director no later than noon of the Monday following the end of the week.

3.1.2.6 **Key Activity: Generate reports and presentations** at other than weekly intervals including monthly, quarterly, and ad hoc.

Contractor Responsibilities:

- Create report formats for each type of report.
- Recommend content for each type of report.
- Submit additional reports at defined intervals (with the exception of ad hoc reports).
- Monitor reports for any significant issues or risks and recommend solutions or mitigating strategies.

Deliverables:

- Monthly reports.
- Quarterly reports (CMS approved format)
- Ad hoc reports
- Presentations

Performance Measures:

- Submit monthly reports to the IME Project Director within 5 business days following the end of the previous month.

- Submit quarterly reports to the IME Project Director within 10 business days following the end of each quarter.
- Submit ad hoc reports and presentations as agreed upon between the Contractor and the IME Project Director.

3.1.2.7 Key Activity: **Report all performance measures** of this Contract each month.

Contractor Responsibilities:

- Track activity on each of the Contract’s performance measures. The report may include the current phase measures and any measures that are to be met throughout the contract.
- Report all activity or identify no activity on each of the performance measures and whether the measure was fully met. If not fully met, identify when and how the measure will be satisfied in the future.
- Submit activity reports to the IME Project Director each month.

Deliverables:

- Report on all performance measures in the scope of work in Section 3 with content and format approved by the IME Project Director.

Performance Measures:

- Submit a monthly report, within 10 business days following the end of the reporting month, to the IME Project Director or their designee.

Phase 2: Full Impact and Gap Analysis

3.2 Perform Assessment (gap analysis) for HIPAA Version 5010/D.0/ICD-10

3.2.1 Medicaid Policies

3.2.1.1 Key Activity: Review all Iowa **Medicaid policies** for HIPAA version 5010/D.0 and ICD-10 impacts.

Contractor Responsibilities:

- Review Medicaid policies.
- Identify specific impacts of HIPAA and ICD-10 on policies.

- Identify gaps within policies relative to HIPAA and ICD-10.
- Report on all impacts and gaps.

Deliverables:

- Create a matrix listing each Medicaid policy and the HIPAA and/or ICD-10 impact on each of the policies.
- Create a report identifying any gaps in Medicaid policies relative to HIPAA and ICD-10.

Performance Measures:

- Final, accurate deliverables will be due based on dates in the Department approved work plan.

3.2.2 **IME Business Processes**

- 3.2.2.1 Key Activity: Identify and review **all Medicaid business processes** for HIPAA and ICD-10 impacts.

Contractor Responsibilities:

- Review IME business processes.
- Identify specific impacts of HIPAA and ICD-10 on any IME business processes.
- Identify gaps within business processes relative to HIPAA and ICD-10.
- Report on all impacts and gaps.

Deliverables:

- Create a matrix listing each IME business process. Identify the HIPAA and/or ICD-10 impact on each of the processes. If there is no impact, list “no impact”.
- Create a report identifying any gaps in IME business processes relative to HIPAA and ICD-10.

Performance Measures:

- Final matrix will be due on the date approved by the Department in the approved work plan..
- Final gap report is due on the date approved by the Department in the approved work plan.

3.2.3 **Medicaid Systems (including MMIS history)**

- 3.2.3.1 Key Activity: Identify and review **Medicaid Systems** for HIPAA and ICD-10 impacts and gaps. Systems include but may not be limited to:

- Medicaid Management Information System (MMIS)
- Title XIX Eligibility System (TXIX)

- Medicare Buy-in System
- Individualized Services Information System (ISIS)
- Iowa Automated Benefits Calculator System (IABC)
- IME Eligibility Verification System (ELVS)
- Dakota Imaging System
- IME Web Portal (imeservices.org; dhs.state.ia.us)
- Medicaid Quality Utilization Improvement Data System (MQUIDS)
- Medicaid Data Warehouse
- On Base Workflow Process Management System
- Medicaid Clearinghouse (EDISS)
- MMIS claims history

Contractor Responsibilities:

- Review Medicaid systems and validate completeness of identified systems.
- Interview appropriate staff as necessary to determine impacts on systems.
- Complete a list of Medicaid systems as necessary.
- Identify specific impacts of HIPAA and ICD-10 to systems at the code level.
- Identify gaps within systems relative to HIPAA and ICD-10
- Report on all impacts and gaps.

Deliverables:

- Create a matrix listing each Medicaid system and the HIPAA and/or ICD-10 impacts to that system.
- Create a report identifying any gaps in the Medicaid systems relative to HIPAA and/or ICD-10.

Performance Measures:

- Final matrix will be due on the date approved by the Department in the approved work plan..
- Final gap report is due on the date approved by the Department in the approved work plan.

3.2.3.2 Key Activity: Identify and review **all MMIS interfaces** for HIPAA and ICD-10 impacts. MMIS interfaces include but may not be limited to:

- Pharmacy Point of Sale (POS)
- E-Cares
- Socrates
- Department of Public Health
- University of Iowa

- M2 Clearinghouse
- Iowa Plan
- Health Management Systems

Contractor Responsibilities:

- Review interfaces of all medical or medical related systems.
- Complete a list of medical interfaces as necessary.
- Identify specific impacts of HIPAA and ICD-10 to all interfaces.
- Identify gaps in interfaces relative to HIPAA and ICD-10.
- Report on all impacts and gaps.

Deliverables:

- Create a matrix listing each Medicaid interface and the HIPAA and/or ICD-10 impacts to that interface.
- Create a report identifying any gaps in the MMIS interfaces relative to HIPAA and/or ICD-10.

Performance Measures:

- Final matrix will be due on the date approved by the Department in the approved work plan..
- Final gap report is due on the date approved by the Department in the approved work plan.

3.2.4 Implementation Strategies

- 3.2.4.1 Key Activity: After completing analysis of **Medicaid policies, produce a summary report of findings and recommend implementation strategies** for all HIPAA and ICD-10 impacts including any identified gaps.

Contractor Responsibilities:

- Upon completion of Medicaid Policy analysis (3.2.1) recommend to the Department any implementation strategies that need to be considered for the Department to meet HIPAA version 5010/D.0 and ICD-10 compliance.
- Produce a overview summary report of all impacts of HIPAA 5010/D.0 and ICD-10 on policies, business procedures, interfaces and systems and a projected outlook of the improvements the recommended implementation strategies will produce for the IME.
- Prepare a cost benefit analysis, comparing the recommended strategies and any other feasible strategies so the Department can compare costs.

- Present recommended strategies to the Department as part of a walk through so the Department has a clear understanding of all possible implementation strategies, their cost, and their impact to the entire program.

Deliverables:

- A final report identifying all implementation recommendations for Medicaid policies with HIPAA version 5010/D.0 and/or ICD-10 impacts.
- A cost benefit analysis on each implementation strategy of each Medicaid policy with either HIPAA or ICD-10 impacts.
- An overview summary report showing intended improvements and benefits to the IME.
- Scheduling and facilitation of a meeting with the Department to review all implementation strategies for Medicaid policies.

Performance Measures:

- The final report is due 60 business days after the start of the Contract.
- The cost benefit analysis is due 60 business days after the start of the Contract.
- The overview summary report is due 60 business days after the start of the Contract.
- Scheduling of the walkthrough meeting is within 5 business days of the submission of the final report and cost benefit analysis.
- Facilitation of the meeting is to occur within 10 business days of the submission of the final report and cost benefit analysis.

3.2.4.2 Key Activity: After completing analysis of **Medicaid systems, recommend implementation strategies** for all HIPAA and ICD-10 impacts including any identified gaps.

Contractor Responsibilities:

- Upon completion of Medicaid systems analysis (3.2.2) recommend to the Department any implementation strategies that need to be considered for the Department to meet HIPAA and ICD-10 compliance.
- Prepare a cost benefit analysis, comparing the recommended strategies and any other feasible strategies so the Department can compare costs.
- Present recommended strategies to the Department as part of a walk through so the Department has a clear

understanding of all possible implementation strategies, their cost, and their impact to the entire program.

Deliverables:

- A final report identifying all implementation recommendations for Medicaid systems with HIPAA and/or ICD-10 impacts.
- A cost benefit analysis on each implementation strategy of each Medicaid or medical related system with either HIPAA or ICD-10 impacts.
- Scheduling and facilitation of a meeting with the Department to review all implementation strategies for Medicaid systems.

Performance Measures:

- The final report is due 60 business days after the start of the Contract.
- The cost benefit analysis is due 60 business days after the start of the Contract.
- Scheduling of the walkthrough meeting is within 5 business days of the submission of the final report and cost benefit analysis.
- Facilitation of the meeting is to occur within 10 business days of the submission of the final report and cost benefit analysis.

3.2.4.3 Key Activity: After completing analysis of **IME business processes recommend implementation strategies** for all HIPAA and ICD-10 impacts including any identified gaps.

Contractor Responsibilities:

- Upon completion of IME business process analysis (3.2.3) recommend to the Department any implementation strategies that need to be considered for the Department to meet HIPAA and ICD-10 compliance.
- Prepare a cost benefit analysis, comparing the recommended strategies and any other feasible strategies so the Department can compare costs.
- Present recommended strategies to the Department as part of a walk through so the Department has a clear understanding of all possible implementation strategies, their cost, and their impact to the entire program.

Deliverables:

- A final report identifying all implementation recommendations for IME business processes with HIPAA and/or ICD-10 impacts.
- A cost benefit analysis on each implementation strategy of each IME business process with either HIPAA or ICD-10 impacts.
- Scheduling and facilitation of a meeting with the Department to review all implementation strategies for IME business processes.

Performance Measures:

- The final report is due 60 business days after the start of the Contract.
- The cost benefit analysis is due 60 business days after the start of the Contract.
- Scheduling of the walkthrough meeting is within 5 business days of the submission of the final report and cost benefit analysis.
- Facilitation of the meeting is to occur within 10 business days of the submission of the final report and cost benefit analysis.

Phase 3: Define, Develop and Install Implementation Strategies

3.3 Develop Implementation Master Work Plan and Timeline

3.3.1 Establish a development and installation master work plan and timeline for Department approval.

3.3.1.1 Key Activity: After completing a gap assessment and making implementation recommendations to the Department, and once the Department has elected implementation strategies, develop, coordinate and implement a **masterwork plan** for all implementation efforts.

Contractor Responsibilities:

- Develop a work plan with appropriate timelines to assure all necessary requirements are met to bring the Department and its systems into HIPAA version 5010/D.0 and ICD-10 compliance.

- Coordinate all individual IME unit work plans with corresponding timeline and resources to successfully manage all elements of the project.
- Receive final approval from the Department for the masterwork plan.
- Assure that all work plans including the masterwork plan, are maintained and updated as needed throughout the life cycle of the project.
- Identify and coordinate all implementation activities.

Deliverables:

- A masterwork plan that includes all activities of the project so that all needed implementation work is identified and completed both timely and accurately with proper testing.
- Report regularly to the Project Director on the status of the masterwork plan and the state of progress being made toward the final goals within the appropriate timeframes.

Performance Measures:

- The final masterwork plan is due to the Department at the time agreed to by the Department in the approved PMO work plan.
- Reports are due on a weekly basis, no later than noon each Monday for the previous week, as to the status of all the work plans.

3.3.1.2 Key Activity: Identify the need and ensure detailed HIPAA/ICD-10 **individual implementation work plans** are developed, coordinated and receive approval from the Department for functional areas including but not limited to the following: Core MMIS, POS, External Systems, Business/Policy, PMO activities and QA. **Monitor** all work plans (with the exception of QA) and **coordinate** all implementation activities of the implementation project.

Contractor Responsibilities:

- Coordinate all individual work plans with corresponding timeline and resources to successfully manage all elements of the project and fold into the PMO's masterwork plan.
- Assure that all work plans are developed, maintained and updated as needed throughout the life cycle of the project.

- Provide technical assistance to the units and IME policy staff in identifying all activities of the implementation phase and coordinate all implementation activities of the units.
- Meet regularly with each work plan owner to review progress towards goals.

Deliverables:

- Meetings to review status of individual work plans at regular intervals.
- Weekly summary of project progress, issues and risks.
- Assistance as needed to individual project plan owners.

Performance Measures:

- Individual meetings will be scheduled and facilitated at least bi-weekly with all individual work plan owners.
- Technical assistance will be provided to all requestors within 24 hours of request.
- The masterwork plan will be updated at least bi-weekly and reviewed with the Project Director regularly.

3.3.1.3 Key Activity: Generate or update (as needed) an **Advanced Planning Document (APD)** for approval by the Department and CMS.

Contractor Responsibilities:

- To secure enhanced funding from CMS, create an APD for the implementation work determined by the Department to be needed in order to meet all HIPAA and ICD-10 compliance requirements.
- Use the format required by CMS.
- Allow necessary timeframe to secure CMS approval.
- Submit for Department approval.
- Work with Department staff to submit approved version to CMS.
- Answer any questions necessary for CMS to approve request.
- Assist the Department in any way necessary to secure CMS original and amended requests for approval.
- Amend the approved APD at whatever intervals are deemed necessary by the activities of the project.

Deliverables:

- A draft APD for review by Department staff
- A final APD for submission to CMS.

- Amended APDs as warranted.

Performance Measures:

- The draft APD must be submitted for approval by the Department at least 75 calendar days prior to the beginning of implementation activity.
- A final APD for submission to CMS must be submitted to CMS at least 60 calendar days prior to the beginning of implementation activity.
- Amended APDs must be submitted to the Department at least 30 days prior to the implementation of the amended activities.

3.3.1.4 Key Activity: With the assistance of technical subject matter experts (SME) keep the Iowa **HIPAA/ICD-10 project updated throughout its life cycle** so all decisions are made with the most current information available and align with the business model structure of the IME. (Note: When more than one technical assistance resource is needed during any meeting, consultation or conference call, prior written approval may be required from the IME Project Director or his designee. Prior written approval may also be required for all additional on-site technical resources.)

Contractor Responsibilities:

- Provide access to a senior business resource to coordinate the effort for the IME as the point person for issues related to policies and business processes.
- This senior business resource will be on-site for critical meetings and major project reviews as determined through mutual agreement between the Contractor and the Department.
- Provide access to a senior technical resource to consult with the systems implementation team members during implementation and testing.
- The senior technical resource will be on-site for critical meetings and major project reviews as determined through mutual agreement between the Contractor and the Department; this person will be on-site during all phases of regression testing.
- Provide access to additional HIPAA and ICD-10 resources (SME) as needed so the IME HIPAA and ICD-10 implementation project has the expertise needed to correctly and efficiently meet all compliance requirements of the project.

- Additional HIPAA and ICD-10 resources will be on-site for critical meetings and major project reviews and other times as determined through mutual agreement between the Contractor and the Department.
- SMEs will lend their expertise at meetings with other payers, providers, and other external entities as determined necessary by the IME Project Director.

Deliverables:

- A list of all technical resources available to work on the IME HIPAA version 5010/D.0/ICD-10 project and their area(s) of expertise.
- On-site schedule for the senior business resource for issues related to policies and business processes.
- Contact information for senior business resource when off-site.
- On-site schedule for the senior technical resource to consult with systems implementation teams including regression testing.
- Contact information for senior technical resource when off-site(must be available on a daily basis by phone).
- Contact information for additional technical resources while off-site.

Performance Measures:

- The senior business resource for issues related to policies and business processes will spend approximately 50% of their total time related to the project on-site.
- When off-site the senior business resource will be accessible by phone within 60 minutes of a Department determined need to communicate.
- The senior technical resource will spend approximately 35% of the total time devoted to the systems portion of the project on-site.
- When off-site the senior technical resource will be accessible by phone within 60 minutes of a Department determined need to communicate.
- Additional HIPAA/ICD-10 resources will be accessible by phone within 60 minutes of a Department determined need to communicate.

3.3.1.5 Key Activity: Develop an operational readiness report before both operational phase of the HIPAA implementation work and the ICD-10 implementation work.

Contractor Responsibilities:

- Prior to the completion of implementation phase of the scope of work prepare a readiness report for the Department.
- Include readiness of all phases of implementation work including systems, interfaces, IME business procedures and Medicaid policies.

Deliverables:

- Comprehensive operations readiness report

Performance Measures:

- The comprehensive operations readiness report for the HIPAA version 5010/D.0 implementation is due to the Project Director no later than close of business on December 15, 2011.
- The comprehensive operations readiness report for the ICD-10 implementation is due to the Project Director no later than close of business on September 15, 2013.

Phase 4: Quality Assurance and Test Management

3.4 Establish an independent quality assurance process to verify and validate activities of the project. All plans, standards, processes, procedures, sampling sizes, etc. are recommendations subject to Department approval. So as to keep from any appearance of conflict of interest the Quality Assurance (QA) team leader will not report to or be supervised by any area of the PMO but rather will report to the Department's IME Project Director directly. **As part of this section potential Contractors should describe to the Department if additional activities are recommended to ensure a successful quality assurance process for this project.**

3.4.1 Establish a quality assurance process, independent of the PMO, that reports directly to the IME Project Director

3.4.1.1 Key Activity: Develop and implement **QA approach** to the project.

Contractor Responsibilities:

- Define a method to assure quality is maintained throughout the project.
- Create a flowchart defining the flow of the QA approach.
- Produce a QA plan.

- Develop QA operational procedures.
- Produce a work plan. This work plan must be based, in part, on the approved timeline created by the PMO.

Deliverables:

- A document defining the methodology for Quality Assurance Reviews and Reporting.
- A workflow showing how all deliverables reviewed by QA will flow.
- A QA plan.
- A QA project work plan to include all QA activities with appropriate timelines.

Performance Measures:

- At least 8 business days prior to the beginning of QA tasks as defined by the approved QA work plan, deliver a draft QA review and reporting approach and finalize the document within 3 business days of IME review and approval.
- At least 8 business days prior to beginning the QA tasks as defined by the approved QA work plan, deliver the QA workflow in MS Visio format and finalize the workflow within 3 business days of IME review and approval.
- At least 10 business days prior to submission of the QA work plan submit a QA plan for the project to be approved by the IME Project Director.
- At least 10 business days prior to the beginning of QA tasks, submit for IME approval a final work plan for all QA activities.

3.4.1.2 Key Activity: Develop and implement **QA procedures** to independently verify and validate implementation work done on systems including Core MMIS and POS systems, other medical systems and internal and external interfaces, HIPAA and ICD-10 related policies and business procedures.

Contractor Responsibilities:

- Develop QA procedures for all systems and all relevant interfaces including those in Core MMIS, POS, other medical systems and internal Medicaid systems.
- Develop QA procedures for all Medicaid policies impacted by HIPAA or ICD-10.
- Develop QA procedures for all IME business procedures impacted by HIPAA or ICD-10.

Deliverables:

- A quality assurance process guide to plan, assure and control the project's quality. The guide shall cover three areas:
 - Core MMIS, POS, internal medical systems, and internal and external interfaces.
 - Medicaid policies with HIPAA or ICD-10 impacts.
 - IME business procedures with HIPAA or ICD-10 impacts.

Performance Measures:

- Within 10 business days of the approval of the QA work plan deliver a draft QA process guide; within 3 business days of the IME review and comment, deliver the final guide for IME approval.

3.4.1.3 Key Activity: Develop and implement **QA standards** for each project **deliverable**.

Contractor Responsibilities:

- Develop specific QA documentation standards guides for each project deliverable.

Deliverables:

- A list of all identified deliverables for QA review.
- QA documentation standards guide for each identified deliverable.

Performance Measures:

- Delivery of QA deliverables list within 3 business days of approval of final PMO work plan.
- Delivery of QA documentation standards guide for each identified deliverable within 15 business days of the approval of final PMO work plan.

3.4.1.4 Key Activity: Develop and implement the **QA communication and reporting** procedures.

Contractor Responsibilities:

- Develop a QA communication plan.
- Develop QA reporting procedures.

Deliverables:

- QA Communication plan.
- QA reporting procedures guide.

Performance Measures:

- Deliver draft QA Communication plan within 20 business days of beginning of the QA tasks as defined by the approved work plan and finalize within 3 business days of completion of the IME review and comment.
- Deliver draft QA reporting procedures guide within 20 business days of beginning of QA tasks as defined by the approved work plan and finalize within 3 business days of completion of the IME review and comments.

3.4.1.5 Key Activity: Develop and implement **QA issues management** procedures.

Contractor Responsibilities:

- Develop QA issues management procedures

Deliverables:

- QA issues management procedures.

Performance Measures:

- Deliver a draft of the QA issues management procedures within 20 business days of the scheduled beginning of QA tasks as defined by the approved work plan and finalize procedures within 3 days of completion of the IME review and comment.
- Reports on the review of the Core Unit and the POS Unit test plans delivered within 5 business days of receipt of the draft plans from each unit.
- Sampling-based Test plans delivered within 10 business days of completion of the reviews of the Core Unit and POS Unit test plans.

3.4.2 Test Plans

3.4.2.1 Key Activity: Assist, **review and approve** all IME test plans developed by IME staff.

Contractor Responsibilities:

- Review the results of all the user test plans after they have been developed.
- Review and approve all user test plans.

- Review and approve unit test plans for Core MMIS and POS Units.
- Review a sampling of systems testing in Core and POS to assure quality in this phase of testing.

Deliverables:

- Regular reporting on testing activities

Performance Measures:

- During all testing phases it is expected that all testing activities will be reported to the IME Project Director at a minimum, on a weekly basis with weekly reports due by noon on Monday of the following week.

3.4.2.2 Key Activity: Provide **technical assistance** to IME staff regarding initial impact findings of QA reviews.

Contractor Requirements:

- Provide technical assistance to all IME units regarding the planning, development and execution of each IME unit's user test plans.
- Assist each Unit with any needed modifications to their plans.
- Provide Technical Assistance subject matter experts (SME) to Core, POS and IME Management team as requested.

Deliverables:

- Timely, accurate and responsive assistance on an as-requested basis.
- Available resources on-site, on conference calls, and via e-mail as approved by the IME Project Director.

Performance Measures:

- Timely (within 2 hours), accurate and responsive assistance delivered to Core, POS and IME Management team.
- Approve draft test plans within 3 business days of submission by the Units.

3.4.2.3 Key Activity: Develop and implement **sampling-based testing** plans, procedures and test cases.

Contractor Responsibilities:

- Review all test plans for the Core and POS Units.

- Develop sampling-based test plans for Core and POS Units.
- Review sampling-based test plans with the Core and POS Units.
- Develop and run test cases for each group of testing scenarios.

Deliverables:

- A report on the review of the Core MMIS Unit test plan
- A report on the review of the POS Unit test plan.
- A sampling-based test plan for the Core Unit.
- A sampling-based test plan for the POS Unit.
- Test cases for all other functional areas of the IME.

Performance Measures:

- Review reports are due within 8 business days of submission of a completed test plan from each IME unit.
- Test cases are to be run within 5 business days of the end of each testing phase.
- Sampling-based test plans for the Core and POS units are due within 8 business days of the submission of a completed test plan from those units.

3.4.2.4 Key Activity: Review and approve **results** of Core and POS unit, systems, integration testing and all IME Units' user testing.

Contractor Responsibilities:

- Audit results of Core unit and system testing.
- Audit results of POS unit and system testing.
- Audit results of all integration testing.
- Audit results of each IME unit's user testing.
- Monitoring of any corrective action plans with regard to testing.

Deliverables:

- A summary of the findings of Core and POS unit and system testing.
- A summary of the findings of IME Units' user testing.
- A summary of the findings of all integration testing.
- Regular reports on the progress Units make on their corrective action plans.

Performance Measures:

- Summaries are due on the date as approved in the QA work plan.
- Regular reports on the corrective action plans will be as approved by the IME Project Director.

3.4.3 Generate QA status reports

3.4.3.1 Key Activity: Generate **QA status reports** at intervals determined by the Department.

Contractor Responsibilities:

- At a minimum, intervals will include weekly, monthly, quarterly (with a CMS format), and annually.
- As determined by the Department the Contractor may be requested to produce ad hoc reports and presentations.
- Modify report formats already in use for each type of report.
- Monitor reports for any significant issues or risks and recommend solutions or mitigating strategies.

Deliverables:

- Weekly reports
- Monthly reports (include **all** QA contract performance measures)
- Quarterly reports (with a CMS format)
- Annual reports
- Final report
- Ad hoc reports
- Presentations

Performance Measures:

- All weekly reports are due to the IME Project Director no later than noon of the Monday following the end of the week.
- All monthly reports are due to the IME Project Director no later than the 10th of the month following the end of the previous month.
- Quarterly reports are due to the IME Project Director no later than the 10th of the month following the end of the quarter.
- Annual reports are due to the IME Project Director no later than July 15th.
- Final report is due to the IME Project Director no later than 15 business days following the conclusion of all QA activities.

- All other reports and presentations are due as determined by the IME Project Director.

Phase 5: Project Close-out

3.5 Close out of the Project

3.5.1 Final Reports

3.5.1.5 Key Activity: Produce a **final project report** summarizing the final status of the project. Include any outstanding operational issues.

Contractor Responsibilities:

- Close out work plan
- Summarize highlights of the project and how the Department’s goals were met.
- A final report showing dollars and hours spent on the project.
- A “lessons learned” summary.
- Provide final documents including but not limited to:
 - Business requirements
 - Change management
 - Statistical summary on quantity of test cases performed
 - Issues identified by work area
 - Outstanding issues
- Document any operational issues resulting from the project and describe how they will be resolved.
- Create a final report for CMS to summarize and close-out the project.

Deliverables:

- Final report
- Final documents
- CMS final report (in CMS approved format).

Performance Measures:

- Final report and CMS final report to be delivered to the Department no later than 5 business days from the conclusion of all work plan activities.

3.5.1.2 Key Activity: Produce a **final index** for the project library and **transition** to the IME.

Contractor Responsibilities:

- All documents, materials, and documentation must be filed in the project library.
- A final index of the project library is to be created.
- Validate that the project library operates as it was intended for future reference regarding the project.
- Create a second copy of the project library as a back-up.
- Validate the back-up copy.
- Move the project library to an archival medium to be determined by the Department.
- Train appropriate Department staff on use and location of project library.

Deliverables:

- Complete, indexed, project library.
- Back-up copy of complete, indexed, project library.
- Archival copy of the project library.
- Training of appropriate staff on use and location of project library.

Performance Measures:

- All copies are to be received by the Department prior to the expiration of the Contract. No payment may be invoiced until the IME Project Director approves this key activity.

Section 4 Format and Content of Bid Proposals

These instructions prescribe the format and content of the bid proposal and are designed to facilitate the submission of a bid proposal that is easy to understand and evaluate. Failure to adhere to the proposal format shall result in the disqualification of the bid proposal.

4.1 Instructions

4.1.1 The bid proposal shall be typewritten on 8.5” x 11” paper (two-sided).

4.1.2 The bid proposal shall be divided into two parts: (1) the Technical Proposal and (2) the Cost Proposal. The Technical Proposal and the Cost Proposal shall be placed in separate envelopes. The entire bid proposal shall be sealed in another envelope (or a box if necessary to accommodate the size of the bid proposal). If the Technical Proposal is in multiple volumes, the volumes shall be numbered in the following fashion. 1 of 4, 2 of 4, etc. The envelopes shall be labeled with the following information:

MED-09-017

JoAnn Cowger, Issuing Officer

Iowa Department of Human Services

Iowa Medicaid Enterprise

100 Army Post Road

Des Moines, IA 50315

Bidder's Name and Address

4.1.3 The Technical Proposal and Cost Proposal materials shall be presented in a spiral binder, comb binder, or similar binder. Each Technical Proposal and Cost Proposal shall be sealed separately. Proposals received in 3-ring/loose-leaf binders will **not** be accepted and will be returned without evaluation.

4.1.4 One (1) original and seven (7) copies of the bid proposal, each in a sealed envelope, shall be timely submitted to the issuing officer. The envelope containing the original bid proposal and the original proposal shall be labeled “original” and each envelope containing a copy of the bid proposal and each copy of the proposal shall be labeled “copy”.

4.1.5 The bidder must also submit two (2) electronic copies of the bid proposal with all documents in Adobe PDF format. Each electronic copy shall be submitted on CD-ROM. The bidder’s entire technical

proposal should be placed in one PDF file. The file shall not be in any way password protected or saved with restrictions that prevent copying, saving, or reprinting contents of the file.

- 4.1.6 If the bidder designates any information in its bid proposal as confidential, the bidder must also submit one (1) copy of the bid proposal from which confidential information has been redacted. The confidential material must be redacted in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible. In addition, the redacted version must be submitted both hardcopy and CD-ROM and marked redacted.
 - 4.1.7 Bid proposals must respond to RFP requirements by restating the number and text of the requirement in sequence and writing the response immediately after the restated requirement. **Each response must demonstrate the bidder understands what the Department wants and define clearly how the bidder will achieve each requirement.**
 - 4.1.8 Bid proposals shall not contain promotional or display materials.
 - 4.1.9 Attachments shall be references in the bid proposal.
 - 4.1.10 If a bidder proposes more than one method of meeting these requirements, each should be labeled and submitted separately. Each will be evaluated separately.
- 4.2 **Technical Proposal** - The Technical Proposal shall consist of the following documents and responses in the order given below:
- 4.2.1 **Table of Contents (Tab 1)** - A Table of Contents of the Technical Proposal shall be inserted at Tab 1. The Table of Contents will identify all sections, all subsections contained therein, and the corresponding page numbers. The Table of Contents shall include all sections and subsections present under Tabs 1 through 10. The Table of Contents found at the beginning of this RFP provides a representative example of what is expected for the Technical Proposal Table of Contents.
 - 4.2.2 **Transmittal Letter (Tab 2)** - An individual authorized to legally bind the bidder shall produce and sign a Transmittal Letter on official business letterhead. A photocopy of the Transmittal Letter shall be included in each copy of the Technical Proposal. The Transmittal Letter shall include:
 - 1) The bidder's mailing address;

- 2) Electronic mail address, fax number, and telephone number for both the authorized signer and the point of contact designated by the bidder;
- 3) A statement indicating that the bidder is a corporation or other legal entity;
- 4) A statement confirming that the prime contractor is registered or agrees to register to do business in Iowa and providing the corporate charter number (if currently issued), along with assurances that any subcontract proposed is also licensed or will become licensed to work in Iowa;
- 5) A statement identifying the bidder's Federal Tax Identification Number;
- 6) A statement that the bidder will comply with all Contract Terms and Conditions as indicated by Section 6 of the RFP;
- 7) A Statement that no attempt has been made or will be made by the bidder to induce any other person or firm to submit or not submit a proposal;
- 8) A statement of affirmative action that the bidder does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or handicap;
- 9) A statement that no cost or pricing information has been included in this letter or the Technical Proposal;
- 10) A statement identifying all amendments to this RFP issued by the state and received by the bidder. If no amendments have been received, a statement to that effect shall be included;
- 11) A statement that the bidder certifies in connection with this procurement that:
 - a. The prices proposed have been arrived at independently, without consultation, communication, or agreement, as to any matter relating to such prices with any other bidder or with any competitor for the purpose of restriction competition; and
 - b. Unless otherwise required by law, the prices quoted have not been knowingly disclosed by the bidder prior to

award, directly or indirectly, to any other bidder or to any competitor.

- 12) A statement that the person signing this proposal certifies that he/she is the person in the bidder's organization responsible for, or authorized to make, decisions regarding the prices quoted and that he/she has not participated, and will not participate, in any action contrary to item 11 above; and
- 13) If the use of subcontractor(s) is proposed, a statement from each subcontractor must be appended to the transmittal letter signed by an individual authorized to legally bind the subcontractor stating:
 - a. The identity of the subcontractor and a statement including the exact amount of work to be done by the prime contractor and each subcontractor;
 - b. The general scope of work to be performed by the subcontractor;
 - c. The subcontractor's willingness to perform the work indicated; and
 - d. The subcontractor's assertion that it does not discriminate in employment practices with regard to race, color, religion, age (except as provided by law), and sex, marital status, political affiliation, national origin, or handicap.

Any request for confidential treatment or information shall also be identified in the Transmittal Letter, as well as the specific statutory basis supporting the request and an explanation why disclosure of the information is not in the best interest of the public. The Transmittal Letter shall also contain the name, address and telephone number of the individual authorized to respond to the Department about the confidential nature of the information.

Transmittal Letters should be numbered in sequence with the remainder of the Technical Proposal.

4.2.3 Mandatory Requirements Checklist (Tab 3) - The bidder shall submit with the bid proposal the document included as Attachment E in which the bidder will check each mandatory requirement it has met. The Department will make the final determination, however, whether the bid proposal meets the mandatory requirements.

4.2.4 Executive Summary/Introduction (Tab 4) - The bidder shall submit an executive summary/introduction that provides the Evaluation Committees and state Management with a collective understanding of the contents of the entire Bid Proposal. The executive summary/introduction should briefly summarize the

strengths of the bidder and key features of its proposed approach to meet the requirements of this RFP. This section shall also include a summary of the bidder's Project Management Plans for the resulting contract.

4.2.5 Understanding of the Project in the Iowa Medicaid Environment

(Tab 5) - The Department requests that bidders provide a written description of their understanding of the Iowa Medicaid Enterprise and how this project will be administered in the IME environment. In this Section, the Department is looking for evidence that bidders understand how multiple contractors inter-act and integrate their operations creating a unified Iowa Medicaid program and how the bidder will perform an assessment and operate a project management office and quality assurance function in such an environment.

4.2.6 Service Requirements (Tab 6)

– The bidder shall address each service requirement in Section 3 and explain how it plans to approach each requirement. Bidders are given wide latitude in the degree of detail they offer or the extent to which they reveal plans, designs, examples, processes, and procedures. Bid proposals must be fully responsive to the service requirements in Section 3. Merely repeating the requirement will be considered non-responsive and disqualify the bidder. Bid proposals must identify any deviations from the requirements of this RFP the bidder cannot satisfy.

4.2.7 Corporate Organization, Experience and Qualifications (Tab 7)

4.2.7.1 Background Information. The bidder shall provide the following general background information:

4.2.7.1.1 Name, address, telephone number, fax number and e-mail address of the bidder including all d/b/as or assumed names or other operating names of the bidder.

4.2.7.1.2 Form of business entity, i.e., corporation, partnership, proprietorship, limited liability company

4.2.7.1.3 State of incorporation, state of formation, or state of organization.

4.2.7.1.4 Identity and specify the locations(s) and telephone numbers of the major offices and other facilities that relate to the bidder's performance under the terms of this RFP.

4.2.7.1.5 Local Office address and telephone number (if any).

4.2.7.1.6 Number of employees.

4.2.7.1.7 Type of business.

4.2.7.1.8 Name, address and telephone number of the bidder's representative to contact regarding all contractual and technical matters concerning this proposal.

4.2.7.1.9 Name, address and telephone number of the bidder's representative to contact regarding scheduling and other arrangements.

4.2.7.1.10 Identify the bidder's accounting firm.

4.2.7.1.11 The successful bidder will be required to register to do business in Iowa. If already registered, provide the date of the bidder's registration to do business in Iowa and the name of the bidder's registered agent.

4.2.7.2 Experience. The bidder shall provide the following information regarding its experience:

4.2.7.2.1 Number of years in business.

4.2.7.2.2 Number of years experience with providing the specific types of services sought by the RFP. The specific types of service are the gap analysis to determine necessary remediation strategies, the implementation and operation of a project management office to facilitate the project, and an independent verification and validation function to assure quality results.

4.2.7.2.3 Describe the level of technical experience in each of the three areas above providing the types of services sought by the RFP.

4.2.7.2.4 List all services similar to those sought by this RFP that the bidder has provided to other businesses or governmental entities. This includes all contracts and projects that the bidder currently holds or is working on with a contact person's name from that vendor.

4.2.7.2.5 Identify if the services were timely provided and within budget.

4.2.7.2.6 Letters of reference from three (3) previous clients knowledgeable of the bidder's performance, as the Primary Contractor, in providing services similar to the services described in this RFP and a contact person and telephone number for each reference. These letters must reference work completed within the past three years.

4.2.7.3 Personnel - The bidder shall provide the following information regarding its personnel. Key personnel described in the bidder's proposal must be the same personnel that begins work on the project unless the Department is notified of and approves a change.

4.2.7.3.1 Provide a table of organization. Illustrate the lines of authority. Include the names and credentials of the owners and executives of your organization and, if applicable, their roles on this project. Also include key personnel who will be involved in providing services contemplated by this RFP.

4.2.7.3.2 Provide resumes for all key personnel, including the project manager, who will be involved in providing the services contemplated by this RFP. The resumes must include: name, education, and years of experience and employment history, particularly as it relates to the scope of services specified herein.

4.2.7.3.3 Provide the name and qualifications of any subcontractor who will be involved with this project. Describe the work and estimate the percent of total work the subcontractor will be performing.

4.2.7.3.4 Describe other contracts and projects currently undertaken by the bidder.

4.2.7.4 Financial Information - The bidder must provide the following financial information:

4.2.7.4.1 Submit audited financial statements (annual reports) for the last three (3) years. Privately owned companies may supply unaudited statements if audited statements are not available.

Such information should include, at the minimum:

- Balance sheet
- Income statement
- Statement of cash flow
- Notes to financial statements

4.2.7.4.2 Provide a minimum of three (3) financial references.

4.2.7.4.3 Provide the following organizational background information:

- Full name, address, and telephone number
- Date established
- Ownership (i.e. public company, partner-ship, etc.)
- Description of business operations
- Details of any proposed mergers, acquisitions, or sales that may affect financial stability or organizational structure
- A description, if any, of insurance claims filed within the past five (5) years

4.2.7.5 Termination, Litigation, and Investigation - The bidder must provide the following information:

4.2.7.5.1 During the last five (5) years, has the bidder had a contract for services terminated for any reason or has any such contract been subject to any form of default notice or threat of termination. If so, provide full details related to the termination, notice of default, or threat of termination.

4.2.7.5.2 During the last five (5) years, describe any damages or penalties or anything of value traded or given up by the bidder under any of its existing or past contracts as it relates to services performed that are similar to the services contemplated by this RFP and the resulting Contract. If so, indicate the reason and the estimated cost of that incident to the bidder.

4.2.7.5.3 During the last five (5) years, list and summarize pending or threatened litigation, administrative or regulatory proceedings, or similar matters that could affect the ability of the bidder to perform the required services. The bidder must also state

whether it or any owners, officers, or primary partners have ever been convicted of a felony. Failure to disclose these matters may result in rejection of the bid proposal or in termination of any subsequent contract. This is a continuing disclosure requirement. Any such matter commencing after submission of a bid proposal, and with respect to the successful bidder after the execution of a contract must be disclosed in a timely manner in a written statement to the Department

4.2.7.5.4 During the last five (5) years, have any irregularities been discovered in any of the accounts maintained by the bidder on behalf of others? If so, describe the circumstances of irregularities or variances and disposition of resolving the irregularities or variances.

4.2.8 Certifications and Guarantees by the Bidder (Tab 8)

- 4.2.8.1 Acceptance of Terms and Conditions** - The bidder shall specifically stipulate that the bid proposal is predicated upon the acceptance of all terms and conditions stated in the RFP. If the bidder objects to any term or condition, specific reference to the RFP page and section number must be made. Objections or responses that materially alter the RFP shall be deemed non-responsive and disqualify the bidder. All changes to proposed contract language, include deletions, additions, and substitutions of language, must be address in the bid proposal.
- 4.2.8.2 Proposal Certification** - The bidder shall sign and submit with the bid proposal the document included as Attachment F in which the bidder shall certify that the contents of the bid proposal are true and accurate.
- 4.2.8.3 Certification of Independence and No Conflict of Interest** - The bidder shall sign and submit with the bid proposal the document included as Attachment G in which the bidder shall certify that the bid proposal was developed independently. The bidder shall also certify that no relationship exists or will exist during the contract period between the bidder and the Department that interferes with fair competition or is a conflict of interest. The Department reserves the right to reject a bid proposal or cancel the Notice of Intent to Award if, in its sole discretion, any relationship exists that could interfere with fair

competition or conflict with the interests of the Department.

- 4.2.8.4 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions** - The bidder shall sign and submit with the bid proposal the document included as Attachment H in which the bidder shall certify that it is not presently debarred, suspended, proposed for debarment, declared ineligible
- 4.2.8.5 Authorization to Release Information** - The bidder shall sign and submit with the bid proposal the document included as Attachment I in which the bidder authorizes the release of information to the Department.
- 4.2.8.6 Certification Regarding Registration, Collection, and Remission of State Sales and Use Tax** - The bidder shall sign and submit with the bid proposal the document included in Attachment J.
- 4.2.8.7 Certification of Compliance with Pro-Children Act of 1994** - The bidder shall sign and submit with the bid proposal the document included as Attachment K.
- 4.2.8.8 Certification Regarding Lobbying** - The bidder shall sign and submit with the bid proposal the document included as Attachment L.
- 4.2.8.9 Business Associate Agreement (“BAA”)** - The bidder shall sign and submit the bid proposal the document included as Attachment M.
- 4.2.8.10 Proposal Certification of Available Resources** – The bidder shall sign and submit with the bid proposal the document included as Attachment N.
- 4.2.8.11 Firm Bid Proposal Terms** – The bidder shall guarantee in writing the availability of the services offered and that all bid proposal terms, including price, will remain firm a minimum of **120** days following the deadline for submitting proposals.

4.3 Cost Proposal – The Cost Proposal shall include the following:

- Table of Contents
- Bid Proposal Security
- Pricing Schedules

4.3.1 Table of Contents (Tab 1) - A Table of Contents of the Cost

Proposal shall be inserted at Tab 1. The Table of Contents will identify all Sections (identified herein by Tabs), subsection contained therein, and corresponding page numbers. The Table of Contents shall include all sections and subsections present under Tabs 1 through 3. The Table of Contents found at the beginning of this RFP provides a representative example of what is expected for the Cost Proposal Table of Contents.

- 4.3.2 Bid Proposal Security (Tab 2)** – The bidder shall submit a bid bond, a certified or cashier’s check or an irrevocable letter of credit in favor or made payable to the Department in the amount of \$5,000, which shall guarantee the availability of the services as provided in the preceding section. If the bidder elects to use a bond, a surety licensed to do business in Iowa must issue the bond on a form acceptable to the Department. The bid proposal security shall be forfeited if the bidder chosen to receive the contract withdraws its bid proposal after the Department issues a Notice of Intent to Award, does not honor the terms offered in its bid proposal or does not negotiate contract terms in good faith. Security submitted by bidders will be returned when the bid proposals expire, are rejected, or the Department enters into a contract with the successful bidder, whichever is earliest.
- 4.3.3 Pricing Schedule (Tab 3)** – See Pricing Schedule provided in Attachment N for specific format and content instructions.

Section 5 Evaluation of Bid Proposals

- 5.1 Introduction.** This section describes the evaluation process that will be used to determine which bid proposal provides the greatest benefit to the Department. The evaluation process is designed to award the contract not necessarily to the bidder of least cost, but rather to the bidder with the best combination of attributes to perform the required services.

The evaluation process will ensure the selection of the best overall solution for the Iowa Medicaid Enterprise (IME). The evaluation process will include the following components:

- Establish Evaluation Committee.
- Evaluate Bid Proposal Mandatory Requirements from Checklist.
- Evaluate and Score Technical Proposals.
- Evaluate and Score Cost Proposals.
- Proposal Ranking and Evaluation Committee Recommendation.
- Department Contract Award Decision by State Medicaid Director.

The information that follows describes the components of, the activities conducted in, and the resultant product of the evaluation process.

- 5.2 Evaluation Committee.** The Department intends to conduct a comprehensive, fair and impartial evaluation of bid proposals received in response to this RFP. In making this determination, the Department will be represented by an Evaluation Committee.
- 5.3 Mandatory Requirements for Proposals.** As part of its initial screening, all Bid Proposals submitted in response to this RFP will be assessed by the Department to assure that the mandatory submittal requirements for proposals have been satisfied. Any one mandatory requirement that is not met will cause a Bid Proposal to be declared non-responsive. The form for the Bid Proposal Mandatory Requirements Checklist is provided in this RFP as Attachment E. This initial screening does not, in any way, restrict the Evaluation Committee from later determining that a mandatory requirement was not met and excluding a proposal during the evaluation process.
- 5.4 Technical Proposal Scoring.** Technical proposals meeting all mandatory requirements will be evaluated and scored by the Evaluation Committee. A weighted scoring system will be used. The weighted scoring system will provide numerical scores that represent the Committee's assessment of the relative merits of the technical bid proposals. The Technical Proposal will be evaluated first – a minimum score of 4,500 points out of the maximum of 7,500 points must be accumulated for the Technical Proposal to be considered competitive and determination whether the Cost Proposal will be

evaluated. If the Technical Proposal receives less than 4,500 points, the Cost Proposal will not be considered.

5.4.1 Independent Evaluation of Technical Proposals – The individual Evaluation Committee members will independently evaluate each proposal that passes the mandatory submittal criteria. Committee members will score each proposal using criteria established by the Department and according to the factors that are outlined below. The Committee will meet at the completion of their independent evaluation process to address any technical questions raised by their respective reviews and discuss the relative merits of each bidder’s Bid Proposal. At the conclusion of this discussion, the Committee members may independently reevaluate and re-score any section of any proposal. After the first round of scoring, Oral Presentations will be held with a Department designated set of finalists. Following Oral Presentations, the Evaluation Committee may independently re-evaluate and re-score any section of any proposal. After the final re-score, the Committee will convene and average the bidder’s scores (from all independent Evaluation Committee members) for each section of the bidder’s Technical Proposal in order to facilitate a composite and final Technical Proposal score for each bidder.

5.4.2 Points and Evaluation Criteria. Points will be assigned for each component of the evaluation criteria as follows:

- 5 – Exceeds all requirements**
- 4 – Exceeds many requirements**
- 3 - Meets all requirements**
- 2 – Meets most requirements**
- 1 - Does not meet requirements**

TECHNICAL SECTION	POSSIBLE POINTS	WEIGHTS	MAXIMUM SCORE
Executive Summary	75	1 - 5	
Project Understanding	300	1 - 5	
Scope of Services	-		
Project Start-up	160	1 - 5	
Full Impact and Gap Analysis	160	1 - 5	
Design, Develop and Install Implementation Strategies	220	1 - 5	

Independent Verification and Validation	160	1 - 5	
Project Close Out	100	1 - 5	
Oral Presentations	100	1 - 5	
Corporate/Team Experience & Qualifications	225	1 - 5	
TECHNICAL SECTION TOTAL			7500

5.4.3 Scoring of Bidder Cost Proposals

The bidder with the lowest price received will receive the maximum points.

In order to calculate every other bidder's score (other than the bidder who received maximum points) for each Cost Proposal will be divided into the corresponding value of the lowest bidder and then multiplied by the maximum points. The formula for each is expressed as follows:

Bidder's Cost Score = (Lowest Cost / Bidder Cost) x Maximum Points

Example:

Bid #1: \$1,000 | Bid #2: \$5,000 | Cost Points Available: 2500

Score for Proposal #1 = (\$1,000/\$1,000) * 2500 = 2500

Score for Proposal #2 = (\$1,000/\$5,000) * 2500 = 500

COST SECTION	POSSIBLE POINTS	% ASSIGNED	POINTS EARNED
Cost	2500		

5.5 Technical and Cost Proposals Combined. Technical and Cost Proposal scores will be combined to establish a final score for each bidder. The maximum Total Score is 10,000 points. Proposals will be ranked according to total score in order to facilitate a recommendation from the Evaluation Committee.

TOTAL SCORE = TECHNICAL SECTION TOTAL + COST SECTION	
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- 5.6 Recommendation of the Evaluation Committee,** The evaluation committee shall issue a formal recommendation to the State Medicaid Director. That recommendation shall be based on all information received through the evaluation process and shall provide the committee's assessment of the bidder or bidders that will provide the greatest benefit to the Department. The Evaluation Committee will recommend the bidder with the total point value for selection or a recommendation that no bidder be selected.

The State Medicaid Director may accept or reject the recommendation of the Evaluation Committee. If the State Medicaid Director rejects the recommendation of the Evaluation Committee the RFP will be canceled. The State Medicaid Director's decision represents final agency action for purposes of Iowa Code 17A.19.

Section 6 Contract Section

The following pages provide a sample of the actual contract that the Department will use with the successful bidder.

CONTRACT BETWEEN
IOWA DEPARTMENT OF HUMAN
SERVICES

AND

TEMPLATE
FOR THE

IOWA MEDICAID ENTERPRISE

XXXXXXXXXX

Contract MED-09-017

1. Identity of the Parties

The State of Iowa, Department of Human Services, (referred to in this document as “the Agency” or “DHS”) is the issuing agency for this Contract (“the Contract”). The Agency’s address is:

Iowa Department of Human Services
Hoover State Office Building
1305 E. Walnut Street
Des Moines, IA 50319

XXXXXXXXXX (referred to in this document as “Contractor”) is the contracting entity and is entering into this Contract to provide the services as defined herein. The address of the Contractor is:

XXXXXXXXXX
XXXXXXXXXX
XXXXXXXXXX
XXXXXXXXXX

2. Notices

Notices under the Contract shall be in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express or other similar and reliable carrier to the representative of the party to receive notice identified below, at the address as it appears below.

If to Agency: Mary Tavegia
Contract Administrator
Iowa Department of Human Services
Iowa Medicaid Enterprise
100 Army Post Road
Des Moines, Iowa 50315

and

Office of the Iowa Attorney General
Regents & Human Services Division
Hoover State Office Building, 2nd Floor
1305 East Walnut Street
Des Moines, Iowa 50319-0114

If to Contractor: XXXXXXXXXXXX
XXXXXXXXXX
XXXXXXXXXX
XXXXXXXXXX

Each notice shall be deemed to have been provided at the time it is actually received, within one (1) day in the case of overnight hand delivery or services such as Federal Express with guaranteed next day delivery, or within five (5) days after it is deposited in the U.S. Mail in the case of registered or certified mail.

From time to time, the parties may change the name and address of a party designated to receive notice. Such changes of the designated person shall be in writing to the other party and as provided herein.

3. Incorporation of Documents

The Request For Proposal (RFP) MED-09-017, and all amendments collectively form the RFP and are hereinafter referred to as the “RFP”. The Contractor’s Bid Proposal, any amendments and the Contractor’s Best and Final Offer, if applicable, collectively form the Bid Proposal and are hereinafter referred to as the “Bid Proposal”. The Bid Proposal and the RFP are incorporated herein by reference. The parties are obligated to perform all services and to meet all of the performance standards described in the Contract.

4. Order of Priority

In the event of a conflict between the Contract, the RFP and the Bid Proposal, the conflict shall be resolved according to the following priority, ranked in descending order:

1. the Contract;
2. the RFP;
3. the Bid Proposal.

5. Scope of Work and Service Requirements

Service requirements and performance standards applicable to the HIPAA and ICD-10 technical assistance and support contractor, are set forth in Section 3 of RFP MED-09-017 and are incorporated herein by reference.

6. Term of the Contract

The term of the Contract is January 2, 2010 through November 30, 2013.

7. Payment Terms and Compensation

7.1. Performance Based Contract.

Contractor acknowledges that this is a fixed price performance based Contract and that the Contractor is obligated to perform all of the Contractor’s Responsibilities and meet all of the Contractor Performance Standards in this Contract. DHS acknowledges that it is responsible for meeting all State Responsibilities in the RFP and this Contract.

The prices for the Base Term of this contract are:

SFY 2010	\$XXXXXX
SFY 2011	\$XXXXXX
SFY 2012	\$XXXXXX

SFY 2013 \$XXXXXX
SFY 2014 \$XXXXXX

7.2. Taxes.

The State is exempt from Federal excise taxes, and no payment will be made for any taxes levied on Contractor’s employee’s wages. The State is exempt from State and local sales and use taxes on the Contract deliverables.

7.3. Invoice and Payment

The Contractor shall submit an invoice monthly for deliverables rendered in accordance with this Contract. The invoice shall comply with all applicable rules concerning payment of such claims. Under no circumstances shall the Contractor be entitled to invoice for, nor shall the Agency be obligated to pay, more than eighty percent (80%) of the full contract until the Contractor has provided and the Agency accepted all deliverables required in that phase by the Scope of Work listed in this RFP. At the end of each fiscal year the twenty percent (20%) withhold will be paid out to the Contractor and withheld from the next fiscal years payments on the first invoice of that fiscal year, or subsequent invoices if the value of the first invoice is insufficient to satisfy the 20% withhold amount.

The Agency shall pay all approved invoices in arrears and in conformance with Iowa Code § 8A.514. The Agency may pay in less than sixty (60) days, but an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code § 8A.514.

Unless otherwise agreed in writing by the parties, the Contractor shall not be entitled to receive any other payment or compensation from the State for any deliverables provided by or on behalf of the Contractor under this Contract. The Contractor shall be solely responsible for paying all costs, expenses and charges it incurs in connection with its performance under this Contract.

a. Withholding Payments.

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

If the total amount withheld for failure to perform a requirement or meet a standard under or this Contract is greater than one hundred dollars (\$100.00) for more than three (3) consecutive months during or after the term of the Contract the Agency, in its sole discretion, may forfeit five (5%) of the withheld amount.

b. Overpayments to the Contractor

The Contractor shall pay to the Agency the full amount of any erroneous payment or overpayment to the Contractor by the earlier of thirty (30) days after the Agency's notification or the Contractor's discovery of the erroneous payment or overpayment.

8. Termination

8.1. Termination for Cause by the Agency

The Agency may terminate this Contract upon written notice for the breach by Contractor of any material term, condition or provision of this Contract, if such breach is not cured within the time period specified in the Agency's notice of breach or any subsequent notice or correspondence delivered by the Agency to Contractor, provided that cure is feasible. In addition, the Agency may terminate this Contract effective immediately without penalty and without advance notice or opportunity to cure for any of the following reasons:

- a.** Contractor furnished any statement, representation, warranty or certification in connection with this Contract, the RFP or the Proposal that is false, deceptive, or materially incorrect or incomplete;
- b.** Contractor or any of Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors or subcontractors has committed or engaged in fraud, misappropriation, embezzlement, malfeasance, misfeasance, or bad faith;
- c.** Contractor or any parent or affiliate of Contractor owning a controlling interest in Contractor dissolves;
- d.** Contractor terminates or suspends its business;
- e.** Contractor's corporate existence or good standing in Iowa is suspended, terminated, revoked or forfeited, or any license or certification held by Contractor related to Contractor's performance under this Contract is suspended, terminated, revoked, or forfeited;
- f.** Contractor has failed to comply with any applicable international, federal, state or local laws, rules, ordinances, regulations or orders when performing within the scope of this Contract;
- g.** The Agency determines or believes the Contractor has engaged in conduct that: (a) has or may expose the Agency or the State to material liability, or (b) has caused or may cause a person's life, health or safety to be jeopardized;
- h.** The Agency may terminate this Contract if the Agency determines that the Business Associate has breached a material term of the Business Associate obligations contained in this Contract, or, alternatively, the Business Associate is required to provide the Agency with notice of the existence of an alleged material breach;
- i.** Contractor infringes or allegedly infringes or violates any patent, trademark, copyright, trade dress or any other intellectual property right or proprietary right, or Contractor misappropriates or allegedly misappropriates a trade secret;
- j.** Contractor fails to comply with any applicable confidentiality laws, privacy laws, or any provisions of this Contract pertaining to confidentiality or privacy; or

- k. Any of the following has been engaged in by or occurred with respect to the Contractor or any corporation, shareholder or entity having or owning a controlling interest in Contractor:
- Commencing or permitting a filing against it which is not discharged within ninety (90) days, of a case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect; or filing an answer admitting the material allegations of a petition filed against it in any involuntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts; or consenting to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts;
 - Seeking or suffering the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets;
 - Making an assignment for the benefit of creditors;
 - Failing, being unable, or admitting in writing the inability generally to pay its debts or obligations as they become due or failing to maintain a positive net worth and such additional capital and liquidity as is reasonably adequate or necessary in connection with Contractor's performance of its obligations under this Contract

In the event of termination under this Subsection, the Agency shall have the right to procure similar Contract services on the open market. The Contractor shall be liable for the difference between the original Contract price of services and the cost of such services from another bidder, and any other costs directly related to the Contractor's breach such as costs of competitive bidding, mailing, advertising, Agency staff time and attorney's fees. The Contractor shall have thirty (30) days after notice from the Agency of the amount of such costs in which to submit payment unless an additional period of time is agreed to by the parties.

8.2. Notice of Default

If there is a default event caused by the Contractor, the Agency shall provide written notice to the Contractor of the nature of the default. The Contractor shall have thirty (30) days, unless otherwise notified, after such notice to correct the problem(s) that resulted in the default notice. If the default is not corrected to the satisfaction of the Agency within the specified time, the Agency may immediately terminate the contract without additional written notice, or enforce the terms and conditions of the Contract and seek any legal or equitable remedies.

8.3. Survives Termination.

The Contractor's obligations under this section shall survive termination or expiration of this Contract.

8.4. Termination Upon Notice.

Following a thirty (30) day written notice, the Agency may terminate this Contract in whole or in part without penalty and without incurring any further obligation to Contractor. Termination can be for any reason or no reason at all. The Agency's right to terminate this Contract shall be in addition to and not exclusive of other remedies available to the Agency, and the Agency shall be entitled to exercise any other rights and pursue any remedies, in law, at equity, or otherwise.

8.5. Termination Due to Lack of Funds or Change in Law.

Notwithstanding anything in this Contract to the contrary, and subject to the limitations set forth below, the Agency shall have the right to terminate this Contract in whole or in part without penalty and without any advance notice as a result of any of the following:

- a. The legislature or governor fail in the sole opinion of the Agency to appropriate funds sufficient to allow the Agency to either meet its obligations under this Contract or to operate as required and to fulfill its obligations under this Contract; or
- b. If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the Agency to make any payment hereunder are insufficient or unavailable for any other reason as determined by the Agency in its sole discretion; or
- c. If the Agency's authorization to conduct its business or engage in activities or operations related to the subject matter of this Contract is withdrawn or materially altered or modified; or
- d. If the Agency's duties, programs or responsibilities are modified or materially altered; or
- e. If there is a decision of any court, administrative law judge or an arbitration panel or any law, rule, regulation or order is enacted, promulgated or issued that materially or adversely affects the Agency's ability to fulfill any of its obligations under this Contract.

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

8.6. Limitation of the State's Payment Obligations.

In the event of termination of this Contract for any reason by either party, except for termination by the Agency pursuant to Section 8.1, the Agency shall pay only those amounts, if any, due and owing to Contractor hereunder for deliverables actually and satisfactorily provided in accordance with the provisions of this Contract up to and including the date of termination of this Contract and for which the Agency is obligated to pay pursuant to this Contract; provided however, that in the event the Agency terminates this Contract pursuant to Section 8.5, the Agency's obligation to pay Contractor such amounts and other compensation shall be limited by, and subject to, legally available funds. Payment will be made only upon submission of invoices and proper proof of Contractor's claim. Notwithstanding the foregoing, this Section 8.6 in no way limits the rights or remedies available to the Agency and shall not be construed to

require the Agency to pay any compensation or other amounts hereunder in the event of Contractor's breach of this Contract or any amounts withheld by the Agency in accordance with the terms of this Contract. The Agency shall not be liable, under any circumstances, for any of the following:

- a. The payment of unemployment compensation to Contractor's employees;
- b. The payment of workers' compensation claims, which occur during the Contract or extend beyond the date on which the Contract terminates;
- c. Any costs incurred by Contractor in its performance of the Contract, including, but not limited to, startup costs, overhead or other costs associated with the performance of the Contract;
- d. Any damages or other amounts associated with the loss of prospective profits, anticipated sales, goodwill, or for expenditures, investments or commitments made in connection with this Contract; or
- e. Any taxes Contractor may owe in connection with the performance of this Contract, including, but not limited to, sales taxes, excise taxes, use taxes, income taxes or property taxes.

8.7. Contractor's Termination Duties.

Upon receipt of notice of termination or upon request of the Agency, Contractor shall:

- a. Cease work under this Contract and take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within fifteen (15) days of the date of notice of termination, describing the status of all work performed under the Contract and such other matters as the Agency may require.
- b. Immediately cease using and return to the Agency any property or materials, whether tangible or intangible, provided by the Agency to Contractor.
- c. Cooperate in good faith with the Agency and its employees, agents and independent contractors during the transition period between the notification of termination and the substitution of any replacement service provider.
- d. Immediately return to the Agency any payments made by the Agency for deliverables that were not rendered or provided by Contractor.
- e. Immediately deliver to the Agency any and all deliverables for which the Agency has made payment (in whole or in part) that are in the possession or under the control of the Contractor or its agents or subcontractors in whatever stage of development and form of recordation such property is expressed or embodied at that time.

8.8. Contractor's Default Cured by the Agency

If, in the reasonable judgment of the Agency, a default by the Contractor is not so substantial as to require termination, reasonable efforts to induce the Contractor to cure the default are unsuccessful and the default is capable of being cured by the Agency or another resource without unduly interfering with continued performance by the Contractor, the Agency may:

- a. Provide or procure the service to cure the default, in which event, the Contractor shall reimburse the Agency for the reasonable cost of the service,
- b. Immediately terminate the Contract without additional written notice; or,
- c. Enforce the terms and conditions of the Contract and seek any legal or equitable remedies.

9. Confidential Information.

9.1. Agency's Confidential Information Relating to Members

The Contractor shall treat identifying information relating to Medicaid members that is obtained by it through performance under the Contract as confidential information to the extent that confidential information is protected under state and federal law and under the confidentiality requirements imposed by the Contract. The Contractor shall not use any confidential information in any manner except as necessary for the proper discharge of its obligation under the Contract. Identifying information shall include but not be limited to name, identifying number, symbol, or other identification particularly assigned to the member.

The Contractor shall immediately report to the Agency any unauthorized disclosure of confidential information. The Contractor shall be liable for any breach of this Subsection by its principals, officers, employees, agents or subcontractors and shall indemnify, defend, and hold harmless the Agency from any and all liability resulting from such violation.

The Contractor shall provide to the Agency a written description of its policies and procedures to safeguard confidential information. Policies of confidentiality shall address as appropriate, information conveyed in verbal, written and electronic formats.

The provisions of this Subsection shall survive the termination or expiration of the Contract.

9.2. Business Associate Agreement

The Contractor shall be considered a Business Associate for the purposes of this contract. The Agency discloses to the Business Associate certain Protected Health Information ("PHI,")(as defined in 45 C.F. R. § 164.501), related to the services performed by the Business Associate for the relationship and, in connection with the provision of those services. This PHI is subject to protection under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA");

- a. The Agency is a "Covered Entity" as that term is defined in the HIPAA implementing regulations, 45 C.F.R. Part 160 and Part 164, Subparts A and E, the Standards for Privacy of Individually Identifiable Health Information ("Privacy Rule");

- b. Pursuant to the Privacy Rule, all Business Associates of Covered Entities must agree in writing to certain mandatory provisions regarding the use and disclosure of PHI; and
- c. The purpose is to comply with the requirements of the Privacy Rule, including, but not limited to, the Business Associate's contract requirements at 45 C.F.R. §164.504(e).

In consideration of the mutual promises and covenants contained herein, the parties agree as follows:

a. Scope of Use and Disclosure by Business Associate of Protected Health Information

1. The Business Associate shall be permitted to use and disclose PHI that is disclosed to it by the Agency as necessary to perform its obligations under the Contract.

2. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Section or required by law, the Business Associate may:

(a) Use the PHI in its possession for its proper management and administration and to fulfill any legal responsibilities of the Business Associate or the Agency;

(b) Disclose the PHI in its possession to a third party for the purpose of proper management and administration of the Business Associate or the Agency, or to fulfill any legal responsibilities of the Business Associate or the Agency; provided, however, that the disclosures are required by law or the Agency, having received from the third party written assurances that:

(i) The information will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the third party; and

(ii) The third party will notify the the Agency of any instances of which it becomes aware in which the confidentiality of the information has been breached;

(c) Aggregate the PHI with that of other Business Associates of the Agency for the purpose of providing the Business Associate data analyses relating to the Health Care Operations of the Agency. The Business Associate may not disclose the PHI of one Business Associate to another Business Associate without the written authorization of the Agency; and

9.3. Obligations of Business Associate

In connection with its use and disclosure of PHI, the Business Associate agrees that it will:

- a. Implement provisions to maintain the currency and accuracy of the Agency's Medicaid Agency Designated Record Set (DRS) components.
- b. Provide a list of subcontractors, data interfaces and steps taken to ensure the proper handling of PHI within 30 days of execution of this Contract.
- c. Implement and satisfy HIPAA's minimal necessary (use and disclosure) requirements; to include the identification and documentation of functional/operational roles/job functions and provide that information to the Agency.
- d. Implement necessary HIPAA Privacy training for the entire staff, both awareness and detailed instructions for the handling of PHI.
- e. Establish and receive approval of a HIPAA violation identification, reporting and resolution process from the Agency.
- f. Implement and promote a responsible and diligent "whistle blower" policy.
- g. Assign and appoint a Privacy Officer/Representative with predefined HIPAA training and experience; additionally, the specific responsibilities of the Privacy Officer/Representative must be documented.
- h. Provide a Quarterly HIPAA Compliance Report (using the Medicaid Agency approved format).
- i. Use or further disclose PHI only as permitted or required by this Contract or as required by law.
- j. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Contract;
- k. To the extent practicable, mitigate any harmful effect that is known to the Business Associate of a use or disclosure of PHI in violation of this Attachment.
- l. Report to the Agency any use or disclosure of PHI not provided for by this Attachment of which the Business Associate becomes aware within 2 days of discovery.
- m. Require contractors or agents to whom the Business Associate provides PHI to agree to the same restrictions and conditions that apply to the Business Associate pursuant to this Contract.
- n. Make available to the Secretary of Health and Human Services the Business Associate's internal practices, books and records relating to the use and disclosure of PHI for purposes of determining the Business Associate's compliance with the Privacy Rule, subject to any applicable legal privileges.
- o. Obtain consents, authorizations and other permissions from all individuals necessary or required by laws applicable to the Business Associate to fulfill its obligations under the Contract.
- p. Promptly comply with any changes in, or revocation of, permission by an Individual for the Business Associate or the Agency to use or disclose PHI, after receiving written notice by the Agency.
- q. Promptly comply with any restrictions on the use and disclosure of PHI about Individuals that the Agency has agreed to, after written notice by the Agency.
- r. Make available the information necessary for the Agency to make an accounting of disclosures of PHI about an individual within (15) days of receiving a request from the Agency.

- s. Make available PHI, that is in the Business Associate's possession and which constitutes part of the Agency's Designated Record Set, necessary to respond to an individual's request for access to their PHI, within ten (10) days of receiving a written notice from the Agency.
- t. Amend or correct an Individual's PHI, in accordance with the Privacy Rule, when the Business Associate is the primary source of the PHI constituting part of the Agency's Designated Record Set, within fifteen (15) days of receiving a written notice from the Agency that an amendment or correction is necessary.

9.4. Obligations of the Agency

The Agency agrees that it:

- a. Will promptly notify Business Associate in writing of any restrictions on the use and disclosure of PHI about Individuals that the Agency has agreed to that may affect Business Associate's ability to perform its obligations under the Contract.
- b. Will promptly notify the Business Associate in writing of any changes in, or revocation of, authorization by an Individual to use or disclose PHI, if such changes or revocation may affect the Business Associate's ability to perform its obligations under the Contract.

9.5. Effect of Termination

Upon termination of this Contract, the Business Associate will return all PHI received from the Agency or created or received by the Business Associate on behalf of the Agency that the Business Associate still maintains and retain no copies of such PHI as set forth in the Contract.

9.6. Contractor's Confidential or Proprietary Information

The Contractor is urged not to bring confidential or proprietary information to the IME facility. If the Contractor does bring such information to the facility, the Contractor shall be the custodian of the information and shall establish its own procedures to protect the confidentiality of the information. Confidential and proprietary information shall be prominently identified. If during performance of the Contract the Agency obtains information of the Contractor properly marked confidential or proprietary, the information shall be treated as confidential to the extent such information is determined confidential under Iowa Code Chapter 22 or other provision of law by a court of competent jurisdiction. In the event the Agency receives a public request for such information, written notice shall be given to the Contractor seventy-two (72) hours prior to the release of the information to allow the Contractor to seek injunctive relief pursuant to Section 22.8 of the Iowa Code.

9.7. Use of Name or Intellectual Property

Contractor agrees it will not use the Agency and/or State's name or any of their intellectual property, including but not limited to, any State, state Agency, board or commission trademarks or logos in any manner, including commercial advertising or as a

business reference, without the expressed prior written consent of the Agency and/or the State.

9.8. No Dissemination of Confidential information.

No confidential information collected, maintained, or used in the course of performance of the Contract shall be disseminated by the Contractor except as authorized by law and only with the prior written consent of the Agency, either during the period of the Contract or thereafter. Any data supplied by the Agency to the Contractor or created by the Contractor in the course of the performance of this Contract shall be considered the property of the Agency. The Contractor must return any and all data collected, maintained, created or used in the course of the performance of the Contract in whatever form it is maintained promptly at the request of the Agency or the conclusion of the Contract (whichever occurs first). The Contractor may be held civilly or criminally liable for improper disclosure of confidential information.

The Contractor's employees, agents and subcontractors may have access to confidential information maintained by the Agency to the extent necessary to carry out its responsibilities under the Contract. The Contractor shall presume that all information received pursuant to this Contract is confidential unless otherwise designated by the Agency. The Contractor must designate one individual who shall remain the responsible authority in charge of all data collected, used, or disseminated by the Contractor in connection with the performance of the Contract. The Contractor shall provide adequate supervision and training to its agents, employees and subcontractors to ensure compliance with the terms of this Contract. The private or confidential information shall remain the property of the Agency at all times

9.9. Subpoena.

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

9.10. Reporting of Unauthorized Disclosure.

The Contractor shall immediately report to the Agency any unauthorized disclosure of confidential information.

9.11. Qualified Service Organization.

Contractor may review data that is protected by 42 C.F.R. part 2 and will, therefore, be a "qualified service organization" as that terms is defined in 42 C.F.R. § 2.11. Contractor acknowledges that in receiving, storing, processing or otherwise dealing with any patient records from the Agency, Contractor is fully bound by 42 C.F.R. part 2 and, if necessary, will resist in judicial proceedings any efforts to obtain access to patient records except as permitted by the regulations.

10. Change of Service

10.1. Change Service Requests

The Agency reserves the right to request from time to time changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract.

If the Agency requests or directs the Contractor to perform any service or function that is consistent with and similar to the scope of services required to be performed by the Contractor under this Contract, the Contractor will proceed to make the change and will receive no additional compensation.

If the Agency requests or directs the Contractor to perform any service or function that is a new service or function inconsistent with or dissimilar from the services required to be performed by the Contractor under the Contract, the Contractor will follow the procedure defined below.

If the Agency requests or directs the Contractor to perform any service or function which the Contractor reasonably and in good faith believes is not included within the scope of services set forth in the Contract, then prior to performing such service or function, the Contractor shall promptly notify the Agency in writing that it considers the service or function to be an “Additional Service” for which the Contractor should receive a Change Service Request. If the Contractor does not notify the Agency, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing the service or function.

10.2. Procedure

The Agency shall submit a Change Service Request to the Contractor, which shall include a detailed description of the requested service, the priority of the service, a date the service is needed, and a date for submission of a proposal by the Contractor. In its proposal, the Contractor shall describe the procedure and schedule to be employed for the requested service and identify the number of hours necessary to complete the service by labor category and the associated cost to implement the change request. If necessary, the Contractor and the Agency shall meet to discuss and clarify any issues related to the requested service. Upon written approval by the Agency, the Contractor shall perform the requested service and receive payment according to the terms agreed to by the parties and based upon the rate specified in the Contractor’s cost proposal.

If the Agency does not accept the Contractor’s proposal, the Agency may withdraw or modify its Change Service Request. If the Agency modifies its Change Service Request, the procedures set forth above shall apply.

10.3. No Agreement on Change Service Request

If the parties are unable to reach an agreement in writing within fifteen (15) days of receipt of the Contractor’s proposal or modified proposal, the Contract Administrator shall make a determination of the compensation, procedure or schedule, and the Contractor shall proceed according to procedures set forth in the Contract Disputes Section.

11. Assessment of Damages

The Agency will notify the Contractor in writing of the proposed assessment of actual or liquidated damages. If the Contractor disputes the assessment, it must challenge the assessment in writing pursuant to the Contract Disputes Section.

12. Insurance

12.1. Coverage Requirements

The Contractor shall maintain in effect, with an authorized insurer, at its own expense, the following types and amounts of insurance covering its work:

- a.** Commercial general liability insurance (including premises/operations liability, contractors liability, contractual liability, products liability, completed operations liability, broad form property damage liability, personal injury liability, and extended bodily injury and death coverage) in a minimum amount of \$1,000,000 per occurrence and \$2,000,000 aggregate combined single limit for bodily injury or death, personal injury or property damage
- b.** Automobile liability insurance (including any auto, hired autos and non-owned autos) in a minimum amount of \$1,000,000.
- c.** Professional liability insurance covering the liability of the Contractor for any and all errors or omissions committed by the Contractor, its subcontractors, agents, and employees, in the performance of the Contract in a minimum amount of \$1,000,000 per occurrence.
- d.** Umbrella liability insurance in a minimum amount of \$2,000,000.
- e.** Workers' compensation insurance covering the Contractor's employees as required by Iowa law.

12.2. Coverage

All insurance policies required by the Contract shall be occurrence based and shall insure against any loss or damage resulting from or related to the Contractor's performance of this Contract regardless of the date the claim is filed or expiration of the policy.

The Contractor's insurance shall insure against any loss or damage resulting from work performed under the Contract. All insurance policies shall remain in full force and effect for the entire term of the Contract. Each policy shall name the State of Iowa and the Agency as an additional insured or loss payee, as applicable. The Contractor and any subcontractor performing work under the Contract shall provide certificates of the required insurance to the Agency at the time of execution of the Contract or at a time mutually agreeable to the parties. The certificates shall be subject to approval by the Agency. Acceptance of the certificates shall not relieve the Contractor of any obligation under the Contract.

The Contractor shall obtain a waiver of any subrogation rights the insurance carrier may have against the Agency or the State of Iowa and the waiver shall be indicated on the certificate of coverage.

12.3. Subcontractors

The Contractor shall require any subcontractor to purchase and maintain similar policies of insurance as described in this Subsection.

12.4. Notice of Cancellation

The insurer shall state in the certificate that no cancellation of the insurance will be made without at least thirty (30) days' prior written notice to the Agency

13. Performance Bond

13.1. Assessment Phase

The Contractor shall post a performance bond or an irrevocable letter of credit acceptable to the Agency in an amount equal to fifty percent (50%) of the price to perform the assessment. The surety shall be in force during the Assessment Phase of the Contract and shall remain in force until the Agency approves, in writing, the completion of the assessment phase. The performance bond or irrevocable letter of credit shall be delivered to the Agency within thirty (30) days of signing the contract.

13.2. Implementation Phase

The Contractor shall post another performance bond or an irrevocable letter of credit acceptable to the Agency for the Implementation Phase. For purposes of this performance bond the implementation phase includes price of all work not included in the assessment phase. The amount shall be based on a declining graduated formula adjusted and posted with the Agency on an annual basis. Beginning on May 1, 2010, the amount shall be equal to twenty percent (20%) of the total implementation price for the remaining years of the contract.[e.g. (20%) x (3.4 years)]. Each July 1 thereafter, beginning July 1, 2011, the amount of the bond or irrevocable letter of credit shall be calculated by multiplying by the number of years remaining in the contract times twenty percent (20%) of the total cost of the contract for the remaining years. [E.g. 2.4 x 20%; 1.4 x 20% etc.] The surety shall be in force from the beginning of the Implementation Phase until the Contract is terminated or expires and shall be delivered to the Agency at the beginning of the Implementation Phase.

A surety authorized to do business in Iowa that is acceptable to the Agency shall issue the performance bond or irrevocable letter of credit. The performance bond or irrevocable letter of credit shall provide funds to the Agency for any liability, loss, damage, or expense as a result of the Contractor's failure to perform fully and completely all requirements of the Contract. Such requirements include, but are not limited to, the Contractor's obligation to indemnify the Agency under circumstances described in the Contract, and the Contractor's obligation to perform the services required by the Contract throughout the entire term of the Contract.

14. Indemnification

14.1. General Indemnification

The Contractor shall defend, indemnify and hold harmless the State of Iowa, the Agency, its employees and agents from any and all liabilities, damages, settlements, penalties, judgments, fines and claims, and all related costs and expenses, including expert fees, reasonable value of time incurred by the Attorney General's office, and the cost and expenses and reasonable attorney's fees of other counsel required to defend the State of Iowa or Agency, related to or arising from:

- a.** any breach of this Contract; or
- b.** any negligent, intentional or wrongful act or omission of the Contractor or any agent or subcontractor utilized or employed by the Contractor; or
- c.** the Contractor's performance or attempted performance of this Contract, including any agent or subcontractor utilized or employed by the Contractor; or
- d.** any failure by the Contractor to comply with the Compliance with the Law provision of this Contract; or
- e.** any infringement of any copyright, trademark, patent, traddress, or other intellectual property right; or
- f.** any failure by the Contractor to adhere to the confidentiality provisions of this Contract.

14.2. Indemnification Duration

The indemnification obligation of the Contractor shall survive the termination of this Contract.

14.3. Patent/Copyright Infringement Indemnification

The Contractor shall defend, indemnify and hold harmless the State of Iowa, the Agency, its employees and agents from any and all liabilities, damages, settlements, penalties, judgments, fines and claims, and all related costs and expenses, including reasonable attorney's fees of the Attorney General's office, and the reasonable attorney's fees of other counsel required to defend the Agency, incurred in connection with any action or proceeding based on a claim that any piece of equipment, software, commodity, or service infringes any United States or foreign patent, copyright, trademark, trade secret supplied or used by the Contractor or any subcontractor to perform this Contract, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service, or other proprietary right of any person or entity, which right is enforceable under the laws of the United States. In addition, should the equipment, software, commodity, or service, or operation thereof, become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense and at the Agency's sole discretion:

- a.** Procure for the Agency the right to continue using the equipment, software, commodity, or service, or, if such option is not reasonably available to the Contractor,

- b. Replace or modify the same with equipment, software, commodity, or service of equivalent function and performance so that it no longer infringes, or, if such option is not reasonably available to the Contractor,
- c. Accept its return by the Agency with appropriate credits to the Agency against the Contractor's charges and reimburse the Agency for any losses or costs incurred as a consequence of the Agency ceasing its use and returning it.

The above remedies shall be in addition to and not exclusive of other remedies provided by this agreement or by law. The provisions of this Subsection shall survive the termination or expiration of the Contract.

15. Operating Systems and Software Applications

15.1. Software and Ownership

The State and the United States Department of Health and Human Services shall have all rights required by 45 CFR § 95.617.

15.2. Operating Systems, Applications Software and Utilities

Any operating systems and utilities, i.e., compilers utilities, case tools, database managers and other applications enabling software, and any applications software and associated documentation, and utilities used by the Contractor to provide services to the Agency under the Contract, but not used exclusively to provide services to the Agency shall be:

- a. Readily commercially available software used without modification by the Contractor.
- b. Readily commercially available software used with modification owned by the Contractor, which the Contractor agrees to deliver the source code and updated and current documentation, including but not limited to JCL, work flow, product process, applications, and interfaces upon final acceptance and any updates thereto upon termination and to grant to the Agency or its designee at no charge a perpetual, irrevocable, fully paid up license to use, reproduce, duplicate and modify the modifications and associated documentation for the sole benefit of the Agency.
- c. Proprietary software that the Contractor has the right to license to the Agency and in which the Contractor agrees to deliver the source code and updated and current documentation, including but not limited to JCL, work flow, product process, applications, and interfaces upon final acceptance and any updates thereto upon termination and to grant to the Agency or its designee at no charge a perpetual, irrevocable, fully paid-up license to use, reproduce, duplicate and modify such software and associated documentation for the sole benefit of the Agency. If the Contractor procures under the Contract a license for operating systems software or utilities to be used solely to perform services for the Agency, the Contractor agrees to obtain such license in the name of the Agency, if the Agency is permitted to grant the Contractor the right to use such

software solely to provide services to the Agency during the term of the Contract. In such event, the Agency agrees to grant to the Contractor, at no charge during the term of the Contract, subject to customary confidentiality and other license terms and conditions, the right to use such software solely to provide services to the Agency. The license shall include, but not be limited to:

- (i) All primary systems and support systems;
- (ii) All other system instructions for operating systems developed, designed or installed under the Contract;
- (iii) All data files;
- (iv) All user and operational manuals and other documentation;
- (v) Training programs for the Agency or the Agency's agents and employees;
- (vi) All performance-enhancing operational plans and products; and
- (vii) All specialized or specially modified software and specially developed programs, including utilities, software and documentation that are required for or used in the generation of systems whether obtained, developed or modified in the course of performance of the Contract or before it. This obligation is not subject to limitation in any respect, regardless of whether any part of the system or software is characterized as proprietary or as not paid for under the Contract.

15.3. Third Party Software

If the Contractor is using another party's software, upon final acceptance, the Contractor shall grant the Agency a non-exclusive, perpetual license to use the third party software and its updated documentation for the Agency's internal business purposes. The licenses will continue until the Agency permanently discontinues the use of the third party software. The terms in any license for third party software shall be consistent with the requirements of this Subsection. In the event of a conflict between the terms of any such license and this Contract, this Contract shall take precedence and supersede such license terms.

Prior to utilizing any third party software product that may be included as part of a software deliverable to the Agency, the Contractor shall provide to the Agency copies of the license agreement from the licensor of the third party software to allow the Agency to pre-approve the license agreement which must, at a minimum, provide the Agency with necessary rights consistent with the IME requirements.

16. Equipment & Software Installation and Operation

Installation for all equipment, software, applications and interfaces will occur as described in the Master Work Plan. Any installations done by the Contractor or its designated agent shall be conducted by experienced and trained staff and shall not invalidate or void any manufacturers' warranties. Installations shall not interfere with the execution of any other software component, application or interface.

The Contractor shall conduct its installation services so as to minimize interference with normal activities of the Agency and shall keep the site safe and clean at all times. The Contractor will restore the site to a condition no less finished than prior to the initiation of the installation. Upon completion of installation Contractor will leave the site clean and free from all materials, tools and equipment not required after installation. The Contractor will be responsible for safety conditions in the areas of work performance that it controls.

The Contractor shall have access to the system, in whole and in part, to provide services under the Contract, subject to the security regulations existing at the site and regulations that may be required because of the nature of the system.

The Contractor shall continuously protect the system from damage, destruction, or loss caused by the acts or omissions of its staff, and shall protect the Agency's real and personal property from damage arising from the acts or omissions of its staff in connection with installation and operation of the system. The Contractor shall be responsible for any loss, destruction, or damage to the Agency's property, which results from or is caused by the Contractor's acts or omissions.

The Contractor shall deliver to the Agency and maintain and replace documentation as described in the individual RFP component sections. This will include, as applicable, system documentation, user documentation, software development documentation and disaster recovery and back-up planning documentation. The documentation shall be provided in electronic and hardcopy form.

17. Warranties

Warranties made by the Contractor in this Contract, whether: (a) this Contract specifically denominates the Contractor's promise as a warranty; or (b) the warranty is created by the Contractor's affirmation or promise, by a description of the deliverables to be provided, or by provision of samples to the Agency, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties that arise through course of dealing or usage of trade. The warranties expressed in this Contract are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the deliverables provided by the Contractor. The provisions of this section apply during the term of this Contract and any extensions or renewals thereof

17.1. System Warranty

The Contractor represents and warrants that the system and software delivered under the Contract shall be free from defect and capable of performing the Contract services when operated by the Agency. The Contractor agrees to correct errors discovered in the design and installation of the software not due to the fault or negligence of the Agency. Any enhancement or other changes that may be undertaken during the performance of the Contract will be covered by this warranty. The Contractor represents and warrants that no "anti-use" devices have been or will be installed in the software. The "anti-use" warranty shall survive termination of the Contract.

17.2. Contractor represents and warrants that the deliverables (in whole and in part) shall:

- a. Be free from material deficiencies; and
- b. Meet, conform to and operate in accordance with all specifications and in accordance with this Contract during the Warranty Period. During the Warranty Period Contractor shall, at its expense, repair, correct or replace any deliverable that contains or experiences material deficiencies or fails to meet, conform to or operate in accordance with specifications within five (5) business days of receiving notice of such deficiencies or failures from the Agency or within such other period as the Agency specifies in the notice. In the event Contractor is unable to repair, correct or replace such deliverable to the Agency's satisfaction, Contractor shall refund the fees or other amounts paid for the deliverables and for any services related thereto. The foregoing shall not constitute an exclusive remedy under this Contract, and the Agency shall be entitled to pursue any other available contractual, legal or equitable remedies. Contractor shall be available at all reasonable times to assist the Agency with questions, problems and concerns about the deliverables, to inform the Agency promptly of any known deficiencies in any deliverables, repair and correct any deliverables not performing in accordance with the warranties contained in this Contract, notwithstanding that such deliverable may have been accepted by the Agency, and provide the Agency with all necessary materials with respect to such repaired or corrected deliverable.

17.3. Professional and Workmanlike Manner.

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

17.4. Compliance with the Law Warranty.

Contractor represents and warrants that the deliverables will comply with any applicable federal, state, foreign and local laws, rules, regulations, codes, and ordinances in effect during the term of this Contract, including applicable provisions of Section 508 of the Rehabilitation Act of 1973, as amended, and all standards and requirements established by the Architectural and Transportation Barriers Access Board and the Iowa Department of Administrative Services, Information Technology Enterprise.

17.5. Obligations Owed to Third Parties.

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

17.6. Intellectual Property Rights Warranty

Contractor represents and warrants that:

- a.** All deliverables shall be wholly original with and prepared solely by Contractor; or it owns, possesses, holds, and has received or secured all rights, permits, permissions, licenses and authority necessary to provide the deliverables to the Agency hereunder and to assign, grant and convey the rights, benefits, licenses and other rights assigned, granted or conveyed to the Agency hereunder or under any license agreement related hereto without violating any rights of any third party;
- b.** Contractor has not previously and will not grant any rights in any deliverables to any third party that are inconsistent with the rights granted to the Agency herein; and
- c.** The Agency shall peacefully and quietly have, hold, possess, use and enjoy the deliverables without suit, disruption or interruption.
- d.** The deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such deliverables); and the Agency's use of, and exercise of any rights with respect to, the deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such deliverables), do not and will not, under any circumstances, misappropriate a trade secret or infringe upon or violate any copyright, patent, trademark, trade dress or other intellectual property right, proprietary right or personal right of any third party. Contractor further represents and warrants there is no pending or threatened claim, litigation or action that is based on a claim of infringement or violation of an intellectual property right, proprietary right or personal right or misappropriation of a trade secret related to the deliverables. Contractor shall inform the Agency in writing immediately upon becoming aware of any actual, potential or threatened claim of or cause of action for infringement or violation or an intellectual property right, proprietary right, or personal right or misappropriation of a trade secret. If such a claim or cause of action arises or is likely to arise, then Contractor shall, at the Agency's request and at the Contractor's sole expense:
 - 1.** Procure for the Agency the right or license to continue to use the deliverable at issue;
 - 2.** Replace such deliverable with a functionally equivalent or superior deliverable free of any such infringement, violation or misappropriation;
 - 3.** Modify or replace the affected portion of the deliverable with a functionally equivalent or superior deliverable free of any such infringement, violation or misappropriation; or

4. Accept the return of the deliverable at issue and refund to the Agency all fees, charges and any other amounts paid by the Agency with respect to such deliverable. In addition, Contractor agrees to indemnify, defend, protect and hold harmless the State and its officers, directors, employees, officials and agents as provided in the Indemnification section of this Contract, including for any breach of the representations and warranties made by Contractor in this section. The foregoing remedies shall be in addition to and not exclusive of other remedies available to the Agency and shall survive termination of this Contract

17.7. Intellectual Property.

- a. **Ownership and Assignment of Other Deliverables.** Contractor agrees that the State and Agency shall become the sole and exclusive owners of all deliverables. Contractor hereby irrevocably assigns, transfers and conveys to the State and the Agency all right, title and interest in and to all deliverables and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such deliverables, including copyrights, patents, trademarks, trade secrets, trade dress, mask work, utility design, derivative works, and all other rights and interests therein or related thereto. Contractor represents and warrants that the State and the Agency shall acquire good and clear title to all deliverables, free from any claims, liens, security interests, encumbrances, intellectual property rights, proprietary rights, or other rights or interests of Contractor or of any third party, including any employee, agent, contractor, subcontractor, subsidiary or affiliate of Contractor. The Contractor (and Contractor's employees, agents, contractors, subcontractors, subsidiaries and affiliates) shall not retain any property interests or other rights in and to the deliverables and shall not use any deliverables, in whole or in part, for any purpose, without the prior written consent of the Agency and the payment of such royalties or other compensation as the Agency deems appropriate. Unless otherwise requested by Agency, upon completion or termination of this Contract, Contractor will immediately turn over to Agency all deliverables not previously delivered to Agency, and no copies thereof shall be retained by Contractor or its employees, agents, subcontractors or affiliates, without the prior written consent of Agency.
- b. **Waiver.** To the extent any of Contractor's rights in any deliverables are not subject to assignment or transfer hereunder, including any moral rights and any rights of attribution and of integrity, Contractor hereby irrevocably and unconditionally waives all such rights and enforcement thereof and agrees not to challenge the State's rights in and to the deliverables.
- c. **Further Assurances.** At the Agency's request, Contractor will execute and deliver such instruments and take such other action as may be requested by the Agency to establish, perfect or protect the State's rights in and to the deliverables and to carry out the assignments, transfers and conveyances set forth in Section 17.7(a).
- d. **Publications.** Prior to completion of all services required by this Contract, Contractor shall not publish in any format any final or interim report, document, form or other material developed as a result of this Contract without the express

written consent of the Agency. Upon completion of all services required by this Contract, Contractor may publish or use materials developed as a result of this Contract, subject to confidentiality restrictions, and only after the Agency has had an opportunity to review and comment upon the publication. Any such publication shall contain a statement that the work was done pursuant to a contract with the Agency and that it does not necessarily reflect the opinions, findings and conclusions of the Agency.

17.8. Authorization.

Contractor represents and warrants that it has the right, power and authority to enter into and perform its obligations under this Contract and has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Contract, and this Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

17.9. Millennium and Leap Year Warranty

The Contractor represents and warrants that any systems hardware and software which is developed and delivered under the Contract shall accurately process date data, including, but not limited to, calculating, comparing and sequencing from, into between, and among the nineteenth, twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the documentation provided by the Contractor.

17.10. Compatibility Warranty

The Contractor represents and warrants that the system and software which is purchased or developed and delivered under the Contract shall perform as a system with hardware or software currently owned or used by the Agency, and the system and software shall, at a minimum, process, transfer, sequence data, or otherwise interact with the other components or parts of the Agency's system to exchange accurate data.

17.11. Remedies

The remedies available to the Agency for a breach of warranty under this section. includes repair or replacement of non-compliant software at no to cost the Agency and any other remedies available to the Agency under the Contract.

18. Liabilities

18.1. Other Agency Contractors

The Contractor acknowledges and agrees that the Agency shall not be responsible for or liable to the Contractor or its subcontractor(s) for any damages that may be suffered by the Contractor as a result of any act or omission of any other contractor of the Agency. The Agency will subrogate its right to pursue an action against the third party contractor to the Contractor so that the Contractor may pursue a remedy from the third party contractor whose act or omission harmed the Contractor or its subcontractors.

18.2. Legislative Changes

The Contractor expressly acknowledges that this Contract is subject to state legislative change or by changes imposed by the federal government. Should either enact or promulgate measures that alter the HIPAA and ICD-10 Technical Assistance and Support project, the Contractor shall not hold the Agency liable in any manner for the resulting changes. The Agency shall use best efforts to provide thirty (30) days' written notice to the Contractor of any such change. During the thirty (30) day period, the parties shall meet and make a good faith effort to agree upon changes to the Contract to address the legislative change. Nothing in this Subsection shall affect or impair the Agency's right to terminate the Contract pursuant to the termination provisions of the Contract.

19. Project Management

19.1. Meetings with the Agency

Key staff of the Contractor and any subcontractor responsible for the administration of the Contract shall be accessible to Agency staff and shall meet with Agency staff and staff of other contractors as requested. Agency staff shall be available to the Contractor during normal business hours.

19.2. Contract Compliance and Monitoring

The Contractor and any subcontractor shall meet with the Agency and provide information as requested to review the Contractor's compliance with the terms of the Contract and level of performance. The Agency or the Agency's duly authorized and identified agents or representatives of the state and federal governments shall have the right to access any and all information pertaining to the Contract wherever the information is located and is not limited only to locations at which the Contractor is performing services under the Contract. In addition, the Agency may conduct site visits, conduct quality control reviews, review Contract compliance, assess management controls, assess the Contract services and activities, and provide technical assistance. The Agency agrees to reasonable security and confidentiality requirements of the Contractor that are consistent with any security and confidentiality requirements under the Contract.

19.3. Records Retention and Access.

The Contractor shall maintain accurate, current, and complete records of the financial activity of this Contract which sufficiently and properly document and calculate all charges billed to the Agency throughout the term of this Contract and for a period of at least five (5) years following the date of final payment or completion of any required audit (whichever is later). If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five (5) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five (5) year period, whichever is later. The Contractor shall permit the Agency, the Auditor of the State or any other authorized representative of the State and where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent

books, documents, papers, electronic or optically stored and created records or other records of the Contractor relating to orders, invoices or payments or any other documentation or materials pertaining to this Contract, wherever such records may be located. The Contractor shall not impose a charge for audit or examination of the Contractor's books and records. Based on the audit findings, the Agency reserves the right to address the Contractor's board or other managing entity regarding performance and expenditures. When state or federal law or the terms of this Contract require compliance with OMB Circular A-87, A-110, or other similar provision addressing proper use of government funds, the Contractor shall comply with these additional records retention and access requirements:

- a. Records of financial activity shall include records that adequately identify the source and application of funds. When the terms of this Contract require matching funds, cash contributions made by the Contractor and third party in-kind (property or service) contributions must be verifiable from the Contractor's records. These records must contain information pertaining to contract amount, obligations, unobligated balances, assets, liabilities, expenditures, income and third-party reimbursements.
- b. The Contractor shall maintain accounting records supported by source documentation that may include but are not limited to cancelled checks, paid bills, payroll, time and attendance records, and contract award documents.
- c. The Contractor, in maintaining project expenditure accounts, records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from administrative or compliance reviews and audits. Such adjustments shall be set forth in the financial reports filed with the Agency.
- d. The Contractor shall maintain a sufficient record keeping system to provide the necessary data for the purposes of planning, monitoring and evaluating its program.
- e. The Contractor shall retain all medical records for a period of six (6) years from the last date of service for each patient; or in the case of a minor patient or client, for a period consistent with that established by Iowa Code § 614.1(9). Client records, which are non-medical, must be maintained for a period of five (5) years.

20. Audits.

Local governments and non-profit sub-recipient entities that expend \$500,000 or more in a year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of OMB Circular A-133 "Audit of States, Local Governments, and Non-Profit Organizations." If Contractor is obligated by law to have such an audit conducted, a copy of the final audit report shall be submitted to the Agency if either the schedule of findings and questioned costs or the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Agency. If an audit report is not required to be submitted per the criteria above, the sub-recipient must provide written notification to the Agency that the audit was conducted in accordance with Government Auditing Standards and that neither the schedule of findings and questioned costs nor the summary schedule of prior

audit findings includes any audit findings related to federal awards provided by the Agency. See A-133 Section 21 for a discussion of sub-recipient versus vendor relationships. Contractor shall provide the Agency with a copy of any written audit findings or reports, whether in draft or final form, within 24 hours following receipt by the Contractor. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

21. Assignment of Intellectual Property Rights.

Contractor hereby irrevocably assigns, transfers and conveys to the State and the Agency all right, title and interest in and to all deliverables and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such deliverables, including copyrights, patents, trademarks, trade secrets, trade dress, mask work, utility design, derivative works, and all other rights and interests therein or related thereto. Contractor represents and warrants that the State and the Agency shall acquire good and clear title to all deliverables, free from any claims, liens, security interests, encumbrances, intellectual property rights, proprietary rights, or other rights or interests of Contractor or of any third party, including any employee, agent, contractor, subcontractor, subsidiary or affiliate of Contractor. The Contractor (and Contractor's employees, agents, contractors, subcontractors, subsidiaries and affiliates) shall not retain any property interests or other rights in and to the deliverables and shall not use any deliverables, in whole or in part, for any purpose, without the prior written consent of the Agency and the payment of such royalties or other compensation as the Agency deems appropriate. Unless otherwise requested by Agency, upon completion or termination of this Contract, Contractor will immediately turn over to Agency all deliverables not previously delivered to Agency, and no copies thereof shall be retained by Contractor or its employees, agents, subcontractors or affiliates, without the prior written consent of Agency.

22. General Provisions

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

22.2. At the Agency's request, Contractor will execute and deliver such instruments and take such other action as may be requested by the Agency to establish, perfect or protect the State's rights in and to the deliverables and to carry out the assignments, transfers and conveyances set forth in Section 17.7.

22.3. Notwithstanding anything to the contrary in this Subsection, the Contractor shall be free to use and employ its general skills, know-how and expertise and to use, disclose and employ any generalized ideas, concepts, know-how, methods, techniques or skills gained or learned during the course of performing services under the Contract, so long as it acquires and applies such information without disclosure of any confidential or proprietary information of the Agency and without any authorized use or disclosure of work product developed in connection with the Contract.

22.4. Status of Contractor

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

- b. Subcontracts** Contractor must secure from the Agency prior written approval for any subcontract entered into by the Contractor for requirements of the Contract. A subcontract shall not affect payment by the Agency to the Contractor or the distribution of payments. All subcontracts shall be in writing and copies shall be provided to the Agency upon request. The terms and conditions imposed on the Contractor under the Contract shall also apply to any subcontractor and shall be incorporated into any subcontract. The Contractor shall be responsible for all work performed under the Contract, whether or not subcontractors are used. A subcontract shall not relieve the Contractor of any responsibility for performance under the Contract.

The Contractor shall notify the Agency of any planned use of subcontractors. This notice shall include, at a minimum, the name and address of each subcontractor, the scope of work to be performed by each subcontractor, the subcontractor's qualifications and the estimated dollar amount of each subcontract. Collectively, subcontractors are not to perform more than 40% of the work contracted by the prime contractor. A representative of a subcontractor may be required to meet regularly with the Agency. If during the course of the subcontract period the Contractor or subcontractor wishes to change or revise the subcontract, prior written approval from the Agency shall be required. The Agency shall respond to any request for approval or consent in a timely manner. The Agency shall have the right to request the removal of a subcontractor for good cause.

22.5. Assignment and Delegation.

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

22.6. Compliance with the Law.

The Contractor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations and orders when

providing deliverables under this Contract, including without limitation, all laws that pertain to the prevention of discrimination in employment and in the provision of services. For employment, this would include equal employment opportunity and affirmative action, and the use of targeted small businesses as subcontractors or suppliers. The Contractor may be required to provide a copy of its affirmative action plan, containing goals and time specifications, and non-discrimination and accessibility plans and policies regarding services to clients. Failure to comply with this provision may cause this contract to be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for future state contracts or be subject to other sanctions as provided by law or rule. The Contractor, its employees, agents and subcontractors shall also comply with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work performed under this Contract. The Contractor may be required to submit its affirmative action plan to the Department of Management to comply with the requirements of 541 Iowa Administrative Code chapter 4.

22.7. Procurement.

To the extent the Contractor is required to by state or federal law, Contractor shall use procurement procedures that comply with all applicable federal, state laws.

22.8. Non-Exclusive Rights.

This Contract is not exclusive. The Agency reserves the right to select other contractors to provide deliverables similar or identical to those described in the scope of work during the term of this Contract.

22.9. Amendments.

This Contract may be amended in writing from time to time by mutual consent of the parties. Amendments are only permitted through a formal contract amendment and not by any form of letter agreement or language included on invoices or any other transactional documents.

22.10. Successors in Interest.

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

22.11. Third Party Beneficiaries.

There are no third party beneficiaries to this Contract. This Contract is intended only to benefit the State and the Contractor.

22.12. Choice of Law and Forum.

The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Contract without regard to the conflict of law provisions of Iowa law. Any and all litigation commenced in connection with this Contract shall be brought and maintained solely in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central

Division, Des Moines, Iowa, wherever jurisdiction is appropriate. This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to the Agency or the State of Iowa.

22.13. Immunity from Liability.

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

22.14. Public Records.

The laws of the State require procurement records to be made public unless otherwise provided by law.

22.15. Knowledge of the Iowa Medicaid Program

The Contractor shall be knowledgeable in all aspects of the operations of the Iowa Medicaid program and applicable federal and state laws, regulations, rules and policies, including without limitation those relating to state and federal reporting and proposed changes to any of the aforesaid being considered at the State or federal level. The Contractor acknowledges that the Agency relies on the Contractor's knowledge of Medicaid.

22.16. Supersedes Former Contracts or Agreements.

This Contract supersedes all prior contracts or agreements between the Agency and the Contractor for the deliverables to be provided in connection with this Contract.

22.17. Counterparts.

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

22.18. Certification regarding sales and use tax.

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

22.19. Right to Address the Board of Directors or Other Managing Entity.

The Agency reserves the right to address the Contractor's board of directors or other managing entity of the Contractor regarding performance, expenditures and any other issue as appropriate. The Agency determines appropriateness.

22.20. Repayment Obligation.

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

22.21. Cumulative Rights

The various rights powers, options, elections, and remedies of either party provided in the Contract shall be construed as cumulative and not exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, or shall in any way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

22.22. Headings or Captions

The paragraph headings or captions are for identification purposes only and do not limit or construe the contents of the paragraphs.

22.23. Integration

The Contract represents the entire Contract between the parties, and neither party is relying on any representation that may have been made which is not included in the Contract.

22.24. Delays or Impossibility of Performance Based on Force Majeure

Neither party shall be in default under the Contract if performance is prevented, delayed or made impossible to the extent that such prevention, delay, or impossibility is caused by a “force majeure.” The term “force majeure” as used in this Contract includes an event that no human foresight could anticipate or which if anticipated, is incapable of being avoided. Circumstances must be abnormal and unforeseeable, so that the consequences could not have been avoided through the exercise of all due care, such as acts of God, war, civil disturbance and other similar causes. The delay or impossibility of performance must be beyond the control and without the fault or negligence of the parties. “Force majeure” does not include: financial difficulties of the Contractor or any parent, subsidiary, affiliated or associated company of Contractor; claims or court orders that restrict Contractor’s ability to deliver the deliverables contemplated by this Contract; strikes; labor unrest; or supply chain disruptions. If delay results from a subcontractor’s conduct, negligence or failure to perform, the Contractor shall not be excused from compliance with the terms and obligations of the Contract unless the subcontractor or supplier is prevented from timely performance by a “force majeure” as defined in this Contract. If a “force majeure” delays or prevents the Contractor’s performance, the Contractor shall immediately use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be determined solely by the Agency. The party seeking to exercise this provision and not perform or delay performance pursuant to a “force majeure” shall immediately notify the other party of the occurrence and reason

for the delay. The parties shall make every effort to minimize the time of nonperformance and the scope of work not being performed due to the unforeseen events. Dates by which performance obligations are scheduled to be met will be extended only for a period of time equal to the time lost due to any delay so caused.

22.25. Conflict of Interest.

Contractor represents, warrants, and covenants that no relationship exists or will exist during the Contract period between the Contractor and the Agency that is a conflict of interest. No employee, officer or agent of the Contractor or subcontractor shall participate in the selection or in the award or administration of a subcontract if a conflict of interest, real or apparent, exists. The provisions of Iowa Code chapter 68B shall apply to this Contract. If a conflict of interest is proven to the Agency, the Agency may terminate this Contract, and the Contractor shall be liable for any excess costs to the Agency as a result of the conflict of interest. The Contractor shall establish safeguards to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with whom they have family, business, or other ties. The Contractor shall report any potential, real, or apparent conflict of interest to the Agency.

22.26. Joint and Several Liability.

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

22.27. Obligations Beyond Contract Term

The Contract shall remain in full force and effect to the end of the specified term or until terminated or canceled pursuant to the Contract. All continuing obligations of the Agency and Contractor incurred or existing under the Contract as of the date of termination or cancellation shall survive the termination or cancellation.

22.28. Severability

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

22.29. Solicitation

The Contractor represents warrants that no person or selling agency has been employed or retained to solicit and secure the Contract for commission, percentage or contingency excepting bona fide employees or selling agents retained for the purpose of securing business.

22.30. Time is of the Essence

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

22.31. Utilization of Minority Business Enterprises

The Contractor acknowledges it is the policy of the State of Iowa that minority business enterprises shall have the maximum, practicable opportunity to participate in the performance of state contracts. Where feasible or applicable under the Contract, the Contractor agrees to make a reasonable effort to subcontract with minority business enterprises.

22.32. Utilization of Small Business

The Contractor acknowledges it is the policy of the State of Iowa that a fair portion of its purchases and contractors for supplies and services be placed with small businesses. Where feasible or applicable under the Contract, the Contractor agrees to make a reasonable effort to subcontract with small businesses.

22.33. Waiver

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

22.34. Certification of Compliance with Pro-Children Act of 1994

Contractor must comply with Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the Deliverables are funded by federal programs either directly or through State or local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law also applies to children’s services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children’s services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities (other than clinics) where WIC coupons are redeemed.

The Contractor further agrees that the above language will be included in any subawards that contain provisions for children’s services and that all subgrantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1000 per day.

22.35. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

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

- a. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the Contractor knowingly rendered an erroneous

certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

- b.** The Contractor shall provide immediate written notice to the person to whom this document is submitted if at any time the Contractor learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
- c.** The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principle, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this document is submitted for assistance in obtaining a copy of those regulations.
- d.** The Contractor agrees by submitting this document that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Agency or agency with which this transaction originated.
- e.** The Contractor further agrees by submitting this document that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- f.** A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. A participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
- g.** Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- h.** Except for transactions authorized under paragraph 4 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other

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

- (i) The Contractor certifies, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- (ii) Where the Contractor is unable to certify to any of the statements in this certification, such Contractor shall attach an explanation to this document.

22.36. Certification Regarding Lobbying

Contractor certifies as follows:

- a. No federal appropriated funds have been paid or will be paid on behalf of the sub-grantee to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, an officer or employee of the Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant loan or cooperative agreement.
- b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, or an employee of a Member of Congress in connection with this Contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C.A. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

22.37. Certification Regarding Drug Free Workplace

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

- (i) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
 - (ii) establishing a drug-free awareness program to inform employees about:
 - a. the dangers of drug abuse in the workplace;
 - b. the person's policy of maintaining a drug-free workplace;
 - c. any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. the penalties that may be imposed upon employees for drug abuse violations;
 - (iii) making it a requirement that each employee to be engaged in the performance of such contract be given a copy of the statement required by subparagraph (a);
 - (iv) notifying the employee in the statement required by subparagraph (a), that as a condition of employment on such contract, the employee will:
 - a. abide by the terms of the statement; and
 - b. notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than 5 days after such conviction;
 - (v) notifying the contracting agency within 10 days after receiving notice under subparagraph (D)(ii) from an employee or otherwise receiving actual notice of such conviction;
 - (vi) imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee who is so convicted, as required by 41 U.S.C. § 703; and
 - (vii) making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (i), (ii), (iii), (iv), (v), and (vi).
- b.** Requirement for individuals. If Contractor is an individual, by signing below Contractor agrees to not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.
- c.** Notification Requirement. Contractor shall, within 30 days after receiving notice from an employee of a conviction pursuant to 41 U.S.C. § 701(a)(1)(D)(ii) or 41 U.S.C. § 702(a)(1)(D)(ii):
- (i) take appropriate personnel action against such employee up to and including termination; or
 - (ii) require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

22.38. Contract Disputes

Except as provided herein, the Contract is not subject to arbitration. The Contract Manager will decide any dispute concerning performance of this Contract and put that decision in writing and serve a copy on the Contractor. The Contract Manager’s decision will be final unless within ten (10) days of the mailing of the decision the Contractor files with the Director of the Department a written request to review the decision, which identifies all issues being disputed. The Director, or his designee, who may be the Medicaid Director, shall review the Contractor’s request to review the Contract Manager’s decision and issue a written decision within ten (10) days of receipt of the review request. The decision of the Director shall be final for purposes of Iowa Code Chapter 17A. Pending final determination of any dispute, the Contractor will proceed diligently with the performance of this Contract and in accordance with the Contract Manager’s direction. The Contractor’s failure to follow the procedure set out above will be deemed waiver of the Contractor’s claim.

22.39. Contingency

The Contract is subject to review and approval by CMS. The Agency shall have the right to modify the Contract at any time to comply with CMS requirements.

22.40. Execution

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Contract and have caused their duly authorized representatives to execute this Contract.

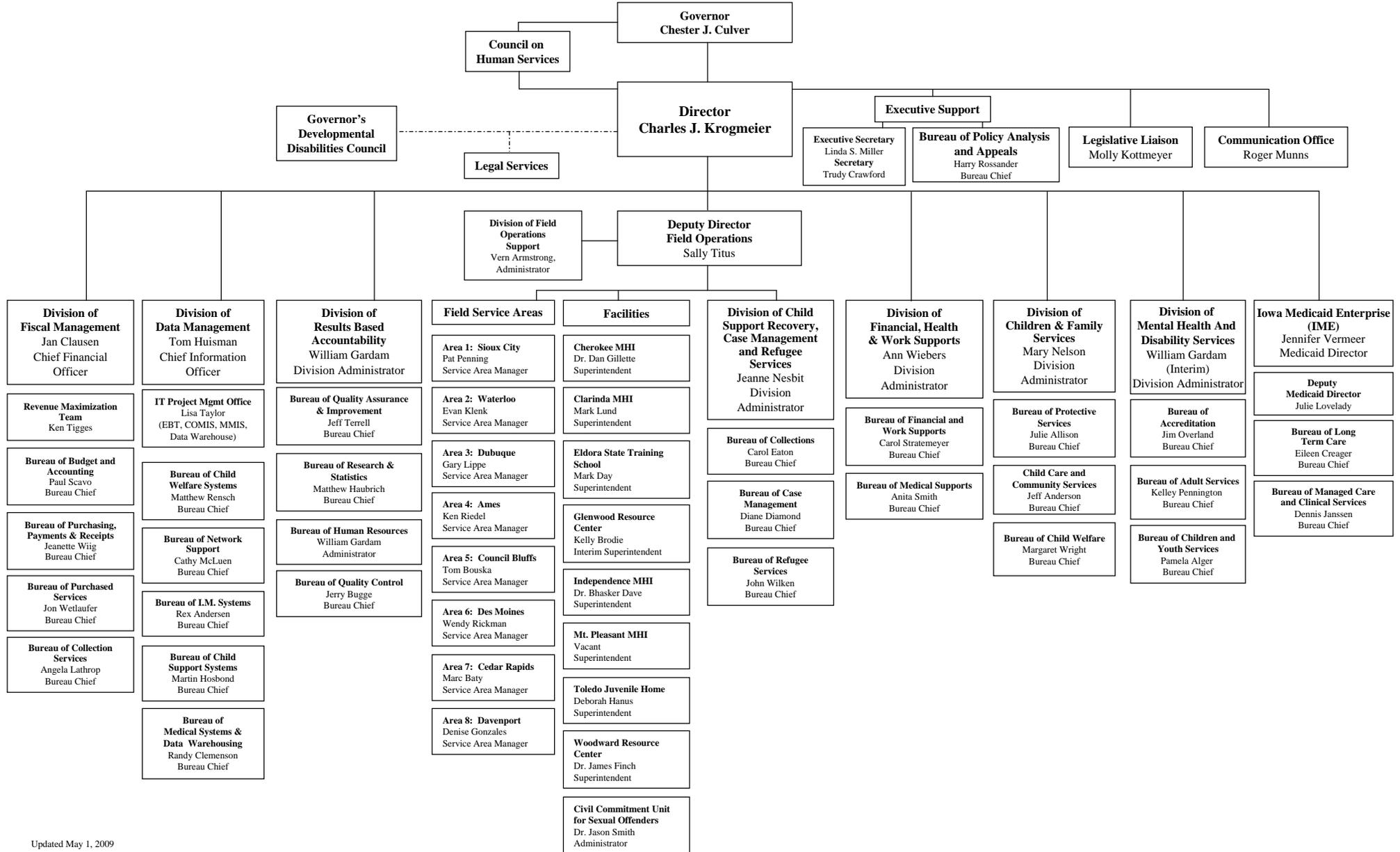
Contractor, by:	Iowa Department of Human Services, by:
Signature:	Signature:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:
Federal Tax ID No.:	

ATTACHMENT A

Iowa Department of Human Services Table of Organization

See Next Page

State of Iowa Department of Human Services



ATTACHMENT B

Iowa Department of Human Services/Division of Medical Services

Iowa Medicaid Enterprise

Division Administrator
Jennifer Vermeer, Medicaid Director

Assistant Medicaid Director
Julie Lovelady

Program Integrity
Patti Ernst-Becker, EO2

Kelly Metz
QA, MA3

Tim Weltzin
MA 3

IME POLICY

Eileen Creager, Bureau Chief Vacant, Sec 1 Brian Wines, MA 3 Michaela Funaro, SW6 Lin Christensen, MA3 Deborah Johnson, EO2 JoAnn Kazor, SW6 LeAnn Moskowitz, MA 3 Don Gookin MA 3 Susan Parker, Pharmacy Consultant Sue Stairs SW6 Jennifer Steenblock, EO2 17 ISU Contract Staff	Dennis Janssen, Bureau Chief Carolyn Pritchard, Sec 1 Marty Swartz, MA 3 Cathy Coppes, MA3 Cynthia Tracy, MA3 Sally Nadolsky SW 6 Mary Tavegia, EO2, Team Leader Vacant, ITA2 Jo Ann Cowger, MA 3 Joanne Rockey, MA2
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IME Contract Management

Jo Ann Cowger
Claims Payment
Support Services

Mary Tavegia
Provider Services
PSI

Eileen Creager
Point-of-Sale
GHS

Patti Ernst-Becker
Provider Cost Audit
Myers & Stauffer

Patti Ernst-Becker
Revenue Collections
HMS

Eileen Creager
Pharmacy PDL
IFMC/GHS

Randy Clemenson
Data Warehouse
DDM

Deborah Johnson
Member Services
Maximus

Jennifer Steenblock
Medical Services
IFMC

Patti Ernst-Becker
SURS
Health Care Excel

Vacant
Core MMIS
NAS

ATTACHMENT C

Key Responsibilities for IME Services Components

COMPONENT	KEY RESPONSIBILITIES
COMPONENT 1: CORE MMIS NORIDIAN ADMINISTRATIVE SERVICES, LLC JULY 1, 2004 – JUNE 30, 2010 3 ONE YEAR EXTENSIONS	Claims Processing Subsystem (except pharmacy claims) Prior Authorization Subsystem TPL Subsystem Provider Subsystem Reference Subsystem MARS Subsystem SURS Subsystem EPSDT Subsystem Medically Needy Subsystem Recipient Subsystem (Maintained by the State) Imaging System functionality for received paper documents (e.g., paper claims, prior authorizations, claims & prior authorization attachments, etc.) Lead contractor responsibility for interfaces and technical integration with all other components Workflow Process Management system
COMPONENT 2: PHARMACY POS GHS DATA MANAGEMENT, INC. DECEMBER 23, 2004 – JUNE 30, 2010 3 ONE YEAR EXTENSIONS	Point-of-Sale (POS) Processing Prospective DUR (ProDUR) Pharmacy reference file maintenance, including drug pricing file and PDL Drug Rebate and Supplemental Drug Rebate processing
COMPONENT 3: DATA WAREHOUSE / DECISION SUPPORT IOWA DEPARTMENT OF HUMAN SERVICES DIVISION OF DATA MANAGEMENT JANUARY 1, 2004 – JUNE 30, 2008 3 ONE YEAR EXTENSIONS	Query Tool Development and Support Training of users from State staff and other component Contractor staff Capability to upgrade to include MAR and SUR Subsystems

Key Responsibilities for IME Services Components

COMPONENT	KEY RESPONSIBILITIES
COMPONENT 4: MEDICAL SERVICES IOWA FOUNDATION FOR MEDICAL CARE, INC. JULY 1, 2004 – JUNE 30, 2008 2 ONE YEAR EXTENSIONS	Medical Support Disease Management Retrospective DUR (RetroDUR) Enhanced Primary Care Case Management (for high cost / high risk members) Prevention Promotion (EPSDT) Prior Authorization, including Pharmacy Prior Authorization Quality of Care Long term care assessment Case-mix audits

COMPONENT	KEY RESPONSIBILITIES
COMPONENT 5: PROVIDER SERVICES POLICY STUDIES, INC. JULY 1, 2004 – JUNE 30, 2008 2 ONE YEAR EXTENSIONS	Provider Enrollment and Data Maintenance, including Provider File updates Provider Inquiry / Provider Relations including the Provider Call Center Function Provider Publications Provider Training Provider Subsystem File Updates Managed Care Provider Recruitment and Support
COMPONENT 6: MEMBER SERVICES MAXIMUS, INC. JULY 1, 2004 – JUNE 30, 2008 2 ONE YEAR EXTENSIONS	Enrollment Broker for Managed Health Care (MHC) Member Inquiry / Member Relations including the Member Services Call Center Function Member Publications and Education (Eligibility & Coverage Information) Complaints process Member Quality Assurance
COMPONENT 7: REVENUE COLLECTION HEALTH MANAGEMENT SYSTEMS, INC. JULY 1, 2004 – JUNE 30, 2008 2 ONE YEAR EXTENSIONS	TPL Recovery and Pay & Chase (recoveries) Estate Recovery Lien Recovery Overpayments to Providers Interface with DAS (Tax Offset) Miller Trust and Special Needs Trust Recovery
COMPONENT 8: SURS ANALYSIS AND PROVIDER AUDITS HEALTH CARE EXCEL, INC. JULY 1, 2004 – JUNE 30, 2008 2 ONE YEAR EXTENSIONS	Claims Analysis Provider Profiling Desk Review of Cases Provider Field Audits
COMPONENT 9: PROVIDER COST AUDITS AND RATE SETTING: MYERS AND STAUFFER, LLC JULY 1, 2004 – JUNE 30, 2008 2 ONE YEAR EXTENSIONS	Hospital Cost Settlements Inpatient and Outpatient Rate Determinations DRG and APG Re-basing Provider Rate Appeals
COMPONENT 10: MEDICAID CLAIMS PAYMENT SUPPORT SERVICES NORIDIAN ADMINISTRATIVE SERVICES MARCH 22, 2005 – JUNE 30, 2008 2 ONE YEAR EXTENSIONS	Weekly Provider Payment Checks and Electronic Funds Transfers Weekly Provider Remittance Advices

ATTACHMENT D

BIDDERS' LIBRARY

RFP MED 04-015 Systems and Professional Services for the Iowa Medicaid Enterprise

- IME Bidders Proposals – can be viewed at www.ime.state.ia.us
- IME Contracts – can be viewed at www.ime.state.ia.us
- Quarterly Reports (SFY 06, 07, 08, 09)

RFP MED 04-034 Medical Services with Preferred Drug List

- IME Bidders Proposals – can be viewed at www.ime.state.ia.us
- IME Contract – can be viewed at www.ime.state.ia.us
- Quarterly Reports (SFY 06, 07, 08, 09)

RFP MED 04-037 Implementation and Support Services

- IME Bidders Proposals – can be viewed at www.ime.state.ia.us
- IME Contract – can be viewed at www.ime.state.ia.us
- Quarterly Reports (SFY 06, 07, 08, 09)

RFP MED 04-085 Medicaid Claims Payment Support Services

- IME Bidders Proposals – can be viewed at www.ime.state.ia.us
- IME Contract – can be viewed at www.ime.state.ia.us

IME Policies

- Iowa Administrative Code – can be viewed at www.legis.state.ia.us/IAC.html
- State Medicaid Plan – can be viewed at www.ime.state.ia.us

IME Operational Procedures

- Provider Services
- Member Services
- Pharmacy Medical Services
- Medical Services
- Pharmacy POS
- Medicaid Claims Payment Support Services
- Financial
- Revenue Collections
- Data Warehouse
- Core
- SURS
- PCA

IME Operational Tools:

- OnBase
- Mailroom-verification/scanning
- MQUIDS
- Data Warehouse
- Decision Support Documentation
- MMIS Valid Values Booklet

Provider Manuals-can be viewed at www.ime.state.ia.us

Provider Information Releases – can be viewed at www.ime.state.ia.us

Workflow Process Maps

System Interface Diagram

MITA State Self Assessment (May 2007)

Attachment E

Bid Proposal Mandatory Requirements Checklist

DHS has provided a template for the Bid Proposal Mandatory Requirements Checklist that is to be submitted with the Technical Proposal portion of Bid Proposals. Bidders are expected to confirm compliance by typing or printing “Yes” in the “Bidder Check” column. Upon receipt of Bid Proposals, DHS will confirm compliance by entering “Yes” in the “DHS Check” column.

Bidder	DHS	
		1. Did the Issuing Officer receive the bid proposal before 3:00 p.m. Central Time on the date specified for receipt?
		2. Was the proposal submitted with the correct number of copies, and in the correct format as specified in section 4.1 of the RFP? <ul style="list-style-type: none">• Submitted in spiral, comb or similar binder (no loose leaf binders)• Divided in two parts: (1) Technical Proposal; (2) Cost Proposal.• Original and seven (7) copies properly labeled• Two (2) electronic copies in Adobe PDF file format on CD ROM• One copy of bid proposal from which confidential information has been redacted, if any claim of confidential information is made.• Bid proposal must respond to RFP requirements by restating the number and text of the requirement in sequence and writing the response immediately after the restated requirement.
		3. Does the proposal include a signed copy of Attachment F: Proposal Certification?
		4. Does the proposal include a signed copy of Attachment G: Certification of Independence and No Conflict of Interest?
		5. Does the proposal include a signed copy of Attachment H: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions?
		6. Does the proposal include a signed copy of Attachment J: Certification Regarding Registration, Collection and Remission of State Sales and Use Tax?
		7. Does the proposal include a signed copy of Attachment I: Authorization to Release Information?
		8. Does the proposal include a signed copy of Attachment K: Certification of Compliance with Pro-Children Act of 1994?
		9. Does the proposal include a signed copy of Attachment L: Certification Regarding Lobbying?
		10. Does the proposal include a signed copy of Attachment N: Proposal Certification of Available Resources?
		11. Does the proposal include a transmittal letter as specified in Section 4.2.2 of the RFP?
		12. Does the proposal include three (3) letters of reference as specified in Section 4.2.7.2.4 of the RFP?
		13. Does the proposal include a bid bond or other bid security, payable to the State of Iowa, in the amount of \$5,000?

Signature

Date

ATTACHMENT F

PROPOSAL CERTIFICATION

BIDDERS – SIGN AND SUBMIT CERTIFICATION WITH PROPOSAL.

I certify that I have the authority to bind the bidder indicated below to the specific terms, conditions and technical specifications required in the Department’s Request for Proposals (RFP) and offered in the bidder’s proposal. I understand that by submitting this bid proposal, the bidder indicated below agrees to provide services described in the Iowa Medicaid Enterprise Claims Editing and Correct Coding Initiative (CCI) RFP which meet or exceed the requirements of the Department’s RFP unless noted in the bid proposal and at the prices quoted by the bidder.

I certify that the contents of the bid proposal are true and accurate and that the bidder has not made any knowingly false statements in the bid proposal.

Name

Date

Title

Name of Bidder Organization

ATTACHMENT G

CERTIFICATION OF INDEPENDENCE AND NO CONFLICT OF INTEREST

By submission of a bid proposal, the bidder certifies (and in the case of a joint proposal, each party thereto certifies) that:

- the bid proposal has been developed independently, without consultation, communication or agreement with any employee or consultant of the Department who has worked on the development of this RFP, or with any person serving as a member of the evaluation committee;
- the bid proposal has been developed independently, without consultation, communication or agreement with any other bidder or parties for the purpose of restricting competition;
- unless otherwise required by law, the information in the bid proposal has not been knowingly disclosed by the bidder and will not knowingly be disclosed prior to the award of the contract, directly or indirectly, to any other bidder;
- no attempt has been made or will be made by the bidder to induce any other bidder to submit or not to submit a bid proposal for the purpose of restricting competition;
- no relationship exists or will exist during the contract period between the bidder and the Department that interferes with fair competition or is a conflict of interest.

Name

Date

Title

Name of Bidder Organization

ATTACHMENT H

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION -- LOWER TIER COVERED TRANSACTIONS

By signing and submitting this Proposal, the bidder is providing the certification set out below:

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

2. The bidder shall provide immediate written notice to the person to whom this Proposal is submitted if at any time the bidder learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principle, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this Proposal is submitted for assistance in obtaining a copy of those regulations.

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

5. The bidder further agrees by submitting this Proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

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

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

8. Except for transactions authorized under paragraph 4 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the Department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND/OR VOLUNTARY EXCLUSION--LOWER TIER COVERED TRANSACTIONS

(1) The bidder certifies, by submission of this Proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

(2) Where the bidder is unable to certify to any of the statements in this certification, such bidder shall attach an explanation to this Proposal.

(Signature)

(Date)

(Title)

(Company Name)

ATTACHMENT I

AUTHORIZATION TO RELEASE INFORMATION

_____ (name of bidder) hereby authorizes any person or entity, public or private, having any information concerning the bidder's background, including but not limited to its performance history regarding its prior rendering of services similar to those detailed in this RFP, to release such information to the Department.

The bidder acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The bidder acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the Department or may otherwise hurt its reputation or operations. The bidder is willing to take that risk. The bidder agrees to release all persons, entities, the Department, and the Department of Iowa from any liability whatsoever that may be incurred in releasing this information or using this information.

Printed Name of Bidder Organization

Signature of Authorized Representative

Date

ATTACHMENT J

CERTIFICATION REGARDING REGISTRATION, COLLECTION, AND REMISSION OF STATE
SALES AND USE TAX

By submitting a proposal in response to this Request for Proposal for MED-09-016 (“RFP”), the undersigned certifies the following: (check the applicable box):

- _____ [name of vendor] is registered or agrees to become registered if awarded the contract, with the Iowa Department of Revenue, and will collect and remit Iowa Sales and use taxes as required by Iowa Code chapter 423; or
- _____ [name of vendor] is not a “retailer” or a “retailer maintaining a place of business in the state” as those terms are defined in Iowa Code §§ 423.1(42) & (43) (2005).

_____ [name of vendor] also acknowledges that the Department may declare the Vendor’s bid or resulting contract void if the above certification is false. The Vendor also understands that fraudulent certification may result in the Department or its representative filing for damages for breach of contract.

Signature

Date

Name - printed

Title

Name of Bidder Organization

ATTACHMENT K

CERTIFICATION OF COMPLIANCE WITH PRO-CHILDREN ACT OF 1994

The Contractor must comply with Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities (other than clinics) where WIC coupons are redeemed.

The Contractor further agrees that the above language will be included in any subawards that contain provisions for children's services and that all subgrantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1000 per day.

Signature: _____

Title: _____

Organization: _____

Date: _____

ATTACHMENT L

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid on behalf of the Sub-Grantee to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, an officer or employee of the Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant loan or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of the Congress, or an employee of a Member of Congress in connection with this Contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C.A. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature: _____

Title: _____

Organization: _____

Date: _____

ATTACHMENT M

PROPOSAL CERTIFICATION OF AVAILABLE RESOURCES

BIDDERS – SIGN AND SUBMIT CERTIFICATION WITH PROPOSAL.

I certify that the bidder organization indicated below has sufficient personnel resources available to provide all services proposed by this Bid Proposal. I duly certify that these personnel resources for the contract awarded will be available on and after January 2, 2010.

Name Date

Title

Name of Bidder Organization

Attachment N

PRICING SCHEDULE

RFP MED-09-017 – HIPAA and ICD-10 Technical Assistance and Support

NOT CONFIDENTIAL -- This form may not be designated as confidential in whole or in part

1. Price by State Fiscal Year

	1.02.2010 through 6.30.2010	7.01.2010 through 6.30.2011	7.01.2011 through 6.30.2012	7.01.2012 through 6.30.2013	7.01.2013 through 11.30.2013	Total Contract Price
Fiscal Year 2010 Price						
Fiscal Year 2011 Price	\$					
Fiscal Year 2012 Price		\$				
Fiscal Year 2013 Price			\$			
Fiscal Year 2014 Price				\$		
Total Contract Price						\$

2. Price by Phase					
Phase 1 Project Start Up	Phase 2 Assessment	Phase 3 Implementation	Phase 4 Quality Assurance	Phase 5 Project Close-out	Total Contract Price
\$	\$	\$	\$	\$	\$

