Washington State Medicaid Transformation Project Demonstration
Section 1115 Waiver Quarterly Report
Demonstration Year: 1 (January 9, 2017 to December 31, 2017)
Federal Fiscal Quarter: Second Quarter (January 9, 2017 to March 31, 2017)

Contents

Introduction 4
Healthier Washington 4
Demonstration Year 1 focus 5
Summary of key accomplishments of the quarter 5
Stakeholder and partner engagement activities, transparency, and public forums 6
Post-Award Public forums 6
LTSS stakeholder engagement 7
Demonstration collaboration with state legal advocacy groups 7
Tribal engagement activities 7
DSRIP Program implementation accomplishments 9
ACH certification 9
Regional Health Needs Inventory data 9
Medicaid Value-based Payment Action Team 10
Other DSRIP Program activity 10
DSRIP Support Team 10
Financial executor 11
Upcoming activities 11
Attribution by Residence for Quarter and Year to Date 12
Long-term Services and Supports (LTSS) implementation accomplishments 13
Eligibility system updates 13
Assessment and payment system updates 13
Benefit design 13
Staff readiness and training 13
Provider contracts 13
Data and reporting 13
Quality assurance 14
LTSS stakeholder and partner engagement activities 14
Outreach and engagement strategy 14
Tribal protocol 14
Other LTSS Program Activities 14
State rule making 14
Upcoming activities 14

Foundational Community Supports (FCS) implementation accomplishments 16
FCS Stakeholder and partner engagement activities 16
Other FCS program activity 16
Third-party administrator (TPA) 17
State rule making 17
Upcoming activities 17
Quarterly expenditures 18
Overall Demonstration development/issues 19
Operational/policy issues 19
Financial/budget neutrality development/issues 19
Consumer Issues 19
Quality Assurance/Monitoring Activity 19
Demonstration Evaluation 19
Summary of additional resources, enclosures and attachments 20
Additional resources 20
Summary of enclosures and attachments 20
Attachment A: State Contacts 21
Attachment B: DSRIP Support Team – Request for Proposals 22
Attachment C: Financial Executor – DSRIP Program – Request for Proposals 78
Attachment D: Third Party Administrator – FCS Program – Request for Proposals 86
Attachment E: Post-Award Forum - Presentation Slide Deck 189

Introduction

On January 9, 2017, the Centers for Medicare and Medicaid Services (CMS) approved Washington State's request for a Section 1115 Medicaid demonstration, entitled "Medicaid Transformation Project." The activities under the Demonstration are targeted to improve the system to address local health priorities, deliver high-quality, cost-effective care that treats the whole person, and create sustainable linkages between clinical and community-based services.

Over the next five years, Washington aims to:

- Integrate physical and behavioral health purchasing and service delivery to better meet whole person needs
- Convert 90 percent of Medicaid provider payments to reward outcomes instead of volume
- Support provider capacity to adopt new payment and care models
- Implement population health strategies that improve health equity
- Provide new targeted services that address the needs of the state's aging populations and address key determinants of health

The State will address the aims of the Demonstration through three programs:

- Transformation through Accountable Communities of Health (ACHs) and Delivery System Reform Incentive Payment (DSRIP) Program
- Long-term Services and Supports (LTSS) – Medicaid Alternative Care (MAC) and Tailored Supports for Older Adults (TSOA)
- Foundational Community Supports (FCS) – Targeted Home and Community-Based Services (HCBS) for eligible individuals

Healthier Washington

The Washington State Health Care Authority (HCA) manages the work of the Demonstration under the banner of Governor Jay Inslee's Healthier Washington initiative. Healthier Washington is a multi-sector partnership working to improve health, transform care delivery, and reduce costs.

To learn more about Healthier Washington, visit www.hca.wa.gov/hw.

Demonstration Year 1 focus

This report summarizes the activities from January 9, 2017 through March 31, 2017. This quarterly report includes details pertaining to the first quarter of the first year of Demonstration implementation activities, including stakeholder education and engagement, planning and implementation activities, and development of key demonstration policies and procedures. A comprehensive Demonstration webpage continues to be updated and is available at https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation.

Summary of key accomplishments of the quarter

Highlights of the quarter that are further described in the report are:

- Development and submission of several key protocols required in the Special Terms and Conditions
- Intensive activities for stakeholder and partner engagement, including nine regional public forums, webinars, and program-specific presentations across the state
- Incorporation of public comments in the revision of the Medicaid Transformation Project Toolkit
- Release of a DSRIP support team procurement
- Development of services, eligibility requirements, and administrative relationships necessary for the provision of services under the LTSS and FCS programs
- Release of a third-party administrator procurement for the FCS Program

Stakeholder and partner engagement activities, transparency, and public forums

The period covering January 9, 2017 through March 31, 2017 included extensive stakeholder engagement activities, described below.

- On March 10, 2017, the Health Care Authority hosted a webinar that detailed the FCS Program. There were 250 attendees. The attendee question-and-answer period included questions about partnering with housing providers, connection to the other initiatives under the Demonstration, and how to become involved in the FCS Program.
- On March 28, 2017, HCA hosted a webinar that provided an overview of the demonstration. This webinar provided an opportunity for engagement of individuals who were unable to attend a public forum in person. There were 68 attendees.
- The Medicaid Transformation webpage was updated with draft protocols upon submission to CMS for public review. One-page documents summarizing the Demonstration, as well as for each of the three programs under the Demonstration, were updated and posted on the webpage. The webpage continues to be updated as new materials are developed.
- The draft Medicaid Transformation Project Toolkit 30-day public comment period began January 3, 2017. The toolkit was available for review on the Medicaid Transformation webpage. An email notice alerted stakeholders, partners, and community members of the public comment period and process for submitting comments. Additional notice was shared broadly through existing Healthier Washington, HCA, and partner agency communications channels. This generated an overwhelming response to the draft Medicaid Transformation Project Toolkit, with more than 100 public comments. The public comment period for the toolkit closed on February 2, 2017**.** A response was provided to each email received, and formal comment letters were posted to the webpage. The revised draft of the toolkit was posted in March, after submission to CMS.
- A whiteboard video was developed and shared on the webpage on February 28, 2017. The video provided an introduction to the Project Toolkit, how it will be used, and how it connects to the overall Demonstration objectives.

Post-Award Public forums

Between January 30, 2017 and March 15, 2017, HCA, DSHS and ACH leaders held nine regional public, post-award forums throughout Washington, providing the public an opportunity to provide meaningful comment on the progress of the demonstration per the requirements of STC 11. The presentations included an overview of the Demonstration, an overview of each region's ACH, and a question-and–answer portion to foster community dialogue. Copies of the presentations, fact sheets, and infographics were provided at each event. Each regional presentation included a slide summarizing several key Medicaid population demographics and health indicators. More than 450 individuals attended the public forums. A majority of the questions and comments received included how the change in federal administration may impact the demonstration, who will benefit from the demonstration if the Medicaid expansion population loses coverage, how the money flows for each of the programs, and how to get involved in the work of the ACHs. Audiences were reminded that the Demonstration is a binding contract between CMS and the state, and that both parties are continuing under its terms.

The question-and-answer sessions were robust and meaningful. Larger audiences, such as in King County, generated a significant number of questions; while a smaller group, such as in Southwest Washington, created more of a conversational forum. HCA shared the registration lists with ACH leads in

order to promote contact with any attendees who may not have already been on mailing lists. In planning the sessions, HCA worked closely with ACH leads to allow time to help frame the conversation and to bring a regional, local flavor to each event.

Dates and locations of the public forums were:

- Olympic Community of Health: Monday, January 30, 2017 – Olympic College, Lacey, 6:30 p.m.
- Cascade Pacific Action Alliance: Wednesday, February 1, 2017 – South Puget Sound Community College, Lacey, 6:30 p.m.
- Pierce Accountable Community of Health: Wednesday, February 8, 2017 – Pierce Community College, Lakewood, 6:30 p.m.
- King Accountable Community of Health: Wednesday, February 22, 2017 – Northwest African American Museum, Seattle, 6:30 p.m.
- Southwest Regional Health Alliance: Saturday, February 25, 2017 – East Clark County, Vancouver, 1 p.m.
- North Sound ACH: Wednesday, March 1, 2017 – Skagit Valley College, Mount Vernon, 6:30 p.m.
- Greater Columbia ACH: Saturday, March 11, 2017 – United Way of Benton and Franklin Counties, Kennewick, 1:30 p.m.
- Better Health Together: Sunday, March 12, 2017 – Better Health Together ACH, Spokane, 1 p.m.
- North Central ACH: Wednesday, March 15, 2017 – Douglas County Public Works, Wenatchee, 6:30 p.m.

A copy of the presentation slides is available at: https://www.hca.wa.gov/assets/program/2017-03-28-FINAL-Public-Forums-Core-Deck.pdf

LTSS stakeholder engagement

On February 24, 2017, the Department of Social and Health Services (DSHS) Aging and Long-Term Support Administration (ALTSA) held its fourth in-person demonstration stakeholder meeting. These meetings have focused on developments across the LTSS and FCS programs and have included stakeholders representing the long-term services stakeholder community, housing and employment providers, managed care organizations, employee unions, advocates, and other interested parties. The February meeting provided an overview of current activities, an expanded explanation of how a client would access benefits, focusing on client-centered conversations, and a group activity requesting feedback on outreach, engagement, and messaging strategies for clients, caregivers, and providers. The meeting was well attended in-person and by conference call.

Demonstration collaboration with state legal advocacy groups

During this quarter, HCA and the DSHS built upon a collaboration with Northwest Health Law Advocates (NOHLA) initiated when the Demonstration was first envisioned. Standing monthly meetings continue, where together the agencies respond to questions and feedback from legal services advocates and other key stakeholders. NOHLA was provided the opportunity to review and offer feedback and input on protocols during the development process.

Tribal engagement activities

The first quarter of 2017 included extensive tribal engagement activities, described below:

- HCA Tribal Affairs staff, in coordination with Demonstration staff at HCA and DSHS, hosted numerous education sessions and attended tribal events (see below) to educate Indian Health Service, Tribes, and Urban Indian Health Program (I/T/U) regarding tribal participation in the DSRIP, LTSS and FCS programs under the Demonstration. Comprehensive educational materials, such as slide shows and handouts, were created and provided to participants. Ongoing tribal engagement activities continue through engagement with I/T/U leadership during regularly scheduled tribal meetings.
    - Indian Policy Advisory Committee, quarterly board meeting, January 12
    - Northwest Portland Area Indian Health Board, quarterly board meeting, January 18-19
    - HCA Monthly Tribal Meeting, January 23, February 27, March 27
    - Affiliated Tribes of the Northwest Indians, winter convention, January 23-25
        - Provided an update on the Demonstration to full conference and small group update during multi-agency Tribal Liaison Workgroup session
    - HCA meeting with tribal representatives on the DSRIP program February 2
    - American Indian Health Commission, quarterly board meeting, February 9
    - HCA-hosted Tribal-Behavioral Health Organization information meeting, March 6
    - HCA-hosted Tribal Consultation to review 1915(b) waiver, March 9
        - Follow-up summary meeting, March 24
    - March ACH Leaders Convening Meeting, March 13-14
    - Port Gamble S'Klallam Tribe Health Clinic visit, March 20
- DSHS ALTSA met with a number of tribes to discuss Medicaid services and the LTSS program of the demonstration.
    - American Indian Health Commission Leadership Meeting: January 2, 2017
    - DSHS Indian Policy Advisory Subcommittee meetings for Aging and Developmental Disability Services: January 10, February 14, March 14, 2017.
    - Port Gamble S'Klallam Tribe Meeting: January 20, 2017
    - Lummi Tribe Meeting: February 1, 2017
    - Spokane, Colville and Kalispel Tribes and Native Project Meeting: March 7, 2017
    - Port Gamble Skallam Tribe Meeting: March 14, 2017
    - Tulalip Tribe Meeting: March 24, 2017
    - Chehalis Tribe Meeting: March 30, 2017
- HCA Tribal Affairs staff met several times with other HCA staff to develop and draft a Tribal Data Share Agreement to support the data needs of I/T/Us when participating in DSRIP projects.
- The state continued development of draft Tribal Protocol and Tribal Projects Overview. Revised documents provided on March 31 for external review by I/T/U representatives.

DSRIP Program implementation accomplishments

ACH certification

Critical steps in Washington's Medicaid Transformation demonstration require Accountable Communities of Health (ACHs) to satisfy a two-phase certification process. The certification process ensures each ACH is capable of serving as the regional lead entity and single point of performance accountability for transformation projects. Through this process, the state will confirm that each ACH is qualified to fulfill the role as the regional lead and therefore eligible to receive project design funds.

The Certification process will ensure ACHs are well positioned to complete Project Plan applications and lead their regions in implementation of transformation projects. Specifically, certification will establish that each ACH meets expectations contained within the Special Terms and Conditions (STCs), including alignment with State Innovation Model (SIM) contractual requirements, ACH composition requirements, and organizational capacity expectations and development.

Certification criteria were established by the state in alignment with the Demonstration STCs. Each ACH will submit both phases of certification information to the state within the required time frames (described below). The state will review and approve certification prior to distribution of Project Design funds. Each ACH must complete both phases of certification and receive approval from the state before the state will consider its Project Plan application.

- Certification Phase I must be submitted between April 17, 2017 and May 15, 2017. Each ACH is eligible to receive up to $1 million for successful demonstration of Phase I expectations.
- Certification Phase II must be submitted between July 17, 2017 and August 14, 2017. Each ACH is eligible to receive up to $5 million for successful demonstration of Phase 2 expectations.

The state will develop two separate templates and provide those to the ACHs for the two-phased certification process. ACHs will respond to the series of questions for each phase to demonstrate achievement of expectations in several areas, including:

- Theory of action and alignment strategy
- Governance and organizational structure
- Tribal engagement and collaboration
- Community and stakeholder engagement
- Budget and funds flow
- Clinical capacity and engagement
- Data capacity
- Transformation project planning

Once reviewed and scored, the state will notify each ACH and provide its Phase 1 certification disposition and scoring feedback sheet that reflects composite scores and required areas of improvement. Certification submissions will be posted publically.

Regional Health Needs Inventory data

To ensure a strategic approach, ACHs need population health and health service capacity information to guide the selection, planning, and ensure effective implementation of DSRIP Transformation Projects.

ACHs will need to gather, review and interpret information about the health status, systems and capacity to inform their project selection and design. The effort to collect key information about the region will provide the information necessary to design and tailor strategies that meet the unique needs and circumstances of the communities in which the projects will be implemented. The ACH can rely on previously completed inventories or assessments, and it is expected that ACHs will need to fill gaps in data using local data sources. However, recognizing that many key data sources are available at the state, HCA committed to providing initial data to populate the inventory from various statewide data sets.

To expedite the dissemination of data to regional partners, HCA, DSHS and Department of Health (DOH) mapped out a phased approach for delivering data products to ACH partners. The first phase of data was delivered to ACHs on March 17, 2017, and included information related to demographics, social determinants of health, population health, and clinical outcome metrics. Two additional phases for data distribution were scheduled for the month of April, with ongoing state support for data requests and analysis in the months leading up to final project plan submission later in 2017.

Medicaid Value-based Payment Action Team

A critical component of delivery system reform is the pursuit and achievement of value-based payment goals. The Health and Community Capacity Building component (Domain 1) of the project toolkit recognizes the importance of guiding and supporting ACHs and their partnering providers as they work to integrate VBP goals into their transformation projects. The means by which the HCA has chosen to provide that guidance is the development of a statewide Medicaid Value-based Payment (MVP) Action Team. HCA began work on the charter for the MVP Action Team in February. The team's responsibilities are identified as follows:

- Serve as a learning collaborative supporting attainment of Medicaid VBP targets
- Provide a sounding board to HCA on definitions of VBP arrangements
- Prepare providers for value-based service relationships
- Promote provider participation in Medicaid VBP surveys
- Inform the integration of project design and VBP strategy
- Provide a venue to share VBP adoption progress, challenges and solutions

In March, HCA solicited nominations for MVP Action Team members from managed care organizations, Accountable Communities of Health, and health care leaders across the state. From those nominees, a team of 20 members agreed to participate in regular, in-person meetings facilitated by HCA and chaired by a respected health care professional with many years' experience in alternative payment and delivery systems. Those members represent each of the five MCOs, all nine ACH regions, providers from a variety of organizations (ranging from major hospital systems to small and rural practices), behavioral health providers, and tribal health leaders. Regular meetings will be facilitated by HCA staff with subject matter expertise provided by our contracted DSRIP Support Team.

Other DSRIP Program activity

DSRIP Support Team

The HCA released a Request for Proposals (RFP) for the purpose of procuring the services of a vendor to serve as the DSRIP Support Team on January 17, 2017. Through the RFP procurement process, HCA

selected Manatt Health to serve as the DSRIP Support Team. The DSRIP Support Team's responsibilities include, but are not limited to:

- Under the direction of HCA's Medicaid Transformation team:
    - Supporting and working with the Accountable Communities of Health (ACHs) to strategically think through their certification applications and transformation Project Plans
    - Developing technical assistance resources for ACHs
    - Developing DSRIP "how to" guides and other tools to help ACHs and their partnering providers as they prepare their Project Plan applications
    - Supporting HCA in the development of key demonstration policies and procedures

Manatt Health began work on April 1, 2017.

Financial executor

On March 6, 2017, HCA released a request for proposals through the state's convenience pool for the purpose of procuring the services of a vendor to serve as a financial executor. Through the procurement process, HCA selected Public Consulting Group (PCG), effective May 15, 2017. The financial executor's responsibilities include, but are not limited to:

- Developing and establishing a web portal to facilitate financial executor functions
- Developing and establishing a provider registration process and portal
- Establishing an HCA-approved funding distribution plan, in accordance with the DSRIP Program Funding and Mechanics Protocol
- Developing management reports to be used by various web portal users and stakeholders to include the state, ACHs, providers, an independent assessor, CMS, the public, and other potential stakeholder to be identified
- Cooperating fully with HCA in responding to inquiries from CMS and other relevant authorities regarding financial transactions and in any audits that may be required
- Complying with the Washington State Administrative and Accounting Manual and the Demonstration's Special Terms and Conditions
- Designing, administering, and monitoring the Intergovernmental Transfer (IGT) process for the duration of the Demonstration.

Financial executor performance will be subject to audit by the state of Washington.

Upcoming activities

Implementation ramp-up and planning activities will continue through the next two quarters. In future quarterly reports, more detail will be provided about further ACH activities, Project Plans, stakeholder engagement, and other related DSRIP policies and deliverable development.

- April 26: MVP Action Team introductory webinar
- May 5: MVP Action Team In-person meeting
- May 15: ACH Certification Phase 1 submissions due
- Early June: Development and release of an RFP for the purpose of procuring the services of a vendor to serve as the DSRIP Independent Assessor

- Early June: Development of the Project Plan application template and review tool which will be released for public comment
- June 28-29: ACH Convening
- August 15: ACH Certification Phase 2 submissions due

Attribution by Residence for Quarter and Year to Date

Not applicable for this reporting period.

Long-term Services and Supports (LTSS) implementation accomplishments

The State has spent the past year preparing for implementation of MAC and TSOA, and both programs are on track to be implemented in July 2017. Over the reporting quarter, the following implementation tasks have been completed:

Eligibility system updates

The state updated its eligibility systems, including ACES and WA Connections, to be able to identify MAC and TSOA eligibility categories, provide information about the programs to applicants, and accept applications for TSOA.

Assessment and payment system updates

The state is engaged in work to integrate multiple systems in order to facilitate service delivery and payment for new services to Medicaid-eligible individuals in MAC and TSOA. System updates are in progress to enable eligibility and functional assessments and pay providers through our Medicaid payment system. New functionality is being programmed to enable payment for services that have never been paid by Washington Medicaid to a set of providers that have not traditionally been contracted by Medicaid. All work is on track for July implementation.

Benefit design

A workgroup focused on benefit design has been working for the past year to define how clients will flow seamlessly through systems to access benefits. This group is engaged in defining processes for engaging consumers in services early on and communication protocols between state and contractor staff that support client-centered interactions. In addition, this group has worked to define the services offered in each region, the network that currently exists, and what will be needed in the future. This work is on track and will continue as we move closer to implementation.

Staff readiness and training

Training for financial staff was rolled out during this quarter and in to early April. Six in-person trainings were completed around the state. A follow-up, a refresher webinar will be scheduled prior to the July implementation. For social services, DSHS has begun defining system and policy trainings that will be necessary for a successful statewide implementation of the Demonstration. A workgroup has been formed to identify training that will be mandatory for those involved in implementing the programs. Feedback from stakeholders and field staff will be used to further define the training and readiness plan.

Provider contracts

Staff are identifying new contracts and statements of work that will be necessary to enroll non-traditional providers into contracting and payment systems. These will enable providers to provide services and receive payment under Medicaid for MAC and TSOA. This work is on track for completion by May for provider training and contracting.

Data and reporting

As DSHS develops and implements system and policy changes, we are defining administrative data and tracking that will be necessary to ensure we are on track with projected enrollment and service delivery

and ensuring we have the necessary data to report to CMS on our progress and all elements required in STCs. This work is ongoing and we will provide additional updates in our next report.

Quality assurance

The state has identified quality assurance needs for MAC and TSOA, focused on post-implementation presumptive eligibility review timing, reporting to CMS, and QA of staff conducting both financial and functional eligibility reviews for MAC and TSOA. We will provide additional updates during the next quarterly report.

LTSS stakeholder and partner engagement activities

Outreach and engagement strategy

Outreach and engagement strategy development is in progress. The state has requested feedback from stakeholders on draft messaging and outreach strategies. More detail will be provided in the next quarterly report.

Tribal protocol

DSHS and HCA have engaged with tribal entities through multiple roundtables and consultations regarding requested language relating to the LTSS section of the STCs and have agreed to language for inclusion in the tribal protocol for MAC and TSOA. DSHS has also made changes to its MAC and TSOA benefit specifications to ensure culturally appropriate language is included based on feedback we received.

Other LTSS Program Activities

State rule making

Financial Washington Administrative Code (WAC)

The state completed drafting its financial WACs for both MAC and TSOA in alignment with Demonstration STCs, and sent them for internal and external reviews. The draft financial rule can be found at https://www.hca.wa.gov/assets/program/102-17-08-095.pdf. The WAC will be filed next quarter.

Program WAC

A draft was submitted for both internal and external review. The WAC will be filed in the next quarter.

Upcoming activities

Implementation ramp-up and planning activities will continue through the next quarter as we move toward a July 2017 implementation of MAC and TSOA. In future quarterly reports, more detail will be provided about further implementation activities, contracts, stakeholder engagement, and other related policies and deliverable development.

- April: Submit presumptive eligibility training to CMS for approval
- May and June: Staff and provider training conducted statewide
- June: LTSS stakeholder meeting No. 5
- July: Implementation of MAC and TSOA benefits

- Fall: Caregiver Month – statewide outreach and marketing strategy planned

Foundational Community Supports (FCS) implementation accomplishments

This report summarizes FCS program development and implementation activities conducted from January 9, 2017 through March 31, 2017. Key accomplishments for the quarter include:

- Developed and submitted FCS protocol on March 9
- Significant stakeholder engagement activities, including webinars, presentations, and providing direct technical assistance for potential FCS providers
- Release of third-party administrator procurement

FCS Stakeholder and partner engagement activities

Representatives of HCA and DSHS have participated in numerous stakeholder engagement activities, including public forums, presentations, emails, webinars, and direct technical assistance.

- Webinars:
    - January 19: Olmstead Policy Academy monthly topical webinar covering the Medicaid Transformation Demonstration implementation plan
    - January 26: Chronic Homelessness Policy Academy monthly topical webinar covering Medicaid Transformation Demonstration implementation plan
    - March 10: Healthier Washington webinar covering the administrative approach for the FCS program
    - March 28: Healthier Washington webinar covering the Medicaid Transformation Demonstration
- Stakeholder group presentations:
    - January 10: Presentation to Western State Hospital discharge planners
    - January 19: Joint State Advisory Council on Homelessness/Inter-Agency Council on Homelessness
    - January 24: Washington Connections Advisory Committee
    - January 30: Statewide Housing And Recovery through Peer Services (HARPS) team presentation
    - February 2: Projects for Assistance in Transition from Homelessness (PATH) Conference
    - February 3: Washington Association of Community Action Partnerships
    - March 9: Washington Community Behavioral Health Council
    - March 14: Snohomish County Partnerships to End Homelessness
- Technical Assistance
    - Supported employment:
        - Four behavioral health agencies, including Pierce County, Snohomish County, King County, and Clark County
        - Regional trainings including; Tri-Cities Behavioral Health Organization, Optum Pierce Behavioral Health Organization, Clark County, and Southwest Washington Regional Service Area

Other FCS program activity

Third-party administrator (TPA)

On March 24, 2017, HCA released a request for proposals for third-party administrative services in order to implement FCS services. The third-party administrator will be responsible for building statewide provider networks, authorizing FCS services for eligible beneficiaries, and providing reimbursements to contracted providers for authorized services. The procurement document can be found here: https://www.hca.wa.gov/assets/program/RFP%202240%20TPA%20for%20FCS.PDF.

State rule making

HCA and DSHS have initiated the development process for WAC necessary to implement FCS services. Proposed WAC include authorization of FCS services, as well as establishing specific service certifications for licensed behavioral health agencies providing FCS services.

Upcoming activities

Planning and implementation activities will continue in Quarter 2, with anticipated initial service delivery targeted for the beginning of Quarter 3. Future reports will provide updates on final implementation planning and status of FCS service provision.

- TPA procurement
  - Deadline TPA procurement bids – May 15
  - Anticipated identification of successful bidder – June 1
- State rule making:
  - Anticipated effective date – June 30
- Stakeholder engagement
  - Presentations
    - National Council for Behavioral Health Conference – April 3
    - Washington Association of Community Action Partnerships Conference – April 6
    - Washington Low-Income Housing Alliance Conference – May 10
    - Corporation for Supportive Housing National Summit – May 24-26
    - Washington Behavioral Health Conference – June 15
  - Technical assistance
    - Seven supported employment provider trainings scheduled
    - Two-day Individual Placement and Support (IPS) overview and supervisory training in Pierce Count

Quarterly expenditures

At this time, there is not an approved DSHP protocol, therefore DSHP expenditures have not been claimed. Assuming an approved DSHP protocol is in place and Certified Public Expenditures are claimed, DSHP and Demonstration-related expenditures will be captured on the next quarterly CMS-64 report.

Overall Demonstration development/issues

Operational/policy issues

This first quarter of 2017 saw activities consistent with the initiation of the Demonstration, with no significant issues or problems. As part of continued progress toward full integration of physical and behavioral health services by 2020 (as required under state law), HCA invited regions throughout the state to become "mid-adopters" of fully-integrated Medicaid managed care by January 2019, providing incentives to do so. Additionally, the state's five Medicaid managed care organizations embarked on the first quarter of their 2017 contacts, containing incentives for the achievement of quality performance measures derived from the state's common measure set.

Financial/budget neutrality development/issues

Budget Neutrality

According to STC 105, a draft working version of the budget neutrality monitoring tool was to be available for inclusion in the state's first quarterly report. Per recent CMS guidance, the state is awaiting further direction from CMS with respect to the status of this tool.

Consumer Issues

Not applicable for this reporting quarter.

Quality Assurance/Monitoring Activity

Not applicable for this reporting quarter.

Demonstration Evaluation

A cross-agency team from HCA and DSHS comprised of subject matter experts from each Demonstration program area began work on the draft evaluation design. An initial planning meeting was held on February 1, 2017 to define the scope of the draft evaluation design. A draft was circulated in late March for broader internal review, in anticipation of further revision and refinement prior to final submission to CMS on May 9, 2017.

Summary of additional resources, enclosures and attachments

Additional resources

More information about Washington's demonstration is available at: https://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation.

Interested parties can sign up to be notified of demonstration developments, release of new materials, and opportunities for public comment through the Healthier Washington listserv. Instructions are available at: https://public.govdelivery.com/accounts/WAHCA/subscriber/new?topic_id=WAHCA_237%27%3E .

Summary of enclosures and attachments

Attachment Reference	Document Title/Description
A	State Contacts
B	DSRIP Support Team – Request for Proposals
C	Financial Executor – DSRIP Program – Request for Proposals
D	Third Party Administrator – FCS Program – Request for Proposals
E	Post-Award Forum - Presentation Slide Deck

Attachment A: State Contacts

Identify the individual(s) that CMS may contact should any questions arise:

Area	Name	Title	Phone
Demonstration and Quarterly Reports	Kali Klein	Manager, Medicaid Transformation	(360) 725-1240
DSRIP Program	Kali Klein	Manager, Medicaid Transformation	(360) 725-1240
LTSS Program	Kelli Emans	Managed Care Program Manager, DSHS	(360) 725-3213
FCS Program	Jon Brumbach	Senior Health Policy Analyst, Medicaid Transformation	(360) 725-1535

For mail delivery, use the following address:

Washington Health Care Authority
Division of Planning, Policy and Performance
628 8th Ave SE
Olympia, WA 98501

ATTACHMENT B

STATE OF WASHINGTON
HEALTH CARE AUTHORITY

REQUEST FOR PROPOSALS (RFP)

RFP NO. 2220

NOTE: *If you download this RFP from the Health Care Authority website, you are responsible for sending your name, address, e-mail address, and telephone number to the RFP Coordinator in order for your organization to receive any RFP amendments or bidder questions/agency answers.*

PROJECT TITLE: Medicaid Transformation Demonstration Delivery System Reform Incentive Project (DSRIP) Support

PROPOSAL DUE DATE: February 9, 2017 by 2:00PM (PST)

E-mailed bids will be accepted. Faxed bids will not.

ESTIMATED TIME PERIOD FOR CONTRACT: April 3, 2017 to December 31, 2017

The Health Care Authority reserves the right to extend the contract at the sole discretion of the Health Care Authority.

BIDDER ELIGIBILITY: This procurement is open to those Bidders that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

CONTENTS OF THE REQUEST FOR PROPOSALS:

1. Introduction
2. General Information for Bidders
3. Proposal Contents
4. Evaluation and Award
5. Exhibits
   - A. Certifications and Assurances
   - B. Diverse Business Inclusion Plan
   - C. Service Contract with General Terms and Conditions

1. INTRODUCTION 4

1.1. PURPOSE AND BACKGROUND 4

1.2. OBJECTIVES AND SCOPE OF WORK 4

1.3. MINIMUM QUALIFICATIONS 8

1.4. FUNDING (OPTIONAL) 8

1.5. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (OPTIONAL) 8

1.6. PERIOD OF PERFORMANCE 9

1.7. CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES 9

1.8. DEFINITIONS 9

1.9. ADA 9

2. GENERAL INFORMATION FOR BIDDERS 10

2.1. RFP COORDINATOR 10

2.2. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES 10

2.3. PRE-PROPOSAL CONFERENCE (OPTIONAL) ..... Error! Bookmark not defined.

2.4. LETTER OF INTENT TO PROPOSE (OPTIONAL) ..... Error! Bookmark not defined.

2.5. SUBMISSION OF PROPOSALS 10

2.6. PROPRIETARY INFORMATION / PUBLIC DISCLOSURE 11

2.7. REVISIONS TO THE RFP 11

2.8. DIVERSE BUSINESS INCLUSION PLAN 12

2.9. ACCEPTANCE PERIOD 12

2.10. COMPLAINT PROCESS 12

2.11. RESPONSIVENESS 12

2.12. MOST FAVORABLE TERMS 13

2.13. CONTRACT AND GENERAL TERMS & CONDITIONS 13

2.14. COSTS TO PROPOSE 13

2.15. RECEIPT OF INSUFFICIENT NUMBER OF PROPOSALS 13

2.16. NO OBLIGATION TO CONTRACT 13

2.17. REJECTION OF PROPOSALS 13

2.18. COMMITMENT OF FUNDS 14

2.19. ELECTRONIC PAYMENT 14

2.20. INSURANCE COVERAGE (ADD OTHER INSURANCE AS REQUIRED) 14

3. PROPOSAL CONTENTS 15

3.1. LETTER OF SUBMITTAL (MANDATORY) 16

3.2. TECHNICAL PROPOSAL (SCORED) 16

3.3. MANAGEMENT PROPOSAL 17

3.4. COST PROPOSAL 19

4. EVALUATION AND CONTRACT AWARD 19

4.1. EVALUATION PROCEDURE 19

4.2. EVALUATION WEIGHTING AND SCORING 19

4.3. ORAL PRESENTATIONS MAY BE REQUIRED 20

4.4. SUBSTANTIALLY EQUIVALENT SCORES 20

4.5. NOTIFICATION TO BIDDERS 20

4.6. DEBRIEFING OF UNSUCCESSFUL BIDDERS 21

4.7. PROTEST PROCEDURE 21

5. RFP EXHIBITS 22

1. INTRODUCTION

1.1. PURPOSE AND BACKGROUND

The Washington State Health Care Authority, hereafter called "HCA," is initiating this Request for Proposals (RFP) to solicit proposals from firms interested in participating on a project to help HCA successfully carry out the terms of a Section 1115 Medicaid Transformation Project demonstration (Demonstration) with the federal Centers for Medicare and Medicaid Services (CMS). A copy of the application and related documents can be found at http://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation.

The Demonstration aims to transform the state's Medicaid delivery system through regional, collaborative efforts led by Accountable Communities of Health (ACHs) and new, supportive services to address relevant social determinants of health.

Over the next five years, Washington will:

- Integrate physical and behavioral health purchasing and service delivery to better meet whole person needs;
- Convert 90% of Medicaid provider payments to reward outcomes instead of volume;
- Support provider capacity to adopt new payment and care models;
- Implement population health strategies that improve health equity; and
- Provide new targeted services that address the needs of our aging populations and address key determinants of health.

ACHs will lead regional strategies and ensure mutual accountability between health plans, providers and other community members for these transformation objectives. The Demonstration will provide up to $1.125 billion in the form of incentive payments tied to projects coordinated by ACHs, based on delivery system reform milestones and outcomes. Delivery System Reform Incentive Payment (DSRIP) incentives under this Demonstration are time limited and project design will reflect a priority for sustainability beyond the Demonstration period.

There are nine ACHs in Washington State. These ACHs are regionally situated, self-governing multi-sector organizations with non-overlapping boundaries that also align with Washington's regional service areas for Medicaid purchasing. They are focused on improving health and transforming care delivery for the populations that live within their respective regions. ACHs are not new service delivery system organizations nor a replacement of Medicaid managed care organization (MCO) or health care delivery roles and responsibilities. ACHs include managed care, health care delivery and many other critical organizations as part of their multi-sector governance and as partners in implementation of delivery system reform initiatives.

HCA intends to award one contract to provide the services described in this RFP.

1.2. OBJECTIVES AND SCOPE OF WORK

In coordination with HCA Medicaid Transformation staff and representatives of Washington's nine Accountable Communities of Health (ACHs), the Contractor will perform the work and complete the deliverables described below.

1. Project Management

1.1. Provide to HCA staff and ACH representatives access to a single statewide team of subject matter experts ("Support Team") versed in Medicaid health system reform, particularly in the areas described in HCA's Project Toolkit (http://hca.wa.gov/sites/default/files/program/medicaid-transformation-toolkit.pdf) and Value-Based Roadmap (http://www.hca.wa.gov/assets/program/vbp_roadmapw-ah.pdf). Please note the requirement for rapid deployment in section 3 ("Support for Accountable Communities of Health"), below, and describe how this requirement will be satisfied.

1.2. Develop and manage a work plan and timeline, tracking open issues, and encouraging and documenting efficient decision-making. Project management tools (e.g., risk logs) and approaches used must, to the extent possible, be compatible with and support HCA project management practices.

1.3. Participate in weekly meetings with HCA staff to review progress and identify issues requiring resolution.

2. Support for HCA

As HCA puts in place the necessary policies, processes and documents to carry out the terms and conditions of the Demonstration, the successful Contractor will be called upon to provide assistance in one or more of the following areas:

2.1. Development of a process whereby ACHs are certified to lead Medicaid transformation projects.

2.2. Development or revision of protocol documents (including DSRIP planning and funding protocols) and project application forms and review processes.

2.3. Communication of project requirements, application processes, ACH and provider roles, and other key features of the Demonstration to key stakeholders including ACH and provider representatives.

3. Support for Accountable Communities of Health

The successful Contractor must be capable of rapidly deploying sub-teams into each of the nine ACH regions. Sub-teams consist of Support Team members who can be assigned to address needs (as described in this section) that are specific to a given ACH. Continuity in assignment of consultants is important in order to allow each sub-team to develop relationships with ACH staff and leadership. Each sub-team will provide a basic level of support, as described in this section, to assigned ACHs and their participating providers. It is important to note that, although support will be provided to the ACHs, HCA remains the client for this contract. The Contractor and its staff are accountable to HCA for performance under this contract.

During this contract period, the HCA will seek Support Team input to identify ACHs whose projects require intensive support. Each sub-team must be ready to provide such support as needed, which may include dedicated on-site consultation and day-to-day strategic guidance.

Support activities include:

3.1. Provide ongoing, in-person support to ACHs as needed and as requested by the ACH, to maximize the likelihood of successful Project Plan applications. Support may range from basic (e.g., answering straightforward questions about the application process) to more involved (e.g., on-site consultation to ACHs and providers on the development of application documents), depending on the needs of the ACH.

3.1.1. Advise ACHs regarding provider network education and composition strategies.

3.1.2. Assist ACHs in understanding and responding to HCA expectations and instructions regarding DSRIP and the Project Plan Application Process.

3.1.3. Engage with ACHs as needed, but at least on a weekly basis, to provide support on readiness for their role in Medicaid Transformation and on work-in-progress toward Project Plan completion. The Contractor will review the progress of the ACH as it develops an application to ensure that it is of high quality and in accordance with DSRIP guidance issued by the state and the Independent Assessor (a Contractor to the state, responsible for evaluating and scoring Project Plan applications). The goal is to ensure the application is complete and has the maximum potential for success as it enters the scoring process.

3.1.4. Provide suggestions to ACHs to strengthen governance, decision making and provider partnerships related to Medicaid transformation initiatives. The Contractor will play a strictly supportive role, providing guidance during the Project Plan application phase, but will not have any involvement in funding or application approval.

3.1.5. Review periodically the effectiveness of project design efforts in leading to successful applications relative to stated DSRIP goals.

3.2. In addition to verbal updates at the weekly meetings referred to in Section 1.3, provide a monthly written report to HCA on the progress of Project Plan development, including accomplishments, challenges and risks, for each ACH.

3.3. Provide written notice to HCA program leadership within five business days of determining that an ACH is not making adequate progress toward completion of high-quality Project Plans and/or is not responsive to Support Team support or feedback, including a recommendation of necessary course corrections.

3.4. During the implementation of a given project, monitor key risk points on a weekly basis and report to HCA on the likelihood that corrective actions or other interventions will be needed.

It is estimated that the statewide resourcing requirements for Support Team activities will vary over the term of the contract. An estimated timeline for Project Plan development is as follows:

- Project toolkit approval by CMS: April-May 2017
- Project Plan template issued: May 31, 2017
- ACH project selection (from toolkit options): June-October 2017
- Project Plan application development by ACHs: June-October 2017
- Project Plan application review by Independent Assessor and state: October-November 2017
- Project initiation: January 2018

Please note that the actual workload may vary significantly depending on ACH needs. Bidders should describe how this variability will be addressed when formulating proposals.

4. Project Plan Application Guide

4.1. Develop a “How to” guide for Project Plan applications and budgets that ACHs can use to complete and submit their applications. The guide will assist ACHs in creating responsive and compelling applications and will enhance application submission efforts during the project development process.

4.2. Develop other tools and resources to help ACHs and partnering providers prepare Project Plan applications and begin project implementation. These tools may be developed as needed to assure the success of the Support Team’s scope of work, such as any tools that may be helpful in carrying out the deliverables listed on pages 4-7.

4.3. Design and conduct a webinar for the purpose of instructing ACHs in the use of the Project Plan "how to" guide and related funds flow guidance.

5. Value-Based Payment Support

The state has established value-based payment (VBP) goals consistent with the HCP-LAN *Alternative Payment Models* (APM) Framework[1] and federal Quality Payment Program guidance under the Medicare Access and CHIP Reauthorization Act (MACRA). These goals, and their relevance to ACHs, are described in the state's VBP Roadmap (http://www.hca.wa.gov/assets/program/vbp_roadmapw-ah.pdf). The Project Toolkit describes a process whereby HCA will facilitate the establishment of a Statewide Value-Based Payment Taskforce to assess and validate the level of VBP arrangements and provider readiness. ACHs will collaborate with the state in supporting the assessment of provider readiness for VBP, developing a regional VBP Transition Plan and identifying strategies to support the attainment of VBP targets.

5.1. Support the ACHs in their regional planning activities for value-based payment, as described in the Financial Sustainability section of the Project Toolkit.

5.1.1. Provide training and assistance for ACHs in assessing the status of regional providers with respect to participation in value-based purchasing arrangements.

5.1.2. Provide training for regional providers in value-based purchasing arrangements and approaches, including recommendations for appropriate tools and resources.

5.1.3. Assist ACHs in developing their Regional VBP Transition Plans, including a path towards VBP adoption that is reflective of current state of readiness and addresses the implementation strategies within the Transformation Project Toolkit (Domain 2 and Domain 3).

5.2. Support HCA in its development of updates and revisions to the state VBP Roadmap for Apple Health.

5.2.1. Provide recommendations to ensure that best practices and lessons learned through regional implementation of the Demonstration are leveraged and incorporated into the state's overall vision.

5.2.2. Advise HCA regarding the effective communication of VBP goals and components to those responsible for carrying out the responsibilities under the Demonstration, particularly ACHs and their constituents.

6. Public and Stakeholder Engagement

6.1. Support HCA in engaging the public and all affected stakeholders (including ACHs, Medicaid beneficiaries, physician groups, hospitals, MCOs, etc.) for the purpose of soliciting feedback and comments on the requirements of delivery system reform. Specific public and stakeholder engagement activities include:

6.1.1. Assisting HCA staff in preparing materials that describe the vision and details of the Demonstration and seeking comment and input on the various DSRIP protocols and applications.

6.2. Provide assistance in the design of learning collaborative sessions that facilitate the sharing of best practices and lessons learned across ACHs and their participating projects.

<u>NOTE: All tools developed as a result of this contract will revert to the possession of the HCA.</u>

[1] Available at https://hcp-lan.org/groups/apm-fpt/apm-framework/

1.3. MINIMUM QUALIFICATIONS

Minimum qualifications include:

A. Licensed to do business in the State of Washington or provide a commitment that it will become licensed in Washington within 30 calendar days of being selected as the Apparently Successful Bidder.

B. 15 years' experience providing support and organizational development in health care delivery system design and financing to a variety of clients including state and local governments, health care providers and community organizations.

C. Demonstrated experience with government health programs and requirements.

D. Demonstrated experience of the organization and/or staff assisting one or more states with their Section 1115 Medicaid demonstration waivers, including Delivery System Reform Incentive Payment (DSRIP) programs.

1.4. FUNDING (OPTIONAL)

HCA has budgeted an amount not to exceed 5 Million Dollars ($5,000,000) for this project. Proposals in excess of $5,000,000 will be considered non-responsive and will not be evaluated.

Any contract awarded as a result of this procurement is contingent upon the availability of funding.

1.5. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (OPTIONAL)

If the resulting contract is supported by federal funds, such contract may require compliance with the Federal Funding Accountability and Transparency Act (FFATA or the Transparency Act). The purpose of the Transparency Act is to make information available online so the public can see how federal funds are spent.

To comply with the act and be eligible to enter into this contract, the Apparently Successful Bidder's organization must have a Data Universal Numbering System (DUNS®) number. A DUNS® number provides a method to verify data about your organization. If the organization does not already have one, it may receive a DUNS® number free of charge by contacting Dun and Bradstreet at www.dnb.com.

The Apparently Successful Bidder may be required to complete a Federal Funding Accountability and Transparency Act (FFATA) Data Collection Form which must be returned with the signed contract. If applicable, the contract will not be executed until this form has been properly completed, executed, and received by the agency.

Required information about the contracting organization and this contract will be made available on USASpending.gov by the Washington State Health Care Authority as required by P.L. 109-282. As a tool to provide the information, HCA encourages registration with the Central Contractor Registry (CCR) because less data entry and re-entry is required on behalf of both HCA and the contracting organization. Registration can be done with CCR online at https://www.uscontractorregistration.com/.

1.6. PERIOD OF PERFORMANCE

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on or about April 3, 2017 and to end on December 31, 2017. Amendments extending the period of performance, if any, will be at the sole discretion of HCA.

HCA reserves the right to extend the contract for two 12-month periods.

1.7. CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Bidders should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

1.8. DEFINITIONS

Definitions for the purposes of this RFP include:

Apparently Successful Bidder (ASB) – The bidder selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

Bidder – Individual or company interested in the RFP that submits a proposal in order to attain a contract with the Health Care Authority.

Contractor – Individual or company whose proposal has been accepted by HCA and is awarded a fully executed, written contract.

HCA – The Health Care Authority is the agency of the state of Washington that is issuing this RFP.

Proposal – A formal offer submitted in response to this solicitation.

Request for Proposals (RFP) – Formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen. The purpose of an RFP is to permit the bidder community to suggest various approaches to meet the need at a given price.

1.9. ADA

HCA complies with the Americans with Disabilities Act (ADA). Bidders may contact the RFP Coordinator to receive this Request for Proposals in Braille or on tape.

2. GENERAL INFORMATION FOR BIDDERS

2.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact in HCA for this procurement. All communication between the Bidder and HCA upon release of this RFP must be with the RFP Coordinator, as follows:

Name	Gini Britton
E-Mail Address	contracts@hca.wa.gov
Phone Number	360-725-1843

Any other communication will be considered unofficial and non-binding on HCA. Bidders are to rely on written statements issued by the RFP Coordinator. Communication directed to parties other than the RFP Coordinator may result in disqualification of the Bidder.

2.2. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Issue Request for Proposals	January 17, 2017
Questions Due	January 20, 2017
Answers Posted	January 26, 2017
Proposals due	February 9, 2017 by 2:00 PM (PST)
Evaluate proposals	February 10-17, 2017
Conduct oral interviews with finalists, if required	February 21-22, 2017
Announce “Apparently Successful Bidder” and send notification via e-mail to unsuccessful Bidders	February 23, 2017
Negotiate contract	February 24 -March 31, 2017
Contracted services begin	April 3, 2017

HCA reserves the right to revise the above schedule.

2.3. SUBMISSION OF PROPOSALS

The proposal must be received by the RFP Coordinator no later than 2:00 p.m., Pacific Standard Time or Pacific Daylight Time, in Olympia, Washington, on February 9, 2017.

Proposals must be submitted electronically as an attachment to an e-mail to the RFP Coordinator at the e-mail address listed in Section 2.1. Attachments to e-mail should be in Microsoft Word format or PDF. Zipped files cannot be received by HCA and cannot be used for submission of proposals. The cover submittal letter and the Certifications and Assurances form must have a scanned signature of the individual

within the organization authorized to bind the Bidder to the offer. HCA does not assume responsibility for problems with Bidder's e-mail. If HCA e-mail is not working, appropriate allowances will be made.

Proposals may not be transmitted using facsimile transmission.

Bidders should allow sufficient time to ensure timely receipt of the proposal by the RFP Coordinator. Late proposals will not be accepted and will be automatically disqualified from further consideration, unless HCA e-mail is found to be at fault. All proposals and any accompanying documentation become the property of HCA and will not be returned.

2.4. PROPRIETARY INFORMATION / PUBLIC DISCLOSURE

Proposals submitted in response to this competitive procurement will become the property of HCA. All proposals received will remain confidential until the Apparently Successful Bidder is announced; thereafter, the proposals will be deemed public records as defined in chapter 42.56 of the Revised Code of Washington (RCW).

Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of chapter 42.56 RCW, or other state or federal law that provides for the nondisclosure of your document, must be clearly designated. The information must be clearly identified and the particular exemption from disclosure upon which the Bidder is making the claim must be cited. Each page containing the information claimed to be exempt from disclosure must be clearly identified by the words "Proprietary Information" printed on the lower right hand corner of the page. Marking the entire proposal exempt from disclosure or as Proprietary Information will not be honored.

If a public records request is made for the information that the Bidder has marked as "Proprietary Information," HCA will notify the Bidder of the request and of the date that the records will be released to the requester unless the Bidder obtains a court order enjoining that disclosure. If the Bidder fails to obtain the court order enjoining disclosure, HCA will release the requested information on the date specified. If a Bidder obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to chapter 42.56 RCW, or other state or federal law that provides for nondisclosure, HCA will maintain the confidentiality of the Bidder's information per the court order.

A charge will be made for copying and shipping, as outlined in RCW 42.56. No fee will be charged for inspection of contract files, but 24 hours' notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

2.5. REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be provided via e-mail to all individuals who have made the RFP Coordinator aware of their interest. Addenda will also be published on Washington's Electronic Bid System (WEBS). The website can be located at https://fortress.wa.gov/ga/webs/. For this purpose, the published questions and answers and any other pertinent information will be provided as an addendum to the RFP and will be placed on the website.

HCA also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.

2.6. DIVERSE BUSINESS INCLUSION PLAN

Responders will be required to submit a Diverse Business Inclusion Plan with their proposal. In accordance with legislative findings and policies set forth in RCW 39.19, the state of Washington encourages participation in all contracts by firms certified by the office of Minority and Women's Business Enterprises (OMWBE), set forth in RCW 43.60A.200 for firms certified by the Washington State Department of Veterans Affairs, and set forth in RCW 39.26.005 for firms that are Washington Small Businesses. Participation may be either on a direct basis or on a subcontractor basis. However, no preference on the basis of participation is included in the evaluation of Diverse Business Inclusion Plans submitted, and no minimum level of minority-and women-owned business enterprise (OMWBE), Washington Small Business, or Washington State certified Veteran Business participation is required as a condition for receiving an award. Any affirmative action requirements set forth in any federal Governmental Rules included or referenced in the contract documents will apply.

2.7. ACCEPTANCE PERIOD

Proposals must provide 120 days for acceptance by HCA from the due date for receipt of proposals.

2.8. COMPLAINT PROCESS

Vendors may submit a complaint to HCA based on any of the following:

A. The solicitation unnecessarily restricts competition;
B. The solicitation evaluation or scoring process is unfair; or
C. The solicitation requirements are inadequate or insufficient to prepare a response.

A complaint may be submitted to HCA at any time prior to five business days before the bid response deadline. The complaint must meet the following requirements:

A. The complaint must be in writing;
B. The complaint must be sent to the RFP Coordinator in a timely manner;
C. The complaint should clearly articulate the basis for the complaint; and
D. The complaint should include a proposed remedy.

The RFP Coordinator will respond to the complaint in writing. The response to the complaint and any changes to the solicitation will be posted on WEBS. The Director of HCA will be notified of all complaints and will be provided a copy of HCA's response. The complaint may not be raised again during the protest period. HCA's action or inaction in response to the complaint will be final. There will be no appeal process.

2.9. RESPONSIVENESS

All proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The Bidder is specifically notified that failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.

HCA also reserves the right at its sole discretion to waive minor administrative irregularities.

2.10. MOST FAVORABLE TERMS

HCA reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the Bidder can propose. HCA does reserve the right to contact a Bidder for clarification of its proposal.

HCA also reserves the right to use a Best and Final Offer (BAFO) before awarding any contract to further assist in determining the ASB(s).

The Apparently Successful Bidder should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. Contract negotiations may incorporate some, or all, of the Bidder's proposal. It is understood that the proposal will become a part of the official procurement file on this matter without obligation to HCA.

2.11. CONTRACT AND GENERAL TERMS & CONDITIONS

The Apparently Successful Bidder will be expected to enter into a contract which is substantially the same as the sample contract and its general terms and conditions attached as Exhibit C. In no event is a Bidder to submit its own standard contract terms and conditions in response to this solicitation. The Bidder may submit exceptions as allowed in the Certifications and Assurances form, Exhibit A to this solicitation. All exceptions to the contract terms and conditions must be submitted as an attachment to Exhibit A, Certifications and Assurances form. HCA will review requested exceptions and accept or reject the same at its sole discretion.

2.12. COSTS TO PROPOSE

HCA will not be liable for any costs incurred by the Bidder in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.

2.13. RECEIPT OF INSUFFICIENT NUMBER OF PROPOSALS

If HCA receives only one responsive proposal as a result of this PROCUREMENT, HCA reserves the right to either: 1) directly negotiate and contract with the Bidder; or 2) not award any contract at all. HCA may continue to have the bidder complete the entire PROCUREMENT. HCA is under no obligation to tell the Bidder if it is the only Bidder.

2.14. NO OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or HCA to contract for services specified herein.

2.15. REJECTION OF PROPOSALS

HCA reserves the right at its sole discretion to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.

2.16. COMMITMENT OF FUNDS

The Director of HCA or his/her delegate is the only individual who may legally commit HCA to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

2.17. ELECTRONIC PAYMENT

The state of Washington prefers to utilize electronic payment in its transactions. The Apparently Successful Bidder will be provided a form to complete with the contract to authorize such payment method.

2.18. INSURANCE COVERAGE

The Contractor is to furnish HCA with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The Contractor must, at its own expense, obtain and keep in force insurance coverage which will be maintained in full force and effect during the term of the contract. The Contractor must furnish evidence in the form of a Certificate of Insurance that insurance will be provided, and a copy must be forwarded to HCA within 15 days of the contract effective date.

A. Liability Insurance

1. Commercial General Liability Insurance: Contractor shall maintain commercial general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than $1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit must be at least twice the “each occurrence” limit. CGL insurance must have products-completed operations aggregate limit of at least two times the “each occurrence” limit. CGL insurance must be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance must cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insureds (cross liability) condition.

   Additionally, the Contractor is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

2. Business Auto Policy: As applicable, the Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than $1,000,000 per accident. Such insurance must cover liability arising out of “Any Auto.” Business auto coverage must be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

B. Employers Liability (“Stop Gap”) Insurance

In addition, the Contractor shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than $1,000,000 each accident for bodily injury by accident or $1,000,000 each employee for bodily injury by disease.

C. Additional Provisions

Above insurance policy must include the following provisions:

1. **Additional Insured.** The state of Washington, HCA, its elected and appointed officials, agents and employees must be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract must be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.

2. **Cancellation.** State of Washington, HCA, must be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer must give the state 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the state must be given ten days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The state must be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the state must be given ten days advance notice of cancellation.

3. **Identification.** Policy must reference the state's contract number and the Health Care Authority.

4. **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception must be reviewed and approved by the Health Care Authority Risk Manager, or the Risk Manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapter 48.15 RCW and 284-15 WAC.

5. **Excess Coverage.** By requiring insurance herein, the state does not represent that coverage and limits will be adequate to protect Contractor, and such coverage and limits will not limit Contractor's liability under the indemnities and reimbursements granted to the state in this Contract.

D. Workers' Compensation Coverage

The Contractor will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsive in any way for claims filed by the Contractor or their employees for services performed under the terms of this contract.

3. PROPOSAL CONTENTS

Proposals must be written in English and submitted electronically to the RFP Coordinator in the order noted below:

A. Letter of Submittal, including signed Certifications and Assurances (Exhibit A to this RFP)

B. Technical Proposal

C. Management Proposal

D. Cost Proposal

E. Diverse Business Inclusion Plan (Exhibit B to this RFP)

Proposals must provide information in the same order as presented in this document with the same headings. This will not only be helpful to the evaluators of the proposal, but should assist the Bidder in preparing a thorough response.

Items marked “mandatory” must be included as part of the proposal for the proposal to be considered responsive, however, these items are not scored. Items marked “scored” are those that are awarded points as part of the evaluation conducted by the evaluation team.

3.1. LETTER OF SUBMITTAL (MANDATORY)

The Letter of Submittal and the attached Certifications and Assurances form (Exhibit A to this RFP) must be signed and dated by a person authorized to legally bind the Bidder to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Bidder and any proposed subcontractors:

A. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

B. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

C. Legal status of the Bidder (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.

D. Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department of Revenue. If the Bidder does not have a UBI number, the Bidder must state that it will become licensed in Washington within 30 calendar days of being selected as the Apparently Successful Bidder.

E. Location of the facility from which the Bidder would operate.

F. Identify any state employees or former state employees employed or on the firm’s governing board as of the date of the proposal. Include their position and responsibilities within the Bidder’s organization. If following a review of this information, it is determined by HCA that a conflict of interest exists, the Bidder may be disqualified from further consideration for the award of a contract.

G. Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of RCW 42.56 must be clearly designated. The page must be identified and the particular exception from disclosure upon which the Bidder is making the claim must be listed. Each page claimed to be exempt from disclosure must be clearly identified by the word “Confidential” printed on the lower right hand corner of the page. In your Letter of Submittal, please list which pages and sections that have been marked “Confidential” and the particular exemption from disclosure upon which the Bidder is making the claim.

3.2. TECHNICAL PROPOSAL (SCORED) – Maximum 10 pages

The Technical Proposal must contain a comprehensive description of the Bidder’s approach to carrying out the work described in Section 1.2. Bidder’s proposal must include the following elements:

A. **Project Approach/Methodology –** Include a complete description of the Bidder’s proposed approach and methodology for the project. This section should convey Bidder’s understanding of the proposed project.

B. **Work Plan –** Include all project requirements and the proposed tasks, services, activities, etc. necessary to accomplish the scope of the project defined in this RFP. This section of the technical

proposal must contain sufficient detail to convey to members of the evaluation team the Bidder's knowledge of the subjects and skills necessary to successfully complete the project. Include any required involvement of HCA staff. The Bidder may also present any creative approaches that might be appropriate and may provide any pertinent supporting documentation. NOTE: Actual workload may vary significantly depending on ACH needs. Bidders should describe how this variable will be addressed when formulating the work plan.

C. **Project Schedule –** Include a project schedule indicating when the elements of the work will be completed. Project schedule must ensure that any deliverables requested are met.

D. **Outcomes and Performance Measurement** – Describe the impacts/outcomes the Bidder proposes to achieve as a result of the delivery of these services including how these outcomes would be monitored, measured, and reported to HCA.

E. **Risks** – The Bidder must identify potential risks that are considered significant to the success of the project. Include how the Bidder would propose to effectively monitor and manage these risks, including reporting of risks to the HCA contract manager.

F. **Deliverables** – Fully describe deliverables to be submitted under the proposed contract. Deliverables must support the requirements set forth in Section 1.2, Objectives and Scope of Work.

3.3. MANAGEMENT PROPOSAL– Maximum 10 pages

A. Project Management (SCORED)

1. **Project Team Structure/Internal Controls** – Provide a description of the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Provide an organizational chart of your firm indicating lines of authority for personnel involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Include who within the firm will have prime responsibility and final authority for the work.

2. **Staff Qualifications/Experience** – Identify staff, including subcontractors, who will be assigned to the potential contract, indicating the responsibilities and qualifications of such personnel, and include the amount of time each will be assigned to the project. Provide resumes for the named staff, which include information on the individual's particular skills related to this project, education, experience, significant accomplishments and any other pertinent information. Given that the type of support required by ACHs may vary in its complexity, describe your ability to flexibly deploy team members with the appropriate level of expertise to match ACH needs. The Bidder must commit that staff identified in its proposal will actually perform the assigned work. Any staff substitution must have the prior approval of HCA.

B. Experience of the Bidder (SCORED)

1. Indicate the experience the Bidder and any subcontractors have in the following areas associated with:

    a. Program/project design, development and evaluation

    b. Health care delivery system organization and financing

c. Value-based payment design and implementation

d. Government health programs including Medicaid

e. Community-based organization development and governance

f. Section 1115 waivers and DSRIP programs

2. Indicate other relevant experience that indicates the qualifications of the Bidder, and any subcontractors, for the performance of the potential contract.

3. Include a list of contracts the Bidder has had during the last five years that relate to the Bidder's ability to perform the services needed under this RFP. List contract reference numbers, contract period of performance, contact persons, telephone numbers, and fax numbers/e-mail addresses.

C. Related Information (MANDATORY)

1. If the Bidder or any subcontractor contracted with the state of Washington during the past 24 months, indicate the name of the agency, the contract number, and project description and/or other information available to identify the contract.

2. If the Bidder's staff or subcontractor's staff was an employee of the state of Washington during the past 24 months, or is currently a Washington State employee, identify the individual by name, the agency previously or currently employed by, job title or position held, and separation date.

3. If the Bidder has had a contract terminated for default in the last five years, describe such incident. Termination for default is defined as notice to stop performance due to the Bidder's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Bidder, or (b) litigated and such litigation determined that the Bidder was in default.

4. Submit full details of the terms for default including the other party's name, address, and phone number. Present the Bidder's position on the matter. HCA will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience. If no such termination for default has been experienced by the Bidder in the past five years, so indicate.

D. References (MANDATORY)

List names, addresses, telephone numbers, and fax numbers/e-mail addresses of three business references for the Bidder and three business references for the lead staff person for whom work has been accomplished and briefly describe the type of service provided. Do not include current HCA staff as references. By submitting a proposal in response to this RFP, the vendor and team members grant permission to HCA to contact these references and others, who from HCA's perspective, may have pertinent information. HCA may or may not, at HCA's discretion, contact references. HCA may evaluate references at HCA's discretion.

E. OMWBE Certification (OPTIONAL AND NOT SCORED)

Include proof of certification issued by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) if certified minority-owned firm and/or women-owned firm(s) will be participating on this project. For information: http://www.omwbe.wa.gov.

3.4. COST PROPOSAL

The maximum fee for this contract must be 5 Million Dollars ($5,000,000) or less to be considered responsive to this RFP.

The evaluation process is designed to award this procurement not necessarily to the Bidder of least cost, but rather to the Bidder whose proposal best meets the requirements of this RFP. However, Bidders are encouraged to submit proposals which are consistent with state government efforts to conserve state resources.

A. Identification of Costs (SCORED)

Identify all costs in U.S. dollars including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. The Bidder is to submit a fully detailed budget including staff costs and any expenses necessary to accomplish the tasks and to produce the deliverables under the contract except travel expenses. Bidders are required to collect and pay Washington state sales and use taxes, as applicable.

Costs for subcontractors are to be broken out separately. Please note if any subcontractors are certified by the Office of Minority and Women's Business Enterprises.

Travel expenses are unknown at this time. Any travel required will be reimbursed at current state rates. Please do not include travel expenses in your cost.

B. Computation

The score for the cost proposal will be computed by dividing the lowest cost bid received by the Bidder's total cost. Then the resultant number will be multiplied by the maximum possible points for the cost section.

4. EVALUATION AND CONTRACT AWARD

4.1. EVALUATION PROCEDURE

Responsive proposals will be evaluated strictly in accordance with the requirements stated in this solicitation and any addenda issued. The evaluation of proposals will be accomplished by an evaluation team(s), to be designated by HCA, which will determine the ranking of the proposals.

HCA, at its sole discretion, may elect to select the top-scoring firms as finalists for an oral presentation.

The RFP Coordinator may contact the Bidder for clarification of any portion of the Bidder's proposal.

4.2. EVALUATION WEIGHTING AND SCORING

The following weighting and points will be assigned to the proposal for evaluation purposes:

Technical Proposal – 50%		50 points
Project Approach/Methodology	20 points (maximum)	
Quality of Work Plan	20 points (maximum)	
Project Deliverables	10 points (maximum)	
Management Proposal – 40%		40 points
Project Team Structure and Internal Controls	10 points (maximum)	
Staff Qualifications/Experience	15 points (maximum)	
Experience of the Bidder	15 points (maximum)	
Cost Proposal – 10%		10 points
TOTAL		**100 POINTS**

HCA reserves the right to award the contract to the Bidder whose proposal is deemed to be in the best interest of HCA and the state of Washington.

4.3. ORAL PRESENTATIONS MAY BE REQUIRED

HCA may after evaluating the written proposals elect to schedule oral presentations of the finalists. Should oral presentations become necessary, HCA will contact the top-scoring firm(s) from the written evaluation to schedule a date, time, and location. Commitments made by the Bidder at the oral interview, if any, will be considered binding.

The scores from the written evaluation and the oral presentation combined together will determine the Apparently Successful Bidder.

4.4. SUBSTANTIALLY EQUIVALENT SCORES

Substantially equivalent scores are scores separated by two percent or less in total points. If multiple Proposals receive a Substantially Equivalent Score, HCA may leave the matter as scored, or select as the Apparently Successful Bidder the one Proposal that is deemed to be in HCA's best interest relative to the overall purpose and objective as stated in Sections 1.1 and 1.2 of this Procurement.

If applicable, HCA's best interest will be determined by HCA managers and executive officers, who have sole discretion over this determination. The basis for such determination will be communicated in writing to all Bidders with equivalent scores.

4.5. NOTIFICATION TO BIDDERS

HCA will notify the Apparently Successful Bidder of their selection in writing upon completion of the evaluation process. Individuals or firms whose proposals were not selected for further negotiation or award will be notified separately by e-mail.

4.6. DEBRIEFING OF UNSUCCESSFUL BIDDERS

Any Bidder who has submitted a proposal and been notified that they were not selected for contract award may request a debriefing. The request for a debriefing conference must be received by the RFP Coordinator no later than 5:00 p.m., local time, in Olympia, Washington, within three business days after the Unsuccessful Bidder Notification is e-mailed or faxed to the Bidder. The debriefing must be held within three business days of the request.

Discussion at the debriefing conference will be limited to the following:

A. Evaluation and scoring of the firm's proposal;

B. Critique of the proposal based on the evaluation; and

C. Review of Bidder's final score in comparison with other final scores without identifying the other firms.

Comparisons between proposals, or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour/thirty minutes.

4.7. PROTEST PROCEDURE

Protests may be made only by Bidders who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Bidder is allowed five business days to file a protest of the acquisition with the RFP Coordinator. Protests must be received by the RFP Coordinator no later than 4:30 p.m., local time, in Olympia, Washington on the fifth business day following the debriefing. Protests may be submitted by e-mail or by mail.

Bidders protesting this procurement must follow the procedures described below. Protests that do not follow these procedures will not be considered. This protest procedure constitutes the sole administrative remedy available to Bidders under this procurement.

All protests must be in writing, addressed to the RFP Coordinator, and signed by the protesting party or an authorized agent. The protest must state the RFP number, the grounds for the protest with specific facts, and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included.

Only protests stipulating an issue of fact concerning the following subjects will be considered:

A. A matter of bias, discrimination, or conflict of interest on the part of an evaluator;

B. Errors in computing the score; or

C. Non-compliance with procedures described in the procurement document or agency protest process or HCA requirements.

Protests not based on procedural matters will not be considered. Protests will be rejected as without merit if they address issues such as: 1) an evaluator's professional judgment on the quality of a proposal; or 2) HCA's assessment of its own and/or other agencies needs or requirements.

Upon receipt of a protest, a protest review will be held by HCA. The HCA Director, or an employee delegated by the Director who was not involved in the procurement, will consider the record and all available facts and issue a decision within five business days of receipt of the protest. If additional time is required, the protesting party will be notified of the delay.

In the event a protest may affect the interest of another Bidder that also submitted a proposal, such Bidder will be given an opportunity to submit its views and any relevant information on the protest to the RFP Coordinator.

The final determination of the protest will:

A. Find the protest lacking in merit and uphold HCA's action; or

B. Find only technical or harmless errors in HCA's acquisition process and determine HCA to be in substantial compliance and reject the protest; or

C. Find merit in the protest and provide HCA options which may include:

   a. Correct the errors and re-evaluate all proposals; or

   b. Reissue the solicitation document and begin a new process; or

   c. Make other findings and determine other courses of action as appropriate.

If HCA determines that the protest is without merit, HCA will enter into a contract with the Apparently Successful Bidder. If the protest is determined to have merit, one of the alternatives noted in the preceding paragraph will be taken.

5. RFP EXHIBITS

Exhibit A	Certifications and Assurances
Exhibit B	Diverse Business Inclusion Plan
Exhibit C	Service Contract Format including General Terms and Conditions (GT&Cs)

EXHIBIT A

CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:

1. I/we declare that all answers and statements made in the proposal are true and correct.

2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.

3. The attached proposal is a firm offer for a period of 120 days following receipt, and it may be accepted by HCA without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120-day period.

4. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.

5. I/we understand that HCA will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of HCA, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.

6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by him/her prior to opening, directly or indirectly, to any other Bidder or to any competitor.

7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.

8. No attempt has been made or will be made by the Bidder to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

9. I/we grant HCA the right to contact references and other, who may have pertinent information regarding the ability of the Bidder and the lead staff person to perform the services contemplated by this RFP.

10. If any staff member(s) who will perform work on this contract has retired from the State of Washington under the provisions of the 2008 Early Retirement Factors legislation, his/her name(s) is noted on a separately attached page.

We (circle one) **are / are not** submitting proposed Contract exceptions. (See Section 2.12, Contract and General Terms and Conditions.) If Contract exceptions are being submitted, I/we have attached them to this form.

On behalf of the Bidder submitting this proposal, my name below attests to the accuracy of the above statement. *If electronic, also include*: We are submitting a scanned signature of this form with our proposal.

_____
Signature of Bidder

_____
Title Date

Exhibit B

DIVERSE BUSINESS INCLUSION PLAN

Do you anticipate using, or is your firm, a State Certified Minority Business?	Y/N
Do you anticipate using, or is your firm, a State Certified Women's Business?	Y/N
Do you anticipate using, or is your firm, a State Certified Veteran Business?	Y/N
Do you anticipate using, or is your firm, a Washington State Small Business?	Y/N

If you answered No to all of the questions above, please explain:

_____

Please list the approximate percentage of work to be accomplished by each group:

Minority __%

Women __%

Veteran __%

Small Business __%

Please identify the person in your organization to manage your Diverse Inclusion Plan responsibility.

Name: _____

Phone: _____

E-Mail: _____

Exhibit C

Washington State Health Care Authority	**PROFESSIONAL SERVICES CONTRACT for** *[subject of contract]*	HCA Contract Number: **KXXXX** Resulting from Solicitation Number (If applicable: Contractor/Vendor Contract Number:

THIS AGREEMENT is made by and between Washington State Health Care Authority, hereinafter referred to as "HCA," and the party whose name appears below, hereinafter referred to as the "Contractor."

CONTRACTOR NAME		CONTRACTOR DOING BUSINESS AS (DBA)		
CONTRACTOR ADDRESS	STREET	CITY	STATE	ZIP CODE
CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR E-MAIL ADDRESS		

IS CONTRACTOR A SUBRECIPIENT UNDER THIS CONTRACT? ☐YES ☐NO	CFDA NUMBER(S): 93.778;	FFATA Form Required ☐YES ☐NO

HCA PROGRAM	HCA DIVISION/SECTION
HCA CONTACT NAME AND TITLE	HCA CONTACT ADDRESS Health Care Authority PO Box ____ (Street Address: 626 8th Avenue SE) Olympia, WA 98504-____
HCA CONTACT TELEPHONE (360) 725-	HCA CONTACT E-MAIL ADDRESS

CONTRACT START DATE	**CONTRACT END DATE**	**TOTAL MAXIMUM CONTRACT AMOUNT**
PURPOSE OF CONTRACT:		

The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below warrant that they have read and understand this Contract, and have authority to execute this Contract. This Contract will be binding on HCA only upon signature by HCA.

CONTRACTOR SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED
HCA SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED

TABLE OF CONTENTS

1. STATEMENT OF WORK (SOW) 30

2. DEFINITIONS 30

3. SPECIAL TERMS AND CONDITIONS 32
   - 3.1 PERFORMANCE EXPECTATIONS (Optional) 32
   - 3.2 TERM 33
   - 3.3 DES FILING REQUIREMENT 33
   - 3.4 ON-SITE CONTRACTOR ORIENTATION 33
   - 3.5 ON-SITE CONTRACTOR'S WORK SPACE 33
   - 3.6 COMPENSATION 34
   - 3.7 INVOICE AND PAYMENT 35
   - 3.8 CONTRACTOR and HCA CONTRACT MANAGERS 36
   - 3.9 KEY STAFF (Optional) 36
   - 3.10 LEGAL NOTICES 37
   - 3.11 INCORPORATION OF DOCUMENTS AND ORDER OF PRECEDENCE 37
   - 3.12 INSURANCE 38

4. GENERAL TERMS AND CONDITIONS 39
   - 4.1 ACCESS TO DATA 39
   - 4.2 ADVANCE PAYMENT PROHIBITED 39
   - 4.3 ASSIGNMENT 39
   - 4.4 ATTORNEYS' FEES 39
   - 4.5 CHANGE IN STATUS 39
   - 4.6 CONFIDENTIAL INFORMATION PROTECTION 39
   - 4.7 CONFIDENTIAL INFORMATION SECURITY 40
   - 4.8 CONFIDENTIAL INFORMATION BREACH – REQUIRED NOTIFICATION 40
   - 4.9 CONTRACTOR'S PROPRIETARY INFORMATION 40
   - 4.10 COVENANT AGAINST CONTINGENT FEES 41
   - 4.11 DEBARMENT 41
   - 4.12 DISPUTES 41
   - 4.13 FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY ACT (FFATA) 42
   - 4.14 FORCE MAJEURE 42
   - 4.15 FUNDING WITHDRAWN, REDUCED OR LIMITED 42
   - 4.16 GOVERNING LAW 43
   - 4.17 HCA NETWORK SECURITY 43
   - 4.18 INDEMNIFICATION 43
   - 4.19 INDEPENDENT CAPACITY OF THE CONTRACTOR 43
   - 4.20 INDUSTRIAL INSURANCE COVERAGE 44
   - 4.21 LEGAL AND REGULATORY COMPLIANCE 44

4.22 LIMITATION OF AUTHORITY 44
4.23 NO THIRD-PARTY BENEFICIARIES 44
4.24 NONDISCRIMINATION 44
4.25 OVERPAYMENTS TO CONTRACTOR 44
4.26 PUBLICITY 45
4.27 RECORDS AND DOCUMENTS REVIEW 45
4.28 REMEDIES NON-EXCLUSIVE 45
4.29 RIGHT OF INSPECTION 45
4.30 RIGHTS IN DATA/OWNERSHIP 45
4.31 RIGHTS OF STATE AND FEDERAL GOVERNMENTS 46
4.32 SEVERABILITY 47
4.33 SITE SECURITY 47
4.34 SUBCONTRACTING 47
4.35 SUBRECIPIENT 47
4.36 SURVIVAL 49
4.37 TAXES 49
4.38 TERMINATION 49
4.39 TERMINATION PROCEDURES 50
4.40 WAIVER 51

Attachments

Attachment 1: Confidential Information Security Requirements *(if applicable)*

Attachment 2: Federal Compliance, Certifications and Assurances *(if applicable)*

Attachment 3: Federal Funding Accountability and Transparancy Act Data Collection Form *(if applicable)*

Schedules

Schedule A: Statement of Work (SOW) _____ Services

Exhibits

Exhibit A: HCA RFx _____ for _____ Services
Exhibit B: *[Bidder Name]* Response to HCA RFP _____

***Note**: Exhibits A and B are not attached but are available upon request from the HCA Contract Administrator.*

Contract #KXXXX for

_____ Services

Use the following Recitals to establish context for competitively awarded contracts.

Recitals

The state of Washington, acting by and through the Health Care Authority (HCA), issued a Request for Proposals/Qualifications and Quotation (RFP or RFQQ) dated _____, (Exhibit A) for the purpose of purchasing *[describe services being purchased]* Services in accordance with its authority under chapters 39.26 and 41.05 RCW.

[Contractor Name] submitted a timely Response to HCA's RFX #XXXX (Exhibit B).

HCA evaluated all properly submitted Responses to the above-referenced RFx and has identified *[Contractor Name]* as the Apparently Successful Bidder.

HCA has determined that entering into a Contract with *[Contractor Name]* will meet HCA's needs and will be in the State's best interest.

NOW THEREFORE, HCA awards to *[Contractor Name]* this Contract, the terms and conditions of which will govern Contractor's providing to HCA the *[describe services being purchased – purpose of contract]* Services.

- OR -

Use the following Recitals to establish context for a sole source contract.

Recitals

The Washington State Health Care Authority (HCA) posted a Notice of Intent to award a Sole Source Contract to *[Contractor Name]* on the Washington Electronic Business Solution (WEBS) website from *[date to date]* and also posted the [Notice or proposed Sole Source Contract] on the HCA website from *[date to date]*.

HCA also filed the proposed Sole Source Contract and required documentation in the Sole Source Contact Database on *[date]*, which was ten (10) or more working days prior to the Contract start date. The Department of Enterprise Services (DES) reviewed and approved the filing on *[date].*

NOW THEREFORE, HCA and *[Contractor Name]* enter into this Contract, the terms and conditions of which will govern Contractor's providing to HCA the *[describe services being purchased – purpose of contract]* Services.

IN CONSIDERATION of the mutual promises as set forth in this Contract, the parties agree as follows:

1. STATEMENT OF WORK (SOW)

The Contractor will provide the services and staff as described in Schedule A: *Statement of Work*.

2. DEFINITIONS

(Definitions should always be checked after the rest of the Contract is drafted to ensure that pertinent terms are included and to delete the terms below that are not used in the final Contract.)

"Authorized Representative" means a person to whom signature authority has been delegated in writing acting within the limits of his/her authority.

"Breach" means the unauthorized acquisition, access, use, or disclosure of Confidential Information that compromises the security, confidentiality, or integrity of the Confidential Information.

"Business Associate" is as defined in 45 CFR, Part 160.103 and includes any entity that performs or assists in performing a function or activity (e.g., claims processing or administration, data analysis, processing or administration, utilization review, quality assurance, patient safety activities, billing, benefit management, practice management, and repricing; or legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services) for or on behalf of HCA involving the use/disclosure of Protected Health Information (PHI). Any reference to Business Associate in this Contract includes Business Associate's employees, agents, officers, Subcontractors, third party contractors, volunteers, or directors.

"Business Days and Hours" means Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington.

"Centers for Medicare and Medicaid Services" or **"CMS"** means the federal office under the Secretary of the United States Department of Health and Human Services, responsible for the Medicare and Medicaid programs.

"CFR" means the Code of Federal Regulations. All references in this Contract to CFR chapters or sections include any successor, amended, or replacement regulation. The CFR may be accessed at http://www.ecfr.gov/cgi-bin/ECFR?page=browse

"Confidential Information" means information that may be exempt from disclosure to the public or other unauthorized persons under chapter 42.56 RCW or chapter 70.02 RCW or other state or federal statutes. Confidential Information includes, but is not limited to, any information identifiable to an individual that relates to a natural person's health, finances, education, business, use or receipt of governmental services, names, addresses, telephone numbers, social security numbers, driver license numbers, financial profiles, credit card numbers, financial identifiers and any other identifying numbers, law enforcement records, HCA source code or object code, or HCA or State security information.

"Contract" means this Contract document, all schedules, exhibits, attachments, and amendments.

"**Contractor"** means any firm, provider, organization, individual or other entity performing services under this Contract. It includes any Subcontractor retained by the prime contractor as permitted under the terms of this Contract.

"Covered entity" means a health plan, a health care clearinghouse or a health care provider who transmits any health information in electronic form to carry out financial or administrative activities related to health care

"Data" means information produced, furnished, acquired, or used by Contractor in meeting requirements under this Contract.

"Effective Date" means the first date this Contract is in full force and effect. It may be a specific date agreed to by the parties; or, if not so specified, the date of the last signature of a party to this Contract.

"Electronic Protected Health Information" or **"ePHI"** means Protected Health Information that is transmitted by electronic media or maintained in any medium described in the definition of electronic media at 45 CFR 160.103.

"Equipment" means an article of non-expendable, tangible property having a useful life of more than one year and an acquisition cost of $5,000 or more.

"HCA Contract Manager" means the individual identified on the cover page of this Contract who will provide oversight of the Contractor's activities conducted under this Contract.

"Health Care Authority" or **"HCA"** means the Washington State Health Care Authority, any division, section, office, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

"Proprietary Information" means information owned by Contractor to which Contractor claims a protectable interest under law. Proprietary Information includes, but is not limited to, information protected by copyright, patent, trademark, or trade secret laws.

"**Protected Health Information**" or **"PHI"** means any information about health status, provision of health care, or payment for health care that is created or collected by a Covered Entity (or a Business Associate of a Covered Entity), and can be linked to a specific individual. PHI includes demographic information that identifies the individual or about which there is reasonable basis to believe, can be used to identify the individual. 45 CFR 160.103 PHI is information transmitted, maintained, or stored in any form or medium. 45 CFR 164.501 PHI does not include education records covered by the Family Educational Right and Privacy Act, as amended, 20 USC 1232g(a)(4)(b)(iv).

"Response" means Contractor's Response to HCA's RFx -### for _____ Services and is Exhibit B hereto.

"RCW" means the Revised Code of Washington. All references in this Contract to RCW chapters or sections include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at: http://apps.leg.wa.gov/rcw/.

Use the appropriate type of procurement, e.g., RFQQ , etc.

"RFP" means the Request for Proposals used as the solicitation document to establish this Contract, including all its amendments and modifications and is Exhibit A hereto.

"Statement of Work" or **"SOW"** means a detailed description of the work activities the Contractor is required to perform under the terms and conditions of this Contract, including the deliverables and timeline, and is Schedule A hereto.

"Subcontractor" means one not in the employment of Contractor, who is performing all or part of the business activities under this Contract under a separate contract with Contractor. The term "Subcontractor" means subcontractor(s) of any tier.

"Subrecipient" means a contractor operating a federal or state assistance program receiving federal funds and having the authority to determine both the services rendered and disposition of program. See OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for additional detail.

"USC" means the United States Code. All references in this Contract to USC chapters or sections shall include any successor, amended, or replacement statute. The USC may be accessed at http://uscode.house.gov/

"WAC" means the Washington Administrative Code. All references to WAC chapters or sections will include any successor, amended, or replacement regulation. Pertinent WACs may be accessed at: http://app.leg.wa.gov/wac/.

3. SPECIAL TERMS AND CONDITIONS

3.1. PERFORMANCE EXPECTATIONS *(OPTIONAL)*

Expected performance under this Contract includes, but is not limited to, the following:

[Examples – add or delete as appropriate]

a. Knowledge of applicable state and federal laws and regulations pertaining to subject of contract;
b. Use of professional judgment;
c. Collaboration with HCA staff in Contractor's conduct of the services;
d. Conformance with HCA directions regarding the delivery of the services;
e. Timely, accurate and informed communications;
f. Regular completion and updating of project plans, reports, documentation and communications;
g. Regular, punctual attendance at all meetings;
h. Provision of high quality services; and
i. Cooperation with and support of the State during whatever pertinent.

Prior to payment of invoices, HCA will review and evaluate the performance of Contractor in accordance with Contract and these performance expectations and may withhold payment if expectations are not met or Contractor's performance is unsatisfactory.

3.2. TERM

3.2.1. The initial term of the Contract will commence on _____, or date of last signature, whichever is later, and continue through _____, unless terminated sooner as provided herein.

3.2.2. This Contract may be extended through _____in whatever time increments HCA deems appropriate. No change in terms and conditions will be permitted during these extensions unless specifically agreed to in writing.

3.2.3. Work performed without a contract or amendment signed by the authorized representatives of both parties will be at the sole risk of the Contractor. HCA will not pay, any costs incurred before a contract or any subsequent amendment(s) is fully executed.

3.3. DES FILING REQUIREMENT

Use only if DES Sole source (contracts over $10,000) 10-Day filing is required

The provisions of Chapter 39.26 RCW require HCA to file this sole source Contract and any amendments to this Contract with the Department of Enterprise Services (DES) for approval. No filed contract or amendment is effective, nor shall work commence under it, until the tenth (10th) working day following the date of filing and subject to DES approval.

3.4. ON-SITE CONTRACTOR ORIENTATION

3.4.1. Contractors who will be working on site at HCA must attend a Contractor Orientation within 30 days of commencing work at HCA, and must abide by all applicable policies and procedures provided at orientation.

3.4.2. Contractors who will be working on site will be assigned an identification card to access the building and will be granted use of one of the available Contractor Lounges. (Note: See Section 3.5 On-Site Contractor's Work Space below if Contract will be assigned an HCA work space.)

3.4.3. If the Contractor violates any applicable policy or procedure while providing services under this Contract, or when it is in the best interests of the state, HCA may terminate the Contractor's access to the Contractor Lounge or the Contractor's workstation, as applicable, upon thirty days' written notice

3.5. ON-SITE CONTRACTOR'S WORK SPACE

[Use only if applicable. NOTE: Prior approval from the Chief Legal Officer is required before a Contractor can have a workstation. See Administrative Policy 8-03]

If the Contractor is being assigned one or more workstations at HCA, the following additional provisions will apply.

3.5.1. HCA will assign the Contractor _#___ workstation(s) and assess a workstation fee of $_____ per month per workstation.

3.5.2. The Contractor must deduct the workstation fee as a separate line item from the amount due on its monthly invoices to HCA. If the Contractor has performed no billable work during a month, the Contractor will still be obligated to credit HCA the workstation fee for that month on its next invoice. If the Contractor has multiple contracts with HCA, the parties will agree and document which Contract will be assessed the workstation fee.

3.5.3. HCA will prorate the monthly workstation fee if work begins or ends in the middle of the month. The fee will be divided by the number of days in the month, then multiplied by the number of days the contract was in effect.

3.5.4. If the Contractor fails to credit a monthly workstation fee to HCA, the parties specifically agree that HCA will deduct the workstation fee from the invoiced amount and authorize the corrected invoice for payment.

3.6. COMPENSATION

3.6.1. The Maximum Compensation payable to Contractor for the performance of all things necessary for or incidental to the performance of work as set forth in Schedule A: Statement of Work is $_____, and includes any allowable expenses.

3.6.2. Contractor's compensation for services rendered will be based on the following rates or in accordance with the following terms.

[Note: List detail compensation to be paid, e.g. hourly rates, number of hours per task, unit prices, cost per task, cost per deliverable, etc. Or reference documents that specify Contractor's compensation and payment, e.g. Contractors' compensation for services rendered will be based on the schedule set forth in Schedule A: Statement of Work. After you select the appropriate language delete the red text from the final Contract.]

3.6.3. Day-to-day expenses related to performance under the Contract, including but not limited to, travel, lodging, meals, incidentals will not be reimbursed to Contractor. If Contractor is required by HCA to travel, any such travel must be authorized in writing by the HCA *[position title]* and reimbursement will be at rates not to exceed the then-current rules, regulations, and guidelines for State employees published by the Washington State Office of Financial Management set forth in the Washington State Administrative and Accounting Manual (http://www.ofm.wa.gov/policy/10.htm) and not to exceed expenses actually incurred.

To receive reimbursement, Contractor must provide a detailed breakdown of authorized expenses and receipts for any expenses of $50 or more.

(If Applicable, please ensure that Attachment 2: Federal Compliance, Certification and Assurances is attached. If no federal funds, remove the below paragraph discussing federal funds and remove this "red" text from the final contract.)

3.6.4. Federal funds disbursed through this Contract were received by HCA through OMB Catalogue of Federal Domestic Assistance (CFDA) Number: [Enter CFDA#], [Enter Federal Program Name], [Enter Grant Award#], [Enter Grant Award Name]. Contractor agrees to comply with applicable rules and regulations associated with these federal funds and has signed Attachment 2: *Federal Compliance, Certification and Assurances*, attached.

3.7. INVOICE AND PAYMENT

3.7.1. Contractor must submit accurate invoices to the following address for all amounts to be paid by HCA:

Health Care Authority
Administrative Accounting
Attention: Accounts Payable
Post Office Box 42691
Olympia, WA 98504-2691

3.7.2. If submitting the invoice via e-mail, send invoices to: Acctspay@hca.wa.gov. Include the HCA Contract number in the subject line of the email.

3.7.3. All invoices will be reviewed and must be approved by the Contract Manager or his/her designee prior to payment.

3.7.4. Contractor must submit properly itemized invoices to include the following information, as applicable:

a) HCA Contract number *[Enter HCA Contract #]*;
b) Contractor name, address, phone number;
c) Description of Services;
d) Date(s) of delivery;
e) Net invoice price for each item;
f) Applicable taxes;
g) Total invoice price; and
h) Payment terms and any available prompt payment discount.

3.7.5. HCA will return incorrect or incomplete invoices, to the Contractor for correction and reissue. The Contract Number must appear on all invoices, bills of lading, packages, and correspondence relating to this Contract.

3.7.6. Invoices must describe and document to HCA's satisfaction, a description of the work performed; the progress of the project; and fees. If expenses are invoiced, invoices must provide a detailed breakdown of each type. Any single expense in the amount of $50.00 or more must be accompanied by a receipt in order to receive reimbursement.

3.7.7. Payment will be considered timely if made by HCA within thirty (30) days of receipt of properly completed invoices. Payment will be sent to the address

designated by the Contractor. (Note: Failure to submit a properly completed IRS form W-9 may result in delayed payments.)

3.7.8. Upon expiration of the Contract, any claims for payment for costs due and payable under this Contract that are incurred prior to the expiration date must be submitted by the Contractor to HCA within sixty (60) days after the Contract expiration date. Belated claims will be paid at the discretion of the HCA and are contingent upon the availability of funds.

3.8. CONTRACTOR AND HCA CONTRACT MANAGERS

3.8.1. Contractor's Contract Manager will have prime responsibility and final authority for the services provided under this Contract and be the principal point of contact for the HCA Contract Manager for all business matters, performance matters, and administrative activities.

3.8.2. HCA's Contract Manager is responsible for monitoring the Contractor's performance and will be the contact person for all communications regarding contract performance and deliverables. The HCA Contract Manager has the authority to accept or reject the services provided and must approve Contractor's invoices prior to payment.

3.8.3. The contact information provided below may be changed by written notice of the change (email acceptable) to the other party.

CONTRACTOR Contract Manager Information		**Health Care Authority Contract Manager Information**	
Name:		*Name:*	
Title:		*Title:*	
Address:		*Address:*	
Phone:		*Phone:*	
Email:		*Email:*	

3.9. KEY STAFF *(OPTIONAL)*

3.9.1. Except in the case of a legally required leave of absence, sickness, death, termination of employment or unpaid leave of absence, Key Staff must not be changed during the term of the Statement of Work (SOW) from the people who were described in the Response for the first SOW or those Key Staff initially assigned to subsequent SOWs, without the prior written approval of HCA until completion of their assigned tasks.

3.9.2. During the term of the Statement of Work (SOW), HCA reserves the right to approve or disapprove Contractor's Key Staff assigned to this Contract, to approve or disapprove any proposed changes in Contractor's Key Staff, or to require the removal or reassignment of any Contractor staff found unacceptable by HCA, subject to HCA's compliance with applicable laws and

regulations. Contractor must provide a resume to HCA of any replacement Key Staff and all staff proposed by Contractor as replacements for other staff must have comparable or greater skills for performing the activities as performed by the staff being replaced.

3.10. LEGAL NOTICES

Any notice or demand or other communication required or permitted to be given under this Contract or applicable law is effective only if it is in writing and signed by the applicable party, properly addressed, and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, postage prepaid certified mail, return receipt requested, to the parties at the addresses provided in this section.

3.10.1. In the case of notice to the Contractor:

[Contractor Contact Information]

3.10.2. In the case of notice to HCA:

Attention: Contract Administrator
Health Care Authority
Division of Legal Services
Post Office Box 42702
Olympia, WA 98504-2702

3.10.3. Notices are effective upon receipt or four (4) Business Days after mailing, whichever is earlier.

3.10.4. The notice address and information provided above may be changed by written notice of the change given as provided above.

3.11. INCORPORATION OF DOCUMENTS AND ORDER OF PRECEDENCE

Each of the documents listed below is by this reference incorporated into this Contract. In the event of an inconsistency, the inconsistency will be resolved in the following order of precedence:

a) Applicable Federal and State of Washington statutes and regulations;
b) Business Associate Agreement, HCA Contract No. K0000 *(if applicable, otherwise delete)*
c) Special Terms and Conditions;
d) General Terms and Conditions;
e) Attachment 1: *Confidential Information Security Requirements (if applicable, otherwise delete)*
f) Attachment 2: *Federal Compliance, Certifications and Assurances (if applicable, otherwise delete)*
g) Attachment 3: *Federal Funding Accountability and Transparancy Act Data Collection Form (if applicable, otherwise delete)*
h) Schedule A: *Statement of Work*;
i) Exhibit A: *HCA RFP -### for* _____ *Services*, dated _____;

j) Exhibit B: *Contractor's Response* dated _____;

k) Any other provision, term or material incorporated herein by reference or otherwise incorporated.

3.12. INSURANCE

Contractor must provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of Contractor or Subcontractor, or agents of either, while performing under the terms of this Contract. Contractor must provide insurance coverage that is maintained in full force and effect during the term of this Contract, as follows:

3.12.1. Commercial General Liability Insurance Policy - Provide a Commercial General Liability Insurance Policy, including contractual liability, in adequate quantity to protect against legal liability arising out of contract activity but no less than $1 million per occurrence/$2 million general aggregate. Additionally, Contractor is responsible for ensuring that any Subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

3.12.2. Business Automobile Liability. In the event that services delivered pursuant to this Contract involve the use of vehicles, either owned, hired, or non-owned by the Contractor, automobile liability insurance is required covering the risks of bodily injury (including death) and property damage, including coverage for contractual liability. The minimum limit for automobile liability is $1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.

3.12.3. Professional Liability Errors and Omissions – Provide a policy with coverage of not less than $1 million per claim/$2 million general aggregate.

3.12.4. The insurance required must be issued by an insurance company/ies authorized to do business within the state of Washington, and must name HCA and the state of Washington, its agents and employees as additional insured's under the insurance policy/ies. All policies must be primary to any other valid and collectable insurance. In the event of cancellation, non-renewal, revocation or other termination of any insurance coverage required by this Contract, Contractor must provide written notice of such to HCA within one (1) Business Day of Contractor's receipt of such notice. Failure to buy and maintain the required insurance may, at HCA's sole option, result in this Contract's termination.

Upon request, Contractor must submit to HCA, a certificate of insurance that outlines the coverage and limits defined in the Insurance section. If a certificate of insurance is requested, Contractor must submit renewal certificates as appropriate during the term of the contract.

4. GENERAL TERMS AND CONDITIONS

4.1. ACCESS TO DATA

In compliance with RCW 39.26.180 (2) and federal rules, the Contractor must provide access to any data generated under this Contract to HCA, the Joint Legislative Audit and Review Committee, the State Auditor, and any other state or federal officials so authorized by law, rule, regulation, or agreement at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the Contractor's reports, including computer models and methodology for those models.

4.2. ADVANCE PAYMENT PROHIBITED

No advance payment will be made for services furnished by the Contractor pursuant to this Contract.

4.3. ASSIGNMENT

Contractor may not assign or transfer this Contract or any of its rights hereunder, or delegate any of its duties hereunder, except delegations as set forth in Section 4.34, *Subcontracting*, without the prior written consent of HCA, and any permitted assignment will not operate to relieve Contractor of any of its duties and obligations hereunder, nor will such assignment affect any remedies available to HCA that may arise from any breach of the provisions of this Contract or warranties made herein including but not limited to, rights of setoff. HCA may assign this Contract to any public agency, commission, board, or the like, within the political boundaries of the State of Washington. Any attempted assignment, transfer or delegation in contravention of this Section of the Contract will be null and void. This Contract will inure to the benefit of and be binding on the parties hereto and their permitted successors and assigns.

4.4. ATTORNEYS' FEES

In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorneys' fees and costs.

4.5. CHANGE IN STATUS

In the event of substantive change in the legal status, organizational structure, or fiscal reporting responsibility of the Contractor, Contractor agrees to notify the HCA of the change. Contractor must provide notice as soon as practicable, but no later than thirty days after such a change takes effect.

4.6. CONFIDENTIAL INFORMATION PROTECTION

4.6.1. Contractor acknowledges that some of the material and information that may come into its possession or knowledge in connection with this Contract or its performance may consist of Confidential Information. Contractor agrees to hold Confidential Information in strictest confidence and not to make use of Confidential Information for any purpose other than the performance of this Contract, to release it only to authorized employees or Subcontractors requiring such information for the purposes of carrying out this Contract, and not to release, divulge, publish, transfer, sell, disclose, or otherwise make the information known to any other party without HCA's express written consent or as provided by law. Contractor agrees to implement physical, electronic, and

managerial safeguards to prevent unauthorized access to Confidential Information. (See Attachment 1: *Confidential Information Security Requirements*)

4.6.2. Contractors that may come into contact with Protected Health Information will be required to enter into a Business Associate Agreement with HCA in compliance with the requirements of the Health Insurance Portability and Accountability Act of 1996, Pub. L. 104-191, as modified by the American Recovery and Reinvestment Act of 2009 ("ARRA"), Sec. 13400 – 13424, H.R. 1 (2009) (HITECH Act) (HIPAA).

4.6.3. HCA reserves the right to monitor, audit, or investigate the use of Confidential Information collected, used, or acquired by Contractor through this Contract. Violation of this section by Contractor or its Subcontractors may result in termination of this Contract and demand for return of all Confidential Information, monetary damages, or penalties.

4.6.4. The obligations set forth in this Section will survive completion, cancellation, expiration, or termination of this Contract.

4.7. CONFIDENTIAL INFORMATION SECURITY

[Use if applicable]

The federal government, the Centers for Medicare and Medicaid Services (CMS), and the State of Washington all maintain security requirements regarding privacy, data access, and other areas. Contractor is required to comply with the Confidential Information Security Requirements set out in Attachment 1 to this Contract and appropriate portions of the Washington OCIO Security Standard, 141.10 (https://ocio.wa.gov/policies/141-securing-information-technology-assets/14110-securing-information-technology-assets).

4.8. CONFIDENTIAL INFORMATION BREACH – REQUIRED NOTIFICATION

4.8.1. Upon a Breach or suspected Breach of Confidential Information, the Contractor must immediately notify the HCA Privacy Officer (HCAPrivacyOfficer@hca.wa.gov). For the purposes of this Contract, "immediately "means within one calendar day.

4.8.2. The Contractor will take steps necessary to mitigate any known harmful effects of such unauthorized access including, but not limited to, sanctioning employees, notifying subjects, and taking steps necessary to stop further unauthorized access. The Contractor agrees to indemnify and hold harmless HCA for any damages related to unauthorized use or disclosure of Confidential Information by the Contractor, its officers, directors, employees, Subcontractors or agents.

4.8.3. Any breach of this clause may result in termination of the Contract and the demand for return of all Confidential Information.

4.9. CONTRACTOR'S PROPRIETARY INFORMATION

Contractor acknowledges that HCA is subject to chapter 42.56 RCW, the Public Records Act, and that this Contract will be a public record as defined in chapter 42.56 RCW. Any

specific information that is claimed by Contractor to be Proprietary Information must be clearly identified as such by Contractor. To the extent consistent with chapter 42.56 RCW, HCA will maintain the confidentiality of Contractor's information in its possession that is marked Proprietary. If a public disclosure request is made to view Contractor's Proprietary Information, HCA will notify Contractor of the request and of the date that such records will be released to the requester unless Contractor obtains a court order from a court of competent jurisdiction enjoining that disclosure. If Contractor fails to obtain the court order enjoining disclosure, HCA will release the requested information on the date specified.

4.10. COVENANT AGAINST CONTINGENT FEES

Contractor warrants that no person or selling agent has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the Contractor for the purpose of securing business. HCA will have the right, in the event of breach of this clause by the Contractor, to annul this Contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

4.11. DEBARMENT

By signing this Contract, Contractor certifies that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded in any Washington State or Federal department or agency from participating in transactions (debarred). Contractor agrees to include the above requirement in any and all subcontracts into which it enters, and also agrees that it will not employ debarred individuals. Contractor must immediately notify HCA if, during the term of this Contract, Contractor becomes debarred. HCA may immediately terminate this Contract by providing Contractor written notice, if Contractor becomes debarred during the term hereof.

4.12. DISPUTES

The parties will use their best, good faith efforts to cooperatively resolve disputes and problems that arise in connection with this Contract. Both parties will continue without delay to carry out their respective responsibilities under this Contract while attempting to resolve any dispute. When a genuine dispute arises between HCA and the Contractor regarding the terms of this Contract or the responsibilities imposed herein and it cannot be resolved between the parties' Contract Managers, either party may initiate the following dispute resolution process.

4.12.1. The initiating party will reduce its description of the dispute to writing and deliver it to the responding party (email acceptable). The responding party will respond in writing within five (5) Business Days (email acceptable). If after five (5) additional Business Days the parties have not resolved the Dispute, it will be submitted to the HCA Director, who may employ whatever dispute resolution methods the Director deems appropriate to resolve the dispute.

4.12.2. A party's request for a dispute resolution must:

a) Be in writing;
b) Include a written description of the dispute;
c) State the relative positions of the parties and the remedy sought;

d) State the Contract Number and the names and contact information for the parties;

4.12.3. This dispute resolution process constitutes the sole administrative remedy available under this Contract. The parties agree that this resolution process will precede any action in a judicial or quasi-judicial tribunal.

4.13. FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY ACT (FFATA)

[Use if applicable]

4.13.1. This Contract is supported by federal funds that require compliance with the Federal Funding Accountability and Transparency Act (FFATA or the Transparency Act). The purpose of the Transparency Act is to make information available online so the public can see how federal funds are spent.

4.13.2. To comply with the act and be eligible to enter into this Contract, Contractor must have a Data Universal Numbering System (DUNS®) number. A DUNS® number provides a method to verify data about your organization. If Contractor does not already have one, a DUNS® number is available free of charge by contacting Dun and Bradstreet at www.dnb.com.

4.13.3. Information about Contractor and this Contract will be made available on www.uscontractorregistration.com by HCA as required by P.L. 109-282. HCA's Attachment 3: *Federal Funding Accountability and Transparency Act Data Collection Form*, is considered part of this Contract and must be completed and returned along with the Contract.

4.14. FORCE MAJEURE

A party will not be liable for any failure of or delay in the performance of this Contract for the period that such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, war, strikes or labor disputes, embargoes, government orders or any other force majeure event.

4.15. FUNDING WITHDRAWN, REDUCED OR LIMITED

If the funds HCA relied upon to establish this Contract are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Contract, HCA, at its discretion, may:

a) Terminate this Contract pursuant to Section 4.38.3, *Termination for Non-Allocation of Funds*;

b) Renegotiate the Contract under the revised funding conditions; or

c) Suspend Contractor's performance under the Contract by written notice to Contractor. HCA will use this option only when HCA determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow Contractor's performance to be resumed prior to the normal completion date of this Contract.

(1) During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.

(2) When HCA determines that the funding insufficiency is resolved, it will give Contractor written notice to resume performance. Upon the receipt of this notice, Contractor will provide written notice to HCA informing HCA whether it can resume performance and, if so, the date of resumption. For purposes of this subsection, "written notice" may include email.

(3) If the Contractor's proposed resumption date is not acceptable to HCA and an acceptable date cannot be negotiated, HCA may terminate the contract by giving written notice to Contractor. The parties agree that the Contract will be terminated retroactive to the date of the notice of suspension. HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the retroactive date of termination.

4.16. GOVERNING LAW

This Contract is governed in all respects by the law and statutes of the state of Washington, without reference to conflict of law principles. The jurisdiction for any action hereunder is exclusively in the Superior Court for the state of Washington and the venue of any action hereunder is in the Superior Court for Thurston County, Washington.

4.17. HCA NETWORK SECURITY

Contractor agrees not to attach any Contractor-supplied computers, peripherals or software to the HCA Network without prior written authorization from HCA's Chief Information Officer. Unauthorized access to HCA networks and systems is a violation of HCA Policy and constitutes computer trespass in the first degree pursuant to RCW 9A.52.110. Violation of any of these laws or policies could result in termination of the contract and other penalties.

Contractor will have access to the HCA visitor Wi-Fi Internet connection while on site.

4.18. INDEMNIFICATION

Contractor must defend, indemnify, and save HCA harmless from and against all claims, including reasonable attorneys' fees resulting from such claims, for any or all injuries to persons or damage to property, or Breach of its confidentiality and notification obligations under Section 4.6 *Confidential Information Protection* and Section 4.7 *Confidentiality Breach-Required Notification*, arising from intentional or negligent acts or omissions of Contractor, its officers, employees, or agents, or Subcontractors, their officers, employees, or agents, in the performance of this Contract.

4.19. INDEPENDENT CAPACITY OF THE CONTRACTOR

The parties intend that an independent contractor relationship will be created by this Contract. Contractor and his or her employees or agents performing under this Contract are not employees or agents of HCA. Contractor will not hold himself/herself out as or claim to be an officer or employee of HCA or of the State of Washington by reason hereof, nor will Contractor make any claim of right, privilege or benefit that would accrue to such employee under law. Conduct and control of the work will be solely with Contractor.

4.20. INDUSTRIAL INSURANCE COVERAGE

Prior to performing work under this Contract, Contractor must provide or purchase industrial insurance coverage for the Contractor's employees, as may be required of an "employer" as defined in Title 51 RCW, and must maintain full compliance with Title 51 RCW during the course of this Contract.

4.21. LEGAL AND REGULATORY COMPLIANCE

4.21.1. During the term of this Contract, Contractor must comply with all local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this Contract and all other applicable federal, state and local laws, rules, and regulations.

4.21.2. While on the HCA premises, Contractor must comply with HCA operations and process standards and policies (e.g., ethics, Internet / email usage, data, network and building security, harassment, as applicable). HCA will make an electronic copy of all such policies available to Contractor.

4.21.3. Failure to comply may result in Contract termination.

4.22. LIMITATION OF AUTHORITY

Only the HCA Authorized Representative has the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver or any clause or condition of this Contract is not effective or binding unless made in writing and signed by the HCA Authorized Representative.

4.23. NO THIRD-PARTY BENEFICIARIES

HCA and Contractor are the only parties to this contract. Nothing in this Contract gives or is intended to give any benefit of this Contract to any third parties.

4.24. NONDISCRIMINATION

During the performance of this Contract, the Contractor must comply with all federal and state nondiscrimination laws, regulations and policies, including but not limited to: Title VII of the Civil Rights Act, 42 U.S.C. §12101 et seq.; the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. §12101 et seq., 28 CFR Part 35 ; and Title 49.60 RCW, Washington Law Against Discrimination. In the event of Contractor's noncompliance or refusal to comply with any nondiscrimination law, regulation or policy, this Contract may be rescinded, canceled, or terminated in whole or in part under the Termination for Default sections, and Contractor may be declared ineligible for further contracts with HCA.

4.25. OVERPAYMENTS TO CONTRACTOR

In the event that overpayments or erroneous payments have been made to the Contractor under this Contract, HCA will provide written notice to Contractor and Contractor shall refund the full amount to HCA within thirty (30) days of the notice. If Contractor fails to make timely refund, HCA may charge Contractor one percent (1%) per month on the amount due, until paid in full.

4.26. PUBLICITY

4.26.1. The award of this Contract to Contractor is not in any way an endorsement of Contractor or Contractor's Services by HCA and must not be so construed by Contractor in any advertising or other publicity materials.

4.26.2. Contractor agrees to submit to HCA, all advertising, sales promotion, and other publicity materials relating to this Contract or any Service furnished by Contractor in which HCA's name is mentioned, language is used, or Internet links are provided from which the connection of HCA's name with Contractor's Services may, in HCA's judgment, be inferred or implied. Contractor further agrees not to publish or use such advertising, marketing, sales promotion materials, publicity or the like through print, voice, the Web, and other communication media in existence or hereinafter developed without the express written consent of HCA prior to such use.

4.27. RECORDS AND DOCUMENTS REVIEW

4.27.1. The Contractor must maintain books, records, documents, magnetic media, receipts, invoices and other evidence relating to this Contract and the performance of the services rendered, along with accounting procedures and practices, all of which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. At no additional cost, these records including materials generated under this Contract, are subject at all reasonable times to inspection, review, or audit by HCA, the Office of the State Auditor, and state and federal officials so authorized by law, rule, regulation, or agreement. The Contractor must retain such records for a period of six (6) years after the date of final payment.

4.27.2. If any litigation, claim or audit is started before the expiration of the six (6) year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved.

4.28. REMEDIES NON-EXCLUSIVE

The remedies provided in this Contract are not exclusive, but are in addition to all other remedies available under law.

4.29. RIGHT OF INSPECTION

The Contractor must provide right of access to its facilities to HCA, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Contract.

4.30. RIGHTS IN DATA/OWNERSHIP

4.30.1. HCA and Contractor agree that all data and work products (collectively "Work Product") produced pursuant to this Contract will be considered work made for hire under the U.S. Copyright Act, 17 U.S.C. §101 et seq, and will be owned by HCA. Contractor is hereby commissioned to create the Work Product. Work Product includes, but is not limited to, discoveries, formulae, ideas,

improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, Software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product.

4.30.2. If for any reason the Work Product would not be considered a work made for hire under applicable law, Contractor assigns and transfers to HCA, the entire right, title and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof.

4.30.3. Contractor will execute all documents and perform such other proper acts as HCA may deem necessary to secure for HCA the rights pursuant to this section.

4.30.4. Contractor will not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership of any Work Product, without the prior written permission of HCA. Contractor shall take all reasonable steps necessary to ensure that its agents, employees, or Subcontractors will not copy or disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party.

4.30.5. Material that is delivered under this Contract, but that does not originate therefrom ("Preexisting Material"), must be transferred to HCA with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, display, and dispose of such Preexisting Material, and to authorize others to do so. Contractor agrees to obtain, at its own expense, express written consent of the copyright holder for the inclusion of Preexisting Material. HCA will have the right to modify or remove any restrictive markings placed upon the Preexisting Material by Contractor.

4.30.6. Contractor must identify all Preexisting Material when it is delivered under this Contract and must advise HCA of any and all known or potential infringements of publicity, privacy or of intellectual property affecting any Preexisting Material at the time of delivery of such Preexisting Material. Contractor must provide HCA with prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by Contractor with respect to any Preexisting Material delivered under this Contract.

4.31. RIGHTS OF STATE AND FEDERAL GOVERNMENTS

In accordance with 45 C.F.R. 95.617, all appropriate state and federal agencies, including but not limited to the Centers for Medicare and Medicaid Services (CMS), will have a royalty free, nonexclusive, and irrevocable license to reproduce, publish, translate, or otherwise use, and to authorize others to use for Federal Government purposes: (i) software, modifications, and documentation designed, developed or installed with Federal Financial Participation (FFP) under 45 CFR Part 95, subpart F; (ii) the Custom Software and modifications of the Custom Software, and associated Documentation

designed, developed, or installed with FFP under this Contract; (iii) the copyright in any work developed under this Contract; and (iv) any rights of copyright to which Contractor purchases ownership under this Contract.

4.32. SEVERABILITY

If any provision of this Contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity will not affect the other provisions or applications of this Contract that can be given effect without the invalid provision, and to this end the provisions or application of this Contract are declared severable.

4.33. SITE SECURITY

While on HCA premises, Contractor, its agents, employees, or Subcontractors must conform in all respects with physical, fire or other security policies or regulations. Failure to comply with these regulations may be grounds for revoking or suspending security access to these facilities. HCA reserves the right and authority to immediately revoke security access to Contractor staff for any real or threatened breach of this provision. Upon reassignment or termination of any Contractor staff, Contractor agrees to promptly notify HCA.

4.34. SUBCONTRACTING

4.34.1. Neither Contractor, nor any Subcontractors, may enter into subcontracts for any of the work contemplated under this Contract without prior written approval of HCA. In no event will the existence of the subcontract operate to release or reduce the liability of Contractor to HCA for any breach in the performance of Contractor's duties.

4.34.2. Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Contract are included in any subcontracts.

4.34.3. If at any time during the progress of the work HCA determines in its sole judgment that any Subcontractor is incompetent or undesirable, HCA will notify Contractor, and Contractor must take immediate steps to terminate the Subcontractor's involvement in the work.

4.34.4. The rejection or approval by the HCA of any Subcontractor or the termination of a Subcontractor will not relieve Contractor of any of its responsibilities under the Contract, nor be the basis for additional charges to HCA.

4.34.5. HCA has no contractual obligations to any Subcontractor or vendor under contract to the Contractor. Contractor is fully responsible for all contractual obligations, financial or otherwise, to its Subcontractors.

4.35. SUBRECIPIENT

[Use if applicable]

4.35.1. General

If the Contractor is a sub-recipient of federal awards as defined by Office of Management and Budget (OMB) OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 and this Contract, the Contractor shall:

a) Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
b) Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
c) Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
d) Incorporate OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 audit requirements into all agreements between the Contractor and its Subcontractors who are sub-recipients;
e) Comply with any future amendments to OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 and any successor or replacement Circular or regulation;
f) Comply with the applicable requirements of OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501and any future amendments to OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, and any successor or replacement Circular or regulation; and
g) Comply with the Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 C.F.R. Part 42, Subparts C.D.E. and G, and 28 C.F.R. Part 35 and 39. (Go to http://ojp.gov/about/offices/ocr.htm for additional information and access to the aforementioned Federal laws and regulations.)

4.35.2. Single Audit Act Compliance

If the Contractor is a sub-recipient and expends $750,000 or more in federal awards from any and/or all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a program-specific audit for that fiscal year. Upon completion of each audit, the Contractor shall:

a) Submit to the Authority contact person the data collection form and reporting package specified in OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;
b) Follow-up and develop corrective action for all audit findings; in accordance with OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, prepare a “Summary Schedule of Prior Audit Findings.”

4.35.3. Overpayments

If it is determined by HCA, or during the course of a required audit, that Contractor has been paid unallowable costs under this or any Program Agreement, HCA may require Contractor to reimburse HCA in accordance with OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501.

4.36. SURVIVAL

The terms and conditions contained in this Contract that by their sense and context, are intended to survive the completion, cancellation, termination, or expiration of the Contract will survive. In addition, the terms of the sections titled *Confidential Information Protection, Confidential Information Breach – Required Notification, Contractor's Proprietary Information, Disputes, Overpayments to Contractor, Publicity, Records and Documents Review, Rights in Data/Ownership, and Rights of State and Federal Governments* will survive the termination of this Contract.

4.37. TAXES

HCA will pay sales or use taxes, if any, imposed on the services acquired hereunder. Contractor must pay all other taxes including, but not limited to, Washington Business and Occupation Tax, other taxes based on Contractor's income or gross receipts, or personal property taxes levied or assessed on Contractor's personal property. HCA, as an agency of Washington State government, is exempt from property tax.

Contractor must complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract.

4.38. TERMINATION

4.38.1. TERMINATION FOR DEFAULT

In the event HCA determines that Contractor has failed to comply with the terms and conditions of this Contract, HCA has the right to suspend or terminate this Contract. HCA will notify Contractor in writing of the need to take corrective action. If corrective action is not taken within five (5) Business Days, or other time period agreed to in writing, the Contract may be terminated. HCA reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by Contractor or a decision by HCA to terminate the Contract.

In the event of termination for default, Contractor will be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement or cover Contract and all administrative costs directly related to the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising, and staff time.

If it is determined that Contractor: (i) was not in default, or (ii) its failure to perform was outside of its control, fault or negligence, the termination will be deemed a "Termination for Convenience."

4.38.2. TERMINATION FOR CONVENIENCE

When, at HCA's sole discretion, it is in the best interest of the State, HCA may terminate this Contract in whole or in part by providing thirty (30) days' notice. If this Contract is so terminated, HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. No penalty will accrue to HCA in the event the termination option in this section is exercised.

4.38.3. TERMINATION FOR NONALLOCATION OF FUNDS

If funds are not allocated to continue this Contract in any future period, HCA may immediately terminate this Contract by providing written notice to the Contractor. The termination will be effective on the date specified in the termination notice. HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. HCA agrees to notify Contractor of such nonallocation at the earliest possible time. No penalty will accrue to HCA in the event the termination option in this section is exercised.

4.38.4. TERMINATION FOR WITHDRAWAL OF AUTHORITY

In the event that the authority of HCA to perform any of its duties is withdrawn, reduced, or limited in any way after the commencement of this Contract and prior to normal completion, HCA may immediately terminate this Contract by providing written notice to the Contractor. The termination will be effective on the date specified in the termination notice. HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. HCA agrees to notify Contractor of such withdrawal of authority at the earliest possible time. No penalty will accrue to HCA in the event the termination option in this section is exercised.

4.38.5. TERMINATION FOR CONFLICT OF INTEREST

HCA may terminate this Contract by written notice to the Contractor if HCA determines, after due notice and examination, that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW, or any other laws regarding ethics in public acquisitions and procurement and performance of contracts. In the event this Contract is so terminated, HCA will be entitled to pursue the same remedies against the Contractor as it could pursue in the event Contractor breaches the contract.

4.39. TERMINATION PROCEDURES

4.39.1. Upon termination of this Contract HCA, in addition to any other rights provided in this Contract, may require Contractor to deliver to HCA any property specifically produced or acquired for the performance of such part of this Contract as has been terminated.

4.39.2. HCA will pay Contractor the agreed upon price, if separately stated, for completed work and services accepted by HCA and the amount agreed upon by the Contractor and HCA for (i) completed work and services for which no separate price is stated; (ii) partially completed work and services; (iii) other property or services that are accepted by HCA; and (iv) the protection and

preservation of property, unless the termination is for default, in which case HCA will determine the extent of the liability. Failure to agree with such determination will be a dispute within the meaning of Section 4.12 *Disputes*. HCA may withhold from any amounts due the Contractor such sum as HCA determines to be necessary to protect HCA against potential loss or liability.

After receipt of notice of termination, and except as otherwise directed by HCA, Contractor must:

a) Stop work under the Contract on the date, and to the extent specified in the notice;

b) Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the Contract that is not terminated;

c) Assign to HCA, in the manner, at the times, and to the extent directed by HCA, all the rights, title, and interest of the Contractor under the orders and subcontracts so terminated; in which case HCA has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;

d) Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of HCA to the extent HCA may require, which approval or ratification will be final for all the purposes of this clause;

e) Transfer title to and deliver as directed by HCA any property required to be furnished to HCA;

f) Complete performance of any part of the work that was not terminated by HCA; and

g) Take such action as may be necessary, or as HCA may direct, for the protection and preservation of the records related to this Contract that are in the possession of the Contractor and in which HCA has or may acquire an interest.

4.40. WAIVER

Waiver of any breach of any term or condition of this Contract will not be deemed a waiver of any prior or subsequent breach or default. No term or condition of this Contract will be held to be waived, modified, or deleted except by a written instrument signed by the parties. Only the HCA Authorized Representative has the authority to waive any term or condition of this Contract on behalf of HCA.

Attachment 1

Confidential Information Security Requirements

1. Definitions

In addition to the definitions set out in Section 2 of this Contract KXXXX for _____ Services, the definitions below apply to this Attachment.

a. "Authorized User(s)" means an individual or individuals with an authorized business requirement to access Confidential Information.
b. "Hardened Password" means a string of at least eight characters containing at least one alphabetic character, at least one number and at least one special character such as an asterisk, ampersand or exclamation point.
c. "Secured Area" means an area to which only Authorized Users have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.
d. "Transmitting" means the transferring of Confidential Information electronically, such as via email.
e. "Trusted Systems" means the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) that offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.
f. "Unique User ID" means a string of characters that identifies a specific user and that, in conjunction with a password, passphrase, or other mechanism, authenticates a user to an information system.

2. Confidential Information Transmitting

a. When transmitting HCA Confidential Information electronically, including via email, the Confidential Information must be protected by:
   (1) Transmitting the Confidential Information within the (State Governmental Network) SGN or Contractor's internal network, or;
   (2) Encrypting any Confidential Information that will be transmitted outside the SGN or Contractor's internal network with 128-bit Advanced Encryption Standard (AES) encryption or better. This includes transit over the public Internet.
a. When transmitting HCA Confidential Information via facsimile (fax), the Contractor must verify the fax recipient's fax number and communicate with the intended fax recipient before transmission to ensure that the fax will be received only by the intended fax recipient.
b. When transmitting the Agencies' Confidential Information via paper documents, Contractor must use a Trusted System.

3. Protection of Confidential Information

The Contractor agrees to store Confidential Information on one or more of the following media and protect the Confidential Information as described:

a. **Hard disk drives.** Confidential Information stored on local workstation hard disks. Access to the Confidential Information will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms that provide equal or greater security.

b. Network server disks. Confidential Information stored on hard disks mounted on network servers and made available through shared folders. Access to the Confidential Information will be restricted to Authorized Users through the use of access control lists that will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms that provide equal or greater security, such as biometrics or smart cards. Confidential Information on disks mounted to such servers must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

Confidential Information Destruction: For HCA Confidential Information stored on network disks, deleting unneeded Confidential Information is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Confidential Information as outlined in Section 7: *Confidential Information Disposition* of this Attachment may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.

a. **Removable Media, including Optical discs (CDs or DVDs) in local workstation optical disc drives and that *will not be transported out of a secure area*.** Confidential Information provided by HCA on removable media, such as optical discs or USB drives, which will be used in local workstation optical disc drives or USB connections, will be encrypted with 128-bit AES encryption or better. When not in use for the contracted purpose, such discs must be locked in a drawer, cabinet or other container to which only Authorized Users have the key, combination or mechanism required to access the contents of the container. Workstations that access Confidential Information on optical discs must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

b. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers and that *will not be transported out of a secure area*.** Confidential Information provided by HCA on optical discs that will be attached to network servers will be encrypted with 128-bit AES encryption or better. Access to Confidential Information on these discs will be restricted to Authorized Users through the use of access control lists that will grant access only after the Authorized User has been authenticated to the network using a unique user ID and complex password or other authentication mechanisms that provide equal or greater security, such as biometrics or smart cards. Confidential Information on discs attached to such servers must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

a. **Paper documents.** Any paper records containing Confidential Information must be protected by storing the records in a secure area that is only accessible to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have

access.

b. **Access via remote terminal/workstation over the State Governmental Network (SGN).** Confidential Information accessed and used interactively over the SGN. Access to the Confidential Information will be controlled by HCA staff who will issue authentication credentials (e.g. a unique user ID and complex password) to Authorized Users. Contractor must have established and documented termination procedures for existing staff with access to the Confidential Information. These procedures must be provided upon request. The Contractor will notify HCA staff within five (5) business days whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the user no longer requires access.

c. **Access via remote terminal/workstation over the Internet through Secure Access Washington.** Confidential Information accessed and used interactively over the Internet. Access to the Confidential Information will be controlled by HCA staff who will issue remote access authentication credentials (e.g. a unique user ID and complex password) to Authorized Users. C ontractor must have established and documented termination procedures for existing staff with access to the Confidential Information. These procedures must be provided upon request. Contractor will notify HCA staff within five (5) business days whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor and whenever an Authorized User's duties change such that the user no longer requires access.

4. Protection of Confidential Information Stored on Portable Devices or Media

HCA Confidential Information must ***not*** be stored by the Contractor on portable devices or media unless specifically authorized within the Contract. If so authorized, the Contractor must protect the Confidential Information as provided in this Section 4.

Portable devices are any small computing device that can be transported, including but are not limited to: handhelds/PDAs/phones; Ultramobile PCs, flash memory devices (e.g. USB flash drives, personal media players); and laptop/notebook/tablet computers.

Portable media means any data storage device that can be detached or removed from a computer and transported, including but not limited to: optical media (e.g. CDs, DVDs); magnetic media (e.g. floppy disks, tape, Zip or Jaz disks); USB drives; or flash media (e.g., CompactFlash, SD, MMC).

Contractor must

a. Encrypt the Confidential Information with a key length of at least 128 bits using an industry standard algorithm, such as AES;

b. Ensure that portable devices such as flash drives are FIPS Level 2 compliant;

c. Control access to the devices with a unique user ID and password or stronger authentication method such as a physical token or biometrics;

d. Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. The maximum period of inactivity is 20 minutes.

e. Physically protect the portable device(s) and/or media by:

(1) Keeping them in locked storage when not in use;

(2) Using check-in/check-out procedures when they are shared; and

(3) Maintaining an inventory.

(4) Ensure that when being transported outside of a Secured Area, portable devices and media with Confidential Information are under the physical control of an Authorized User.

5. Confidential Information Segregation

HCA Confidential Information received under this Contract must be segregated or otherwise distinguishable from non-HCA data. This is to ensure that when no longer needed by the Contractor, all HCA Confidential Information can be identified for return or destruction. It also aids in determining whether HCA Confidential Information has or may have been compromised in the event of a security Breach.

a. The HCA Confidential Information must be kept in one of the following ways:

(1) on media (e.g. hard disk, optical disc, tape, etc.) that will contain no non-HCA data; or

(2) in a logical container on electronic media, such as a partition or folder dedicated to HCA Confidential Information; or

(3) in a database that will contain no non-HCA data; or

(4) within a database and will be distinguishable from non-HCA data by the value of a specific field or fields within database records; or

(5) When stored as physical paper documents, physically segregated from non-HCA data in a drawer, folder, or other container.

b. When it is not feasible or practical to segregate HCA Confidential Information from non-HCA data, then both the HCA Confidential Information and the non-HCA data with which it is commingled must be protected as described in this Attachment.

6. Confidential Information Shared with Subcontractors

If HCA Confidential Information provided under this Contract is to be shared with a Subcontractor, the contract with the Subcontractor must include all of the Confidential Information Security Requirements.

7. Confidential Information Disposition

When the Confidential Information is no longer needed, except as noted in Section 3.b. above, *Confidential Information Destruction*, the Confidential Information must be returned to HCA or destroyed. Media on which Confidential Information may be stored and associated acceptable methods of destruction are as follows:

Confidential Information stored on:	Will be destroyed by:
Server or workstation hard disks, or Removable media (e.g. floppies, USB flash drives, portable hard disks, Zip or similar disks)	Using a “wipe” utility that will overwrite the Confidential Information at least three (3) times using either random or single character data, or Degaussing sufficiently to ensure that the Confidential Information cannot be reconstructed, or Physically destroying the disk
Paper documents containing	On-site shredding by a method that renders

Confidential Information	the Confidential Information unreadable, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or cutting/breaking into small pieces.
Magnetic tape	Degaussing, incinerating or crosscut shredding

ATTACHMENT C

Health Consulting Services Second Tier Solicitation # 16-025 for Delivery System Reform Category	
Responses must be submitted via email to:	contracts@hca.wa.gov per instructions at end of WR
2nd Tier Solicitation Coordinator:	Angela Hanson
Expected work period:	1 May 2017 through 30 April 2018 (initially)
Category: Delivery System Reform	
Maximum Compensation for this Work Request: $1,000,000.00	

2nd Tier Solicitation Schedule			
ACTIVITY	SUGGESTED TIMEFRAMES	DUE DATES	TIME
2nd Tier Release Date	1 business day	6 March 2017	
Questions from Bidders Deadline	2 business days	8 March 2017	2:00 p.m., Pacific Time
HCA Response to Questions	2 business days	10 March 2017	
Response Deadline from Bidders	10 business days from release	24 March 2017	2:00 p.m., Pacific Time
Evaluation Period (approximate time frame)	5 business days	31 March 2017	
Oral Presentation (if necessary)	2 business days	4 April – 6 April 2017	
Projected Announcement of Apparent Successful Bidder (ASB)	1 business day	7 April 2017	
Debrief Request by Bidder	3 business days after ASB announcement	11 April 2017	
Hold Debriefing Conference Calls	2 business days	12 April 2017	
Contract Start Date (on or before)	1 business day	1 May 2017	

PLEASE NOTE:

- Late submissions will not be considered.
- All Bidder communication concerning this 2nd Tier Solicitation must be directed to the 2nd Tier Solicitation Coordinator listed above or their designee. Unauthorized contact with other state employees may result in disqualification.
- If you have any questions please email 2nd Tier Solicitation Coordinator at contracts@hca.wa.gov. Include 2nd Tier Solicitation Number in the Subject Line.
- When responding to this solicitation, indicate 2nd Tier Solicitation number on the right side in the footer of each page of your response.
- A 2nd Tier Work Order number will be assigned after the Work Request is awarded to a pre-qualified bidder from this solicitation and notification sent to all bidders.

HCA Program Information *This section is completed by contracts/program staff together*
Purpose and Objectives: The purpose of this Work Request is to procure a financial executor to support Health Care Authority's (HCA) Section 1115 Medicaid Transformation Project (MTP), as approved by the Centers for Medicare and Medicaid Services (CMS). A copy of the application and related documents can be found at http://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation. In order to assure consistent management of and accounting for the distribution of Delivery System Reform Incentive Payment (DSRIP) funds across ACHs, HCA intends to contract with a single entity to serve as the Financial Executor.
Relevant Background Information: The HCA requires a trusted Financial Executor to help HCA successfully carry out the terms of the Medicaid Transformation Project (MTP). The MTP aims to transform the state's Medicaid delivery system through regional, collaborative efforts led by Accountable Communities of Health (ACHs) and new, supportive services to address relevant social detriments of health. Over the next five years, Washington will: • Integrate physical and behavioral health purchasing and delivery to better meet whole person needs; • Convert 90% of Medicaid provider payments to reward outcomes instead of volume-based; • Support provider capacity to adopt new payment and care models; • Implement population health strategies that improve health equity; and • Provide new targeted services that address the needs of our aging populations and address key social detriments of health. ACHs will lead regional strategies and ensure mutual accountability between health plans, providers, and other community members for these transformation objectives. The MTP will provide up to $1.125 billion in the form of incentive payments tied to projects coordinated by ACHs, based on delivery system reform milestones and outcomes. DSRIP incentives under this MTP are time limited and project design will reflect a priority for sustainability beyond the MTP period. There are nine ACHs in Washington State. These ACHs are regionally situated, self-governing multi-sector organizations with non-overlapping boundaries that also align with Washington's regional service areas for Medicaid purchasing. They are focused on improving health and transforming care delivery for the populations that live within their respective regions. ACHs are not new service delivery system organizations nor a replacement of Medicaid managed care organizations (MCO) or health care delivery roles and responsibilities. ACHs include managed care, health care delivery, and many other critical organizations as part of their multi-sector governance and as partners in implementation of delivery system reform initiatives.

Scope of Work:

In coordination with HCA Medicaid transformation and financial management staff and representatives of Washington's nine Accountable Communities of Health (ACHs), the contracted Financial Executor will be responsible for administering a funding distribution plan, formalized in the DSRIP Program Funding and Mechanics Protocol (Protocol), pending approval by CMS, as described in Special Terms and Condition (STC) 35.

The STCs (available at http://www.hca.wa.gov/sites/default/files/program/Medicaid-demonstration-terms-conditions.pdf) and the Protocol outline and detail the process for the distribution of funds, described here: ACHs, through their governing bodies, are responsible for managing and coordinating with partner providers. The ACHs must meet the qualifications set forth in STCs 21-23 and must meet certain targets to earn incentive payments. In addition, the ACHs will certify if the partnering providers have met the milestones as required for earning incentive payments within their region. The ACH will certify to the Independent Assessor (STC 21), to be procured separately, that the partnering provider(s) have achieved the milestones. The Independent Assessor will review the ACHs' certification and make recommendations to HCA related to distribution of payment. Once HCA affirms the recommendations from the Independent Assessor, HCA will send instructions to the Financial Executor to distribute those payments to the partnering providers.

The Financial Executor will perform the work and complete the deliverables described below.

1. Establish a system for recording, processing, distributing, and reporting on the payment of incentive funds and other financial transactions among HCA, ACHs and participating providers in accordance with the Protocol.
    - 1.1. Establish a standardized process and forms to track payments to participating providers, and instruct participating providers and ACHs in their use.
    - 1.2. The distribution of funds must comply with all applicable federal and state statutes and regulations, including, but not limited to, the following federal fraud and abuse authorities: the anti-kickback statute (sections 1128B(b)(1) and (2) of the Social Security Act (the "Act")); the physician self-referral prohibition (section 1903(s) of the Act); the gainsharing civil monetary penalty (CMP) provisions (sections 1128A(b)(1) and (2) of the Act); and the beneficiary inducement CMP (section 1128A(a)(5) of the Act); as well as with Washington state statutes, HCA regulations and generally accepted accounting principles.
2. Provide financial accounting and banking management support for all DSRIP incentive payments.
    - 2.1. Establish and maintain appropriate bank accounts as directed by HCA for the receipt and holding of funds and issuance of payments.
    - 2.2. Regularly track and report to HCA on all transactions from such accounts, including but not limited to payments, receipts, refunds, and reconciliations.
3. Distribute earned funds in a timely manner to participating providers in accordance with HCA-approved funding distribution plans.
    - 3.1. Promptly, upon instructions from HCA, issue payments to participating providers.
    - 3.2. Promptly respond to inquiries from ACHs and participating providers regarding payments made or owing.
    - 3.3. Identify, record, resolve, and report on any under- or over-payments, including issuing requests for refunds if necessary.
    - 3.4. Record and regularly report to ACHs on funds processed and payments made.
4. Submit scheduled reports to HCA and ACHs on the distribution of transformation project payments, fund balances, and reconciliations.

5. Develop and distribute budget forms to participating providers for receipt of incentive funds.
6. Cooperate fully with HCA in responding to inquiries from CMS or other relevant authorities regarding financial transactions, and in any audits that may be required.
7. Maintain all records of all business and transactions pertaining to the Medicaid Transformation Project for a period of six (6) calendar years or for any longer period as may be required by HCA, CMS, or other relevant authority.
8. All functions of the Financial Executor must comply with the Washington State Administrative and Accounting Manual.
9. Financial Executor performance will be subject to audit by the state.

Timeline and Work Period of Performance:

- The anticipated period of performance for this work is 1 May 2017 to 30 April 2018, and may be extended for up to an additional four (4) years, at the sole discretion of HCA
- **The Work Order will be contingent on funding.**

Experience, Qualifications and additional Certifications:
Required Qualifications:

- Bidder must be licensed, or willing and able to obtain a license to do business in the state of Washington.
- Bidder's proposed principal personal must have at least fifteen (15) years' experience providing accounting and financial management services to a variety of clients, including state and local governments, health care providers, and community organizations.

Highly Desirable:

- Demonstrated experience with state and federal government health programs and requirements.
- Demonstrated experience with the 1115 Medicaid waiver specific accounting, financial reporting and/or financial executor responsibilities.

References:

- Each bidder is to provide three (3) references who the Bidder feels best correspond to the subject matter of this RFP. References are to be provided by filling out the form in Exhibit A: Reference Template.
- HCA will contact the references directly – Do Not send in pre-written reference letters, as they will be disregarded. In its attempt to contact each reference, HCA will email each up to three (3) times.

To Bidders: Please ensure that you have included the following information in your response, as these are the items that will be used to evaluate your response: In your response state the number, repeat the question, and provide your responses below that. Submit your questions, resumes, and references in one pdf document.

(This section contains examples that can be used or deleted at the program/contract units' discretion. Remove this when section is finished before sending out.)

1. (MS) In five (5) or fewer pages, describe your proposed solution, methodology and overall approach to the program's defined Scope of Work. Include all of the following in your response:
   - The name of the consultant(s) you are proposing to do the work under this WR.
   - Provide a detailed explanation of how you can meet each of the items listed in the Scope of Work above.
   - Provide a detailed project plan and schedule, including hours to complete each task and a brief description of deliverables.

2. (MS) Include a list of three (3) contracts the Bidder has been directly responsible for during the last five (5) years that relate to the Bidder's ability to perform the services under this Work Request. Use Exhibit A to provide this information.

   In 2 or fewer pages, describe one of the above contract projects, which is similar to this Work Request, and include the outcomes achieved for the customer.

3. (MS) Affirm that the proposed consultant will be available to begin work no later than **1 May 2017**. Indicate any known staff scheduling issues during the proposed project period including but not limited to other project engagements and holidays.

4. (MS) Résumé for each staff person including subcontractors submitted for this project (include company names and phones numbers worked for past three years for each individual).

5. (MS) Provide:
   - The number of hours required for you to complete the Scope of Work;
   - Hourly rate proposed for consultant(s) to complete the work; and
   - A firm, fixed cost for completing the Scope of Work.

6. (MS) Oral Interviews and Presentations:

   HCA may, after evaluating the written proposals, elect to schedule oral presentations of the finalists. Should oral presentations become necessary, HCA will contact the top-scoring Bidders from written evaluation to schedule a date, time, and location. Commitments made by the Bidder at the oral interview, if any, will be considered binding.

7. (M) Primary contact information for this 2nd Tier Solicitation. Include project lead name, title, email, phone & fax numbers.

8. (M) Name and resume of Subcontractor(s) providing services under the resulting Work Order, if applicable.

9. (M) Number of staff that will be available for this 2nd Tier Solicitation.

10. (M) Commit that the staff proposed for this work will actually perform the contracted services. The bidder, by submitting a proposal, agrees that he/she will not remove the selected staff person without the prior approval of HCA Contract Manager. If removal is permitted, the bidder agrees that it will submit the name of the proposed replacement, who must meet the qualifications/experience requirements, for Contract Manager's review and approval before the individual is assigned responsibility for services of any 2nd Tier Contract awarded as a result of this 2nd Tier Solicitation.

11. (M) Provide the availability of staff with knowledge of deliverables in Scope of Work for oral interview with HCA (name, date, time, etc.).

(M) **Mandatory** Requirements must always indicate explicitly whether or not the bidder's proposed services meet the requirement.

(MS) **Mandatory Scored** Requirements must always indicate explicitly whether or not the bidder's proposed services meet the requirement and describe how the bidder's proposed services will accomplish each requirement.

Evaluation Criteria: Responses will be reviewed on a pass/fail basis to determine if the response meets the minimum qualifications. Only responses meeting minimum qualifications will be further evaluated. Responses that do not meet minimum qualifications will be deemed unresponsive and will not move on to evaluations.

Responses that pass the minimum qualifications will be evaluated on both Cost and Non-Cost Elements. HCA reserves the right to award the Work Order to the Bidder whose bid is deemed to be in HCA's best interest, and is not limited to the lowest bid.

Capabilities	**Weight Assigned**
Proposed solution / methodology / project plan (1)	**30**
Related contracts and project description (2)	**25**
Staff Availability (4)	**15**
Resumes (5)	**15**
Costs/Price (6)	**15**
Total	**100**
Oral Interviews (scored separately)	**25**

The written proposal will be reviewed and scored by an evaluation team using a weighted scoring system. HCA may award a work request upon completion of written proposal scoring or, at its sole discretion, may request the top scoring Bidders to participate in an oral presentation. The scores from the written evaluation and the oral presentation combined together will determine the Apparently Successful Bidder.

If oral presentations are conducted, the proposed consulting staff must be available to appear, in person, at HCA's location in Olympia, WA or by teleconference from April 3-4, 2017. An in-person presentation is preferred.

Work Request Submittal Instructions

Complete Responses must be received electronically on or before [Due Date] at 2:00 p.m. (PT). Bidder must complete and submit all pertinent sections of the Work Request as their Work Request Response. Bidder is instructed to deliver the Work Request Response as follows:

a. Attach the completed Work Request Submittal Document to a single email message and send it to contracts@hca.wa.gov.

b. Clearly mark the subject line of the email: **16-025 Response - [Vendor Name]**.

c. The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the 2nd Tier Solicitation Coordinator immediately. To keep file sizes to a minimum, Bidders are cautioned not to use unnecessary graphics in their Proposals.

d. Time of receipt will be determined by the e-mail date and time received at the HCA's mail server in the contracts@hca.wa.gov inbox. The "receive date/time" posted by the HCA's email system will be used as the official time stamp. The HCA is not responsible for problems or delays with e-mail when the HCA's systems are operational.

Exhibit A: Reference Template

Bidder, complete reference(s) and return the following information with your response

Table 1: Reference(s)

This reference applies to the category. Note: Vendor submission of this form constitutes permission for HCA to contact the reference indicated herein.	
Organization Legal Name:	
Contact Name of Reference:	Contact's E-mail:
Contact's Phone Number:	Name of the Vendor's Consultant(s) who are known to this contact:
Time Frame of Services Provided:	Budget for Services Performed by Vendor:
Description of Services Performed:	
(This space reserved for HCA use)	

ATTACHMENT D

STATE OF WASHINGTON
HEALTH CARE AUTHORITY

REQUEST FOR PROPOSALS (RFP)
RFP NO. 2240

NOTE: If you download this RFP from the Health Care Authority website, you are responsible for sending your name, address, e-mail address, and telephone number to the RFP Coordinator in order for your organization to receive any RFP amendments or Bidder questions/agency answers.

PROJECT TITLE: THIRD PARTY ADMINISTRATOR FOR FOUNDATIONAL COMMUNITY SUPPORTS

MANDATORY BIDDER LETTER OF INTENT AND WRITTEN QUESTIONS DUE: April 13, 2017 by 2:00 P.M., *Pacific Standard Time*, Olympia, Washington, USA**.**

PROPOSAL DUE DATE: MAY 15, 2017 by **2:00 P.M**., *Pacific Standard Time*, Olympia, Washington, USA.

Proposals must be received via email and electronically date/time stamped on or before the Proposal due date/time in the following inbox: contracts@hca.wa.gov. Faxed bids will not be accepted.

ESTIMATED TIME PERIOD FOR CONTRACT: July 1, 2017 to December 31, 2021.

BIDDER ELIGIBILITY: This procurement is open to those Bidders that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

CONTENTS OF THE REQUEST FOR PROPOSALS:

1. **Introduction**
2. **General Information for Bidders**
3. **Proposal Contents**
4. **Evaluation and Award**
5. **Exhibits**
   - A. **Certifications and Assurances**
   - B. **Diverse Business Inclusion Plan**
   - C. **FCS Projected Caseload and Population Spreadsheet**
   - D. **Sample Work Plan Timeline Technical Proposal Requirement**
   - E. **Sample ALTSA Contract Language of Special Terms and Conditions for Supportive Housing and Supportive Employment**
   - F. **Draft WAC for Supportive Housing and Employment Certification for Licensed Community Behavioral Health Agencies**
6. **Attachments**
   - A. **DSA Inclusive of a Business Associates Agreement with Non-Disclosure Agreement**
   - B. **Overview of TPA Services – HCA Webinar Slides**
   - C. **Sample HCA Professional Service Contract**

1. *INTRODUCTION*..... 4

1.1. PURPOSE AND BACKGROUND 4

1.2. OBJECTIVES AND SCOPE OF WORK 4

1.3. MINIMUM QUALIFICATIONS AND MANDATORY BIDDER LETTER OF INTENT WITH SUBMISSION OF WRITTEN QUESTIONS FROM BIDDER 8

1.4. FUNDING (OPTIONAL) 10

1.5. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT. 10

1.6. PERIOD OF PERFORMANCE 10

1.7. CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES 11

1.8. DEFINITIONS 11

1.9. ADA 15

2. GENERAL INFORMATION FOR BIDDERS 16

2.1. RFP COORDINATOR 16

2.2. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES 16

2.3. SUBMISSION OF PROPOSALS 16

2.4. PROPRIETARY INFORMATION / PUBLIC DISCLOSURE 18

2.5. REVISIONS TO THE RFP 18

2.6. DIVERSE BUSINESS INCLUSION PLAN 18

2.7. ACCEPTANCE PERIOD 19

2.8. COMPLAINT PROCESS 19

2.9. RESPONSIVENESS 19

2.10. MOST FAVORABLE TERMS 19

2.11. CONTRACT AND GENERAL TERMS & CONDITIONS 20

2.12. COSTS TO PROPOSE 20

2.13. RECEIPT OF INSUFFICIENT NUMBER OF PROPOSALS 20

2.14. NO OBLIGATION TO CONTRACT 20

2.15. REJECTION OF PROPOSALS 20

2.16. COMMITMENT OF FUNDS 20

2.17. ELECTRONIC PAYMENT 20

2.18. INSURANCE COVERAGE (ADD OTHER INSURANCE AS REQUIRED) 21

3. PROPOSAL CONTENTS 22

3.1. LETTER OF SUBMITTAL (MANDATORY) 22

3.2. TECHNICAL PROPOSAL (SCORED) 23

3.3. MANAGEMENT PROPOSAL 27

3.4. COST PROPOSAL 29

4. EVALUATION AND CONTRACT AWARD 31

4.1. EVALUATION PROCEDURE 31

4.2. EVALUATION WEIGHTING AND SCORING 31

4.3. ORAL PRESENTATIONS MAY BE REQUIRED 32

4.4. SUBSTANTIALLY EQUIVALENT SCORES 32

4.5. NOTIFICATION TO BIDDERS 32

4.6. DEBRIEFING OF UNSUCCESSFUL BIDDERS 32

4.7. PROTEST PROCEDURE 33

5. RFP EXHIBITS and ATTACHMENTS 34

1. INTRODUCTION

1.1. PURPOSE AND BACKGROUND

The Washington State Health Care Authority, hereafter called "HCA," is initiating this Request for Proposals (RFP) to solicit proposals from firms interested in serving as the Third Party Administrator (TPA) for Initiative 3: Foundational Community Supports (FCS) in HCA's Section 1115 Medicaid Transformation Demonstration project (Demonstration) with the federal Centers for Medicare and Medicaid Services (CMS). A copy of the application and related documents can be found at http://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation.

The Demonstration aims to transform the State's Medicaid delivery system through regional, collaborative efforts led by Accountable Communities of Health (ACHs) and new, supportive services to address the aging population and to address inequities in the social determinants of health.

Over the next five years, Washington will:

- Integrate physical and behavioral health purchasing and service delivery to better meet whole person needs;
- Convert 90% of Medicaid provider payments to reward outcomes instead of volume;
- Support provider capacity to adopt new payment and care models;
- Implement population health strategies that improve health equity; and
- Provide new targeted services that address the needs of our aging populations and address key determinants of health.

The demonstration consists of three initiatives in support of these goals:

- Initiative 1: Transformation through Accountable Communities of Health
- Initiative 2: Long-Term Services and Supports
- Initiative 3: Foundational Community Supports

This procurement seeks to establish a Third-Party Administrator (TPA) responsible for the implementation and administration of the Foundational Community Supports Program (FCS) and its eventual transition to a sustainable delivery model (including both Managed Care and fee-for-service components), as well as any other activities described herein.

HCA intends to award one contract to provide the services described in this RFP. Any contract awarded as a result of this procurement is contingent upon the availability of funding and final approval of the relevant protocols by CMS.

1.2. OBJECTIVES AND SCOPE OF WORK

The research is clear; unemployment and job insecurity, along with homelessness and unstable housing, contribute to poor health. Homelessness is traumatic and cyclical and it puts people at risk for physical and mental health conditions, and Substance Use Disorders. There is also substantial evidence linking unemployment to poor physical and mental health outcomes, even in the absence of pre-existing conditions.

The FCS, described in Initiative 3 of the Demonstration, creates statewide targeted Home and Community-Based Services (HCBS) intended to help Medicaid beneficiaries with complex health needs transition to and maintain community placements. Supportive services include those related to housing and employment as defined in the Medicaid Transformation Project (MTP) Special Terms & Conditions –

FCS protocol (Draft: http://www.hca.wa.gov/assets/program/FCS-protocols-attachment-i.pdf), and WAC 182-559 (pending).

HCA is seeking a Bidder to partner with its health care transformation journey by acting as a TPA for the statewide FCS program as authorized by the Demonstration.

The objectives of the FCS program are to:

- Collaborate with community resources to build and maintain a statewide provider network and community supports for each benefit;
- Deliver supportive housing and supported employment benefits to eligible Medicaid individuals in Washington State through contracted networks;
- Implement innovative member engagement strategies that are culturally and linguistically appropriate, in coordination with existing delivery systems;
- Demonstrate that provision of these benefits to individuals with complex health needs improves health outcomes and reduces dependence on more intensive service settings;
- Ensure seamless transition of individuals receiving services through existing programs into the newly contracted program; and
- Prepare to transition the administrative functions of the program to a sustainable model by the end of the contract period, by aligning contracting, credentialing, billing, and payment structures with the current Apple Health Managed Care Organizations (MCOs) and Fee for Services processes.

The FCS program will require Bidders to follow the Encounter Data Guide that is available at the link below. This is the Apple Health ED Guide located at https://www.hca.wa.gov/assets/billers-and-providers/encounter_data_reporting_guide.pdf.

At a minimum the Bidder must have the ability to:

a) Provide Encounter Data for all services delivered under the TPA contract.
b) Follow the standard electronic encounter data reporting process developed by HCA.
c) Use the Encounter Data Guide in conjunction with the 837 Healthcare claim Professional Guide Version 5010.

The ProviderOne Encounter Data Guide will be modified as necessary to include codes applicable to FCS services.

The Bidder will also be required to maintain a system capable of adjudicating and paying claims. This system must meet the timeliness of payment standards specified for Medicaid fee-for-service in Section 1902(a) (37) of the Social Security Act, 42 CFR Section 447.46 and specified for health carriers in WAC 284-170-431, as well as any additional claims payment standards required during the contract term. The Bidder shall be responsible for processing all claims for FCS eligible clients consistent with the defined benefit plan.

Bidder shall be responsible for checking individual Medicaid eligibility (270/271 HIPAA format) in the ProviderOne system.

The Bidder shall administer up to approximately $200 million over the term of the contract period, with a projected average monthly caseload of approximately of 7,500 individuals statewide. The caseload will consist of the two benefit target populations. HCA has included *Exhibit C* titled *FCS Projected Caseload and Population Spreadsheet* to provide more information by month and by year.

Service provision shall commence in July 2017, with expected utilization projected in monthly caseloads outlined in *Exhibit C* titled *FCS Projected Caseload and Population Spreadsheet*. The projected monthly caseloads are not meant to represent monthly utilization caps, but anticipated utilization. In order to support initial service delivery in July of 2017, HCA and DSHS will identify providers in the position to deliver FCS services in order to support the TPA in establishing the initial provider network.

The Bidder shall ensure that, where required, network providers are in compliance with enrollment and screening requirements identified in 42 CFR 455 Subpart E.

A brief overview of the program is as follows:

- Supportive Housing Services: Includes two sets of services;

  1) One-time Community Transition Services (CTS), that assist an individual to transition from institutional to community settings, or to help those at imminent risk of institutionalization to remain in community settings; and
  2) Community Support Services (CSS) that provides ongoing services and supports to help eligible individuals obtain and maintain stable housing.

This includes:

- Providing services to eligible individuals who are homeless or at risk of becoming homeless through outreach, engagement and coordination of services with housing;
- Ensuring the availability of community support services, with an emphasis on supporting individuals in their own home; and
- Coordinating with housing entities, homeless continuums of care and affordable housing developers.
  - The funding for CTS does not pay for costs related to the development of housing resources or to support room and board costs outside of one-time supports available through the program.
  - This benefit serves individuals who exhibit at least one of the following characteristics and/or conditions:
    - Chronically homeless, as defined by the US Department of Housing and Urban Development.
    - Frequent or lengthy institutional contacts as defined in the functional needs assessment.
    - Frequent or lengthy adult residential care stays as defined in the functional needs assessment.
    - Frequent turnover of in-home caregivers as defined in the functional needs assessment.
    - A Predictive Risk Intelligence System (PRISM) Risk Score of 1.5 or above.

- Supported Employment

  Individual Placement and Supports (IPS) are services that help eligible individuals obtain and maintain stable employment. IPS services are based on the following principles:
  - Services are open to all eligible individuals who wish to work;
  - Competitive employment is the goal;
  - Services are integrated with other services provided to the individual;
  - The individual receives personalized benefits planning;
  - Job search is based on individual preferences;
  - Supports are not time-limited; and

- Individual preferences are honored.
- IPS funding does not pay for wages or wage enhancements.

The supported employment benefit serves those individuals who exhibit at least one of the following characteristics and/or conditions:

- Enrolled in the state Housing and Essential Needs (HEN) or Aged, Blind or Disabled (ABD) program.
- A diagnosed Serious and Persistent Mental Illness (SPMI).
- Multiple instances of inpatient substance use treatment.
- Co-occurring mental and substance-use disorders.
- Working age youth, age 16 and older, with a behavioral health diagnosis.
- Receiving long-term services and supports.

Data and Reporting:

The FCS will require maintenance of a data dashboard that monitors general service usage and other outcomes to be identified as the program ramps up. To support this dashboard, the Bidder will be required to collect and maintain data on enrollees and service usage, and provide fully detailed reports monthly to HCA. Required data includes, but may not be limited to the following: regionally-based utilization, number of individuals receiving services, service dollars spent, number of individuals housed or employed, eligibility determinations, number of individuals on any waitlist for services, and Grievances and Appeals.

Before any Substance Use Disorder (SUD) treatment is disclosed, the Bidder must ensure it has a current Enrollee's (or legal guardian's) signed consent to release the information. The Bidder will be responsible for adhering to all applicable federal and state privacy and confidentiality laws, including, but not limited to, 42 CFR Part 2. The federal rules prohibit the Contractor from making any further disclosure of this information unless further disclosure is expressly permitted by the written consent of the person to whom it pertains or as otherwise permitted by 42 CFR Part 2. A general authorization for the release of medical or other information is not sufficient for this purpose. The federal rules restrict any use of the information to criminally investigate or prosecute any alcohol or drug Abuse patient.

The Bidder will be expected to work with HCA and DSHS in order to align contracting and credentialing practices with current Managed Care or fee for service (FFS) systems and establish provider contract templates that reflect this alignment. See Exhibit E for sample provider qualification language for supportive housing and supported employment providers contracted with ALTSA. See Exhibit F for draft revisions to WAC 338-877A and 388-877B regarding supportive housing and supported employment certification requirements for licensed community behavioral health agencies. The Bidder must also commit to having policies and procedures that, when required, shall meet National Committee for Quality Assurance (NCQA) requirements related to the credentialing and re-credentialing of Health Care Professionals who have signed contracts or participation agreements with the Bidder.

Development of Partnerships:

To ensure the success of this program, the Bidder is expected to develop data sharing and collaborative relationships with the following state agencies and External Entities.

Department of Social and Health Services (DSHS)

The Bidder shall engage relevant administrations and divisions within DSHS, including the Behavioral Health Administration (BHA) – Division of Behavioral Health and Recovery, and the Aging and Long-

Term Support Administration (ALTSA) – Home and Community Services (HCS) division, or its designee in a manner that supports the development of an adequate, statewide network of qualified supportive housing and supported employment providers. In addition, the Bidder shall engage with ALTSA – HCS and BHA to exchange information about enrollees who are potentially eligible for the Foundational Community Supports program and shall assist enrollees in accessing services. The Bidder shall also collaborate with BHA and HCS to support enrollee participation in program services to ensure the best chance of success.

The Bidder shall also engage other DSHS administrations and divisions, including the Division of Vocational Rehabilitation, Community Service Division, and Research and Data Analysis, in support of identifying and serving target populations for supportive housing and supported employment. The Bidder shall also engage consumer voice in collaboration with DSHS and community-based partners.

Department of Commerce

The Bidder shall also engage with the Department of Commerce to coordinate supportive housing services authorized under the program with housing resources overseen by the Department of Commerce.

Managed Care Organization and Behavioral Health Organization

The Bidder shall coordinate with contracted Apple Health MCOs and Behavioral Health Organizations (BHOs) to exchange information about enrollees who are potentially eligible for the FCS program and shall assist enrollees in accessing services when referred by the MCO or BHO. The Bidder shall also collaborate with MCOs and BHOs to support enrollee participation in program services to ensure the enrollee's best chance of success.

Collaboration with American Indian (AI)/Alaska Native (AN) Entities

The Contractor shall reach out to Tribal governments and Urban Indian Health Programs to develop relationships that support coordinated and culturally appropriate services for AI/AN individuals. These services should be provided in coordination with other tribal programs and services.

Other Partnerships

The Bidder shall partner with other relevant entities necessary to effectively deliver and coordinate FCS services. Other entities may include, but are not limited to, county and local governments, homeless continuums of care, and homeless coordinated entry providers.

1.3. MINIMUM QUALIFICATIONS AND MANDATORY BIDDER LETTER OF INTENT WITH SUBMISSION OF WRITTEN QUESTIONS

To be eligible to submit a Proposal, each Bidder must submit its Letter of Intent to Propose. The Letter of Intent to Propose must be sent via email to the RFP Coordinator listed in Section 2.1, not later than the date stated in the Procurement Schedule, Section 2.2. The subject line of the email must include the following: [RFP #224200] – Letter of Intent to Propose – [Your entity's name].

A. Bidder's Organization Name;
B. Bidder's authorized representative for this Procurement (This representative will also be named the authorized representative;
C. Title of authorized representative;
D. Address, Telephone number, and Email address;
E. Statement of Intent to Propose;
F. A statement of how you meet ALL of the Minimum Requirements specified below; and

G. Submittal of Bidder's Written Questions

HCA may use the Letters of Intent to Propose as a pre-screening to determine whether minimum requirements are met.

As part of the mandatory Letter of Intent to Propose, Bidder must provide legible copies of the required documents that demonstrate how the Bidder complies with the eligibility requirements described in this RFP. Bidder must meet the following minimum requirements at the time their proposal is submitted to the HCA or within the timeframes noted in the requirement:

A. Be licensed to do business in the state of Washington and has been issued a Washington State Unified Business Identifier (UBI) number or provide a commitment that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Bidder.
B. Have a local presence and/or provide a commitment that it will establish a regional office facility in the state of Washington within the first ninety (90) days of the contract period.
C. Have experience performing administrative functions for health related services, including but not limited to paying claims in a HIPAA compliant format as a TPA, Administrative Services Organization, or similar entity.
D. Have demonstrated capability to analyze and report data at regular intervals and make recommendations as to improvement strategies for cost and utilization.
E. Comply with all HCA and Washington state Office of Insurance Commission (OIC) regulations related to individual complaints and Appeals processes.
F. Comply with Washington State Office of the Chief Information Officer (OCIO) security standards and agree to undergo a Security Design Review conducted by Washington Technology Solutions (WATech), if required.
G. Comply with all state and federal privacy and security laws, statues and regulations for protecting Enrollee data, including HIPAA. Bidder will require all Subcontractors to implement these Safeguards.
H. Agree to enter into a binding agreement with HCA.
I. Provide the services outlined in Section 1.2 Objectives and Scope of Work within thirty (30) calendar days of contract.
J. Have Program Integrity policies and procedures addressing Fraud, waste, and Abuse, including detection and prevention or provide a commitment that it will establish within the first thirty (30) days of signed Contract.
K. Have Quality Management Plan and performance improvement policies and procedures addressing quality and appropriateness of care and services and promote improved patient outcomes through monitoring and evaluation activities or provide a commitment that it will establish within the first thirty (30) days of signed agreement.
L. Have Grievance and Appeals policies and procedures or provide a commitment that it will establish within the first thirty (30) days of signed agreement.
M. Meet an A.M. Best financial rating of A- or better at the time of Proposal submittal.
N. Sign a Data Share Agreement (DSA), Business Associates Agreement and Non-Disclosure Agreement within the first thirty (30) days of signed Contract – *See Attachment A*

O. Have the ability to accept and process appropriate HIPAA transactions (including 834 and 837) from ProviderOne in order to confirm client eligibility and report encounters.

P. Bidder will be required to undergo a Readiness Review to assess the capacity and adequacy of its administration/operations, service delivery, financial management and systems management.

Potential Bidders who do not meet these minimum qualifications will be rejected as non-responsive and will not receive further consideration. Any proposal that is rejected as non-responsive will not be evaluated or scored.

1.4. FUNDING (OPTIONAL)

Under the TPA agreement, a maximum level of available funding for the FCS program is estimated at up to $200 million in service dollars inclusive of administrative service costs over the four and a half year (4-1/2) agreement period. The Bidder will receive monthly payments for administrative fee services up to an annual cap limit of 5% of service funds expended by the Demonstration. The estimated allocation for the Demonstration and funding methodology is provided in the Cost Proposal Section 3.4.

Any Agreement awarded as a result of this procurement is contingent upon the availability of funding and final approval of the relevant protocols by CMS.

1.5. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT If the resulting contract is supported by federal funds, such contract may require compliance with the Federal Funding Accountability and Transparency Act (FFATA or the Transparency Act). The purpose of the Transparency Act is to make information available online so the public can see how federal funds are spent.

To comply with the act and be eligible to enter into this contract, the Bidder's organization must have a Data Universal Numbering System (DUNS®) number. A DUNS® number provides a method to verify data about the Bidder's organization. If the Bidder's organization does not already have one, it may receive a DUNS® number free of charge by contacting Dun and Bradstreet at www.dnb.com.

The Bidder may be required to complete a Federal Funding Accountability and Transparency Act (FFATA) Data Collection Form which must be returned with the signed contract. If the FFATA Data Collection Form is required, the contract will not be executed until this form has been properly completed, executed, and accepted by the agency.

Required information about the contracting organization and this contract will be made available on USASpending.gov by the HCA as required by P.L. 109-282. As a tool to provide the information, HCA encourages registration with the Central Contractor Registry (CCR) because less data entry and re-entry is required on behalf of both HCA and the contracting organization. Registration can be done with CCR online at https://www.uscontractorregistration.com/.

1.6. PERIOD OF PERFORMANCE

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin, including delivery of services on or about July 1, 2017 through December 31, 2021.

HCA also reserves the right, in its sole discretion, to not award any contract at all. HCA reserves the right to award the agreement for whatever time increments HCA, in its sole discretion, deems appropriate.

HCA intends that the agreement awarded as the result of this RFP will be aligned with the Demonstration Special Terms and Conditions (STC). Any changes made to the STCs will be reviewed by HCA for alignment with the TPA agreement. Benefits under FCS may also be updated for parity and alignment with changes in state or federal law or funding. The final TPA agreement will be available to the Apparent Successful Bidder prior to Contract Execution.

1.7. CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Bidders should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

1.8. DEFINITIONS

For purposes of this RFP, the following abbreviations and terms have the meanings indicated below:

Abuse: means any provider or TPA practices that are inconsistent with sound fiscal, business, or medical practices, and result in unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for healthcare. It also includes member practices that result in unnecessary cost to the Medicaid program.

Administrative Services: means the performance of services or functions, other than the direct delivery of core benefits and services, necessary for the management of the delivery of and payment for core benefits and services, including but not limited to network, utilization, clinical and/or quality management, service authorization, claims processing, management information systems operation, and reporting.

ALTSA: means Aging and Long-Term Support Administration that provides and administers long-term care services to eligible individuals and collaborates with Area Agencies on Aging to share community service options that include residential care services, services to individuals who are deaf, hard of hearing, deaf-blind and speech-disabled facing communication barriers.

Appeal: means a review of an adverse benefit determination.

Apparently Successful Bidder (ASB): means the bidder selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

Appeal Procedure: means a formal process whereby a member has the right to contest an adverse determination/action rendered by the TPA, which results in the denial, reduction, suspension, termination or delay of healthcare benefits/services. The Appeal Procedure shall be governed by Medicaid rules and regulations and any and all applicable court orders and consent decrees.

Area Agency on Aging (AAA): means a local agency that uses state and federal resources to help older persons and adults with disabilities live in their own homes and communities as long as possible, postponing or eliminating the need for residential or institutional care (such as nursing homes).

Behavioral Health Advisory Council (Washington State – also referred to as "the Council"): means a Council that operates under Public Law 102-321 that includes consumers, providers, advocates,

government representatives, and other private and public entities. The membership represents the state's population with respect to race, ethnicity, disability, and age, urban and rural. The Council partners with the Division of Behavioral Health and Recovery to make decisions that will best serve citizens in need of behavioral health services. The Council members are concerned with need, planning, operation, funding and use of services for mental health, substance use and gambling disorders. The Council's main duties are to review plans the state provides and recommend modifications and evaluates the allocation and adequacy of mental health services within the state.

Behavioral Health Organization (BHO): means a county authority or group of county authorities or other entity recognized by the Secretary that contracts for mental health services and Substance Use Disorder treatment services within a defined Regional Service Area.

Bidder: means individual or company interested in the RFP that submits a proposal in order to attain a contract with the HCA.

Centers for Medicare and Medicaid Services (CMS): means the agency with the United States Department of Health & Human Services that provides administration and funding for Medicare under Title XVIII, Medicaid under Title XIX, and the Children's Health Insurance Program under Title XXI of the Social Security Act.

Contractor: means individual or company whose proposal has been accepted by HCA and is awarded a fully executed, written contract.

Evidence-Based Practices (Physical Health [PH] and Behavioral Health [BH] Practices): means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and when possible, is determined to be cost-beneficial. (Washington State Institute for Public Policy (WSIPP) 3/2015).

External Entities (EE): means organizations that serve eligible Medicaid individuals and include Department of Social and Health Services, Department of Health, local health jurisdictions, community-based service providers and HCA services/programs as defined in this Contract.

Fraud: means as relates to Medicaid Program Integrity, an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to him or some other person. It includes any act that constitutes Fraud under applicable federal or state law. Fraud may include deliberate misrepresentation of need or eligibility; providing false information concerning costs or conditions to obtain reimbursement or certification; or claiming payment for services which were never delivered or received.

Grievance: means an expression of member/provider dissatisfaction about any matter other than an adverse benefit determination, as adverse benefit determination is defined. Examples of Grievances include dissatisfaction with quality of care, quality of service, rudeness of a provider or a network employee and network administration practices. Administrative Grievances are generally those relating to dissatisfaction with the delivery of administrative services, coverage issues, and access to care issues.

Grievance and Appeal Process: means the process for addressing Grievances through an Appeal process, and access to the Washington State Fair Hearing system. Any Grievance system requirements apply to all three components of the Grievance system not just the Grievance process.

HCA: means the Health Care Authority is the agency of the state of Washington that is issuing this RFP.

HCS: means the division within the Washington State Aging and Long-Term Support Administration (ALTSA) that is responsible for conducting initial and ongoing residential HCBS eligibility determinations.

HCBS: means home and community based services that provide opportunities for Medicaid beneficiaries to receive services in their own home or community rather than institutions or other isolated settings. These programs serve a variety of targeted populations groups, such as people with intellectual or developmental disabilities, and/or mental illnesses.

HIPAA: means the federal standards for the privacy of individually identifiable health information inclusive of the HIPAA Privacy Rule, the HIPAA Security Rule and the HIPAA transaction.

HIPAA Privacy Rule: means part of the Health Insurance Portability and Accountability Act of 1995 (HIPAA) which establishes standards to address the use and disclosure of individuals' health information—called "protected health information" by organizations subject to the Privacy Rule—called "covered entities", as well as standards for individuals' privacy rights to understand and control how their health information is used. https://www.hhs.gov/hipaa/for-professionals/privacy/laws-regulations/index.html.

HIPAA Security Rule: means part of the Health Insurance Portability and Accountability Act of 1995 (HIPAA) which stipulates that covered entities must maintain reasonable and appropriate administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of their Electronic Protected Health Information against any reasonably anticipated risks. https://www.hhs.gov/hipaa/for-professionals/security/index.html.

HIPAA Transaction Rule: means part of the Health Insurance Portability and Accountability Act of 1995 (HIPAA) which adopts certain standard transactions for the electronic exchange of health care data. https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/Transactions/TransactionsOverview.html.

Home and Community Services (HCS): means the division with ALTSA that promotes, plans, develops and provides long-term care services for persons with disabilities and the elderly who may need state funds (Medicaid) to help pay for them.

Individual Placement and Support (IPS): means an evidence-based approach to supported employment services based on the following principles:

- Services are open to all eligible individuals who wish to work;
- Competitive employment is the goal;
- Integrated with other services provided to the individual;
- Personalized benefits planning;
- Job search begins soon after the individual expresses interest in working;
- Job search based on individual preferences;
- Supports are not time-limited; and
- Individual preferences are honored.

Managed Care: means a prepaid, comprehensive system of medical and behavioral health care delivery including preventive, primary, specialty, and ancillary health services.

Managed Care Organization (MCO): means an organization having a certificate of authority or certificate of registration from the Washington State Office of Insurance Commissioner that contracts with HCA under a comprehensive risk contract to provide prepaid health care services to eligible HCA Consumers under HCA Managed Care programs.

Medicaid: means a tested federal-state entitlement program enacted in 1965 by Title XIX of the Social Security Act Amendment. Medicaid offers federal matching funds to states for costs incurred in paying healthcare providers for serving covered individuals.

Medicaid Eligible: means an individual determined eligible, pursuant to federal and state law, to receive medical care, goods and services for which TPA may make payments under the Medicaid program.

Office of the Insurance Commission (OIC): means a state government agency that is mandated to protect insurance consumers by empowering and educating the public about insurance issues and health care access and oversees the insurance industry to make sure companies and producers follow the rules and to protect consumers. https://www.insurance.wa.gov/about-oic/what-we-do/overview-history/.

Office of the Chief Information Officer (OICO): means state government information technology service provider that is legislatively mandated to approve implementation by using a business model to support the comprehensive IT requirements of state business that covers all aspects of developing, defending of all enterprise information technologies. https://ocio.wa.gov/about-us/washington-state-strategic-information-technology-framework.

Performance Measures: means specific operationally defined performance indicators utilizing data to track performance and quality of care and to identify opportunities for improvement related important dimensions of care and service.

Proposal: means a formal offer submitted in response to this solicitation.

Protocols: means attachments to the demonstration Special Terms and Conditions that describe programmatic expectations and mechanisms necessary to implement demonstration initiatives.

Quality Management and Performance Improvement Plan: means a written plan, required of the TPA, detailing quality management and committee structure, Performance Measures, monitoring and evaluation process and improvement activities measures that rely upon quality monitoring implemented to improve healthcare outcomes for enrollees. Promotes patient outcomes through performance improvement projects, medical record audits, Performance Measures, surveys and related activities.

Quality Management: means the ongoing process of assuring that the delivery of covered services is appropriate, timely, accessible, available and medically necessary and in keeping with established guidelines and standards and reflective of the current state of medical and behavioral health knowledge.

Request for Proposals (RFP): means formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen. The purpose of an RFP is to permit the Bidder community to suggest various approaches to meet the need at a given price.

Substance Use Disorder (SUD): means a condition in which the use of one or more substances leads to a clinically significant impairment or distress. Although the term substance can refer to any physical

matter, 'substance' in this context is limited to psychoactive drugs, such as; alcohol, tobacco, cannabis, stimulants, hallucinogens and opioids. https://www.samhsa.gov/disorders/substance-use.

Supported Employment Services: means coordination with state and local entities to provide assistance and support, such a skills assessment, training, education and counseling to eligible individuals who want to work.

Supportive Housing Services: means active search and promotion of access to, and choice of, safe and affordable housing that is appropriate to the individual's age, culture and needs.

Third Party Administrator: means an independent organization that has expertise and capability to administer all or a portion of the claims, including; claims administration, provider networks, utilization review, enrollment and other administrative activities for medical assistance furnished under a state plan.

Washington Administrative Code (WAC): means the rules adopted by agencies to implement legislation and RCWs. All references in this Contract to WAC chapters or sections shall include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at http://leg.wa.gov/LawsAndAgencyRules/Pages/default.aspx.

1.9. ADA

HCA complies with the Americans with Disabilities Act (ADA). Bidders may contact the RFP Coordinator to receive this Request for Proposals in Braille or on tape.

2. GENERAL INFORMATION FOR BIDDERS

2.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact in HCA for this procurement. All communication between the Bidder and HCA upon release of this RFP must be with the RFP Coordinator, as follows:

Name Alternate Contact	Kathleen Hodge Gini Britton
E-Mail Address	contracts@hca.wa.gov
Phone Number	360-725-0840

Any other communication will be considered unofficial and non-binding on HCA. Bidders are to rely on written statements issued by the RFP Coordinator. Communication directed to parties other than the RFP Coordinator may result in disqualification of the Bidder.

2.2. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Issue Request for Proposals	March 24, 2017
Bidder's Letter of Intent with Written Questions Due to HCA	April 13, 2017, by 2:00 P.M. PST
Responses to Bidder Questions - Addendum to RFP (to be posted in WEBS)	April 24-25, 2017
Proposals due	May 15, 2017, by 2:00 P.M. PST
Evaluate Proposal (approximate timeframe)	May 16-23, 2017
Conduct oral interviews with finalists, if required	May 26, 2017
Announce "Apparently Successful Bidder" and send notification via e-mail to unsuccessful Bidders	May 31, 2017
Hold debriefing conferences by telephone (if requested)	June 5-9, 2017
Contract Execution	June 16-23, 2017
Begin service delivery	July 1, 2017

HCA reserves the right to revise the above schedule.

2.3. SUBMISSION OF PROPOSALS

ELECTRONIC PROPOSALS:

The Proposal must be received by the RFP Coordinator no later than **Wednesday, May 15, 2017 by 2:00 p.m. Pacific Time, in Olympia, Washington.** Proposer shall submit their electronic responses as separate attachments to an email to the RFQQ Coordinator its Proposal to contracts@hca.wa.gov in the following manner:

1) Clearly mark the subject line of the email: RRP 2240, Vendor Name (e.g. RFP 2240, ABC Company).
2) Provide separate attachments for Letter of Submittal and the Certificate and Assurances form.
3) Clearly identify in Proposal each RFP section and attach to the email in the following order:
    - Letter of Submittal and Certificate and Assurances
    - Diverse Business Inclusion Plan
    - Technical Section A (Project Approach - maximum length 10 pages)
    - Technical Section B (Work Plan – maximum length 10 pages)
    - Technical Section C (Project Schedule – maximum 5 pages)
    - Technical Section D (Outcomes/Performance – maximum 7 pages)
    - Technical Section E (Risks – maximum 3 pages)
    - Technical Section F (Deliverables – combine all pages into one attachment)
    - Technical Section G (Implementation – maximum 5 pages)
    - Technical Section H (Sustainability Planning – maximum 3 pages)
    - Technical Section J (Conflict of Interests – combine all pages into one attachment)
    - Technical Section K (Reporting – maximum 3 pages)
    - Project Management Section A (maximum of 10 pages)
    - Project Management Section B (maximum of 5 pages)
    - Project Management Section C (combine all pages into one attachment)
    - Project Management Section D (combine all pages into one attachment)
    - OMWBE (optional attachment)
    - Administrative Fee Cost Proposal (combine all into one attachment)
4) Use a preferred software format, such as Microsoft Word 2000, Font size 10, (or a more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately; and
5) Keep file sizes to a minimum. Proposers are cautioned not to use unnecessary graphics in their Proposals.

Time of receipt will be determined by the email date and time received at the HCA's email server in the contracts@hca.wa.gov inbox.

The "received date/time" posted by the HCA's email system will be used as the official time stamp. HCA is not responsible for problems or delays with email when the HCA's systems are operational. If a Proposal is late, it may be rejected.

Zipped files cannot be received by HCA and cannot be used for submission of Proposals. The Letter of Submittal and the Certifications and Assurances form must have a scanned signature of the individual within the organization authorized to bind the Bidder to the offer. HCA does not assume responsibility for problems with Bidder's e-mail. If HCA e-mail is not working, appropriate allowances will be made. Proposals may not be transmitted using facsimile transmission.

Bidders should allow sufficient time to ensure timely receipt of the Proposal by the RFP Coordinator. Late Proposals will not be accepted and will be automatically disqualified from further consideration, unless HCA e-mail is found to be at fault. All Proposals and any accompanying documentation become the property of HCA and will not be returned.

2.4. PROPRIETARY INFORMATION / PUBLIC DISCLOSURE

Proposals submitted in response to this competitive procurement will become the property of HCA. All Proposals received will remain confidential until the Apparently Successful Bidder is announced; thereafter, the Proposals will be deemed public records as defined in chapter 42.56 of the Revised Code of Washington (RCW).

Any information in the Proposal the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of chapter 42.56 RCW, or other state or federal law that provides for the nondisclosure of your document, must be clearly designated. The information must be clearly identified and the particular exemption from disclosure upon which the Bidder is making the claim must be cited. Each page containing the information claimed to be exempt from disclosure must be clearly identified by the words "Proprietary Information" printed on the lower right hand corner of the page. Marking the entire Proposal exempt from disclosure or as Proprietary Information will not be honored.

If a public records request is made for the information that the Bidder has marked as "Proprietary Information," HCA will notify the Bidder of the request and of the date that the records will be released to the requester unless the Bidder obtains a court order enjoining that disclosure. If the Bidder fails to obtain the court order enjoining disclosure, HCA will release the requested information on the date specified. If a Bidder obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to chapter 42.56 RCW, or other state or federal law that provides for nondisclosure, HCA will maintain the confidentiality of the Bidder's information per the court order.

A charge will be made for copying and shipping, as outlined in RCW 42.56. No fee will be charged for inspection of contract files, but 24 hours' notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

2.5. REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be provided via e-mail to all Bidders who have made the RFP Coordinator aware of their interest with the mandatory Letter of Intent to Propose. Addenda will also be published on Washington's Electronic Bid System (WEBS). The website can be located at https://fortress.wa.gov/ga/webs/. For this purpose, the published questions and answers and any other pertinent information will be provided as an addendum to the RFP and will be placed on the website.

HCA also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.

2.6. DIVERSE BUSINESS INCLUSION PLAN

Bidders will be required to submit a Diverse Business Inclusion Plan with their Proposal. In accordance with legislative findings and policies set forth in RCW 39.19, the state of Washington encourages participation in all contracts by firms certified by the office of Minority and Women's Business Enterprises (OMWBE), set forth in RCW 43.60A.200 for firms certified by the Washington State Department of Veterans Affairs, and set forth in RCW 39.26.005 for firms that are Washington Small Businesses. Participation may be either on a direct basis or on a subcontractor basis. However, no preference on the basis of participation is included in the evaluation of Diverse Business Inclusion Plans submitted, and no minimum level of OMWBE, Washington Small Business, or Washington State certified Veteran Business

participation is required as a condition for receiving an award. Any affirmative action requirements set forth in any federal Governmental Rules included or referenced in the contract documents will apply.

2.7. ACCEPTANCE PERIOD

Proposals must provide 120 days for acceptance by HCA from the due date for receipt of Proposals.

2.8. COMPLAINT PROCESS

Bidders may submit a complaint to HCA based on any of the following:

A. The solicitation unnecessarily restricts competition;
B. The solicitation evaluation or scoring process is unfair; or
C. The solicitation requirements are inadequate or insufficient to prepare a response.

A complaint may be submitted to HCA at any time prior to five business days before the bid response deadline. The complaint must meet the following requirements:

A. The complaint must be in writing;
B. The complaint must be sent to the RFP Coordinator in a timely manner;
C. The complaint should clearly articulate the basis for the complaint; and
D. The complaint should include a proposed remedy.

The RFP Coordinator will respond to the complaint in writing. The response to the complaint and any changes to the solicitation will be posted on WEBS. The Director of HCA will be notified of all complaints and will be provided a copy of HCA's response. The complaint may not be raised again during the protest period. HCA's action or inaction in response to the complaint will be final. There will be no Appeal process.

2.9. RESPONSIVENESS

All Proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The Bidder is specifically notified that failure to comply with any part of the RFP may result in rejection of the Proposal as non-responsive.

HCA also reserves the right at its sole discretion to waive minor administrative irregularities.

2.10. MOST FAVORABLE TERMS

HCA reserves the right to make an award without further discussion of the Proposal submitted. Therefore, the Proposal should be submitted initially on the most favorable terms which the Bidder can propose. HCA does reserve the right to contact a Bidder for clarification of its Proposal.

HCA also reserves the right to use a Best and Final Offer (BAFO) before awarding any contract to further assist in determining the ASB(s).

The Apparently Successful Bidder should be prepared to accept this RFP for incorporation into an agreement resulting from this RFP. Agreement negotiations may incorporate some, or all, of the Bidder's

Proposal. It is understood that the Proposal will become a part of the official procurement file on this matter without obligation to HCA.

2.11. CONTRACT AND GENERAL TERMS & CONDITIONS

The Apparently Successful Bidder will be expected to enter into agreement which is substantially the same as the sample agreement and its general terms and conditions attached as Exhibit C. In no event is a Bidder to submit its own standard contract terms and conditions in response to this solicitation. The Bidder may submit exceptions as allowed in the Certifications and Assurances form, Exhibit A to this solicitation. All exceptions to the contract terms and conditions must be submitted as an attachment to Exhibit A, Certifications and Assurances form. HCA will review requested exceptions and accept or reject the same at its sole discretion.

2.12. COSTS TO PROPOSE

HCA will not be liable for any costs incurred by the Bidder in preparation of a Proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related to responding to this RFP.

2.13. RECEIPT OF INSUFFICIENT NUMBER OF PROPOSALS

If HCA receives only one responsive Proposal as a result of this PROCUREMENT, HCA reserves the right to either: 1) directly negotiate and contract with the Bidder; or 2) not award any contract at all. HCA may continue to have the Bidder complete the entire PROCUREMENT. HCA is under no obligation to tell the Bidder if it is the only Bidder.

2.14. NO OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or HCA to contract for services specified herein.

2.15. REJECTION OF PROPOSALS

HCA reserves the right at its sole discretion to reject any and all Proposals received without penalty and not to issue a contract as a result of this RFP.

2.16. COMMITMENT OF FUNDS

The Director of HCA or his/her delegate is the only individual who may legally commit HCA to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

2.17. ELECTRONIC PAYMENT

The state of Washington prefers to utilize electronic payment in its transactions. The Apparently Successful Bidder will be provided a form to complete with the contract to authorize such payment method.

2.18. INSURANCE COVERAGE (ADD OTHER INSURANCE AS REQUIRED)

The Bidder is to furnish HCA with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The Bidder must, at its own expense, obtain and keep in force insurance coverage which will be maintained in full force and effect during the term of the contract. The Bidder must furnish evidence in the form of a Certificate of Insurance that insurance will be provided, and a copy must be forwarded to HCA within 15 days of the contract effective date.

A. Liability Insurance

1. Commercial General Liability Insurance: Bidder shall maintain commercial general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than $1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit must be at least twice the "each occurrence" limit. CGL insurance must have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL insurance must be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance must cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insureds (cross liability) condition.

   Additionally, the Bidder is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

2. Business Auto Policy: As applicable, the Bidder shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than $1,000,000 per accident. Such insurance must cover liability arising out of "Any Auto." Business auto coverage must be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

B. Employers Liability ("Stop Gap") Insurance

In addition, the Contractor shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than $1,000,000 each accident for bodily injury by accident or $1,000,000 each employee for bodily injury by disease.

C. Additional Provisions

Above insurance policy must include the following provisions:

1. **Additional Insured.** The state of Washington, HCA, its elected and appointed officials, agents and employees must be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract must be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.

2. **Cancellation.** State of Washington, HCA, must be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer must give the state 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the state must be given 10 days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The state must be given 20 days

advance notice of cancellation. If cancellation is due to non-payment of premium, the state must be given 10 days advance notice of cancellation.

3. **Identification.** Policy must reference the state's contract number and the Health Care Authority.

4. **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception must be reviewed and approved by the Health Care Authority Risk Manager, or the Risk Manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapter 48.15 RCW and 284-15 WAC.

5. **Excess Coverage.** By requiring insurance herein, the state does not represent that coverage and limits will be adequate to protect Bidder, and such coverage and limits will not limit Bidder's liability under the indemnities and reimbursements granted to the state in this Contract.

D. Workers' Compensation Coverage

The Bidder will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsive in any way for claims filed by the Bidder or their employees for services performed under the terms of this contract.

3. PROPOSAL CONTENTS

Proposals must be written in English and submitted electronically to the RFP Coordinator in the order noted below. Failure to complete and submit the required items listed in this section may disqualify the Proposer from further participation in this RFP. Bidders shall complete and provide the following information:

A. Letter of Submittal, including signed Certifications and Assurances

B. Technical Proposal

C. Management Proposal

D. Cost Proposal

E. Diverse Business Inclusion Plan

Proposals must provide information in the same order, in separate attachments, as presented in this document with the same headings. This will not only be helpful to the evaluators of the Proposal, but should assist the Bidder in preparing a thorough response.

Items marked "mandatory" must be included as part of the Proposal for the Proposal to be considered responsive, however, these items are not scored. Items marked "scored" are those that are awarded points as part of the evaluation conducted by the evaluation team.

2.19. LETTER OF SUBMITTAL (MANDATORY)

The Letter of Submittal and the attached Certifications and Assurances form (Exhibit A to this RFP) must be signed and dated by a person authorized to legally bind the Bidder to a contractual relationship, e.g.,

the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Bidder and any proposed subcontractors:

A. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

B. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.).

C. Legal status of the Bidder (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.

D. Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department of Revenue. If the Bidder does not have a UBI number, the Bidder must state that it will become licensed in Washington within 30 calendar days of being selected as the Apparently Successful Bidder.

E. Location of the facility from which the Bidder would operate and/or how the Bidder would establish local facilities for the duration of the Contract.

F. Identify any state employees or former state employees employed or on the firm's governing board as of the date of the Proposal. Include their position and responsibilities within the Bidder's organization. If following a review of this information, it is determined by HCA that a conflict of interest exists, the Bidder may be disqualified from further consideration for the award of a contract.

G. Any information in the Proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of RCW 42.56 must be clearly designated. The page must be identified and the particular exception from disclosure upon which the Bidder is making the claim must be listed. Each page claimed to be exempt from disclosure must be clearly identified by the word "Confidential" printed on the lower right hand corner of the page. In your Letter of Submittal, please list which pages and sections that have been marked "Confidential" and the particular exemption from disclosure upon which the Bidder is making the claim.

2.20. TECHNICAL PROPOSAL (SCORED)

The Technical Proposal must contain a comprehensive description of services including the following elements:

A. Project Approach/Methodology

Include a complete description of the Bidder's proposed approach and methodology for the project. In lieu of experience, to the below requests for information, provide the tools and resources you would use to describe your response. Your response to this section should not exceed ten (10) pages in length. See *Attachment C* for slides addressing an Overview of Third Party Administrator services provided in an HCA Webinar given on March 10, 2017. This section should convey Bidder's understanding of the proposed project. In your response, also reference Federal government CMS Statute 42CFR Section 438.10 for Enrollee and Eligibility Information Requirements. This reference also mentions the availability of and how to access or obtain interpretation services and translation of written information at no cost to the enrollee. https://www.gpo.gov/fdsys/pkg/CFR-2011-title42-vol4/pdf/CFR-2011-title42-vol4-sec438-10.pdf.

1. Describe your experience with comparable TPA or related services performed by your organization. Identify successes and challenges experienced in working with other agencies.

2. Describe your financial management practices.
3. Describe your claims payment process, including processes for claims adjudication, approval and denial, along with a detailed quality assurance process your organization will provide.
4. Describe your ability to prepare unique Remittance Advice (RA) and checks to providers. Provide information on Bidder's standard Remittance Advice and include a sample RA.
5. Describe how you reject/limit claims based on service frequency or monetary maximums.
6. Describe how and when HCA will be notified if the claims processing time frame does not meet the timely claims payment standard.
7. Describe the Bidder's disaster recovery plan.
8. Describe your ability to maintain and update provider information such as payment name and address, tax identification number, provider credentials, etc.
9. Describe how you will build and maintain a statewide provider networks that demonstrate adequate access in all RSAs and how you would work with HCA and DSHS to build capacity for long-term sustainability.
    a) Describe how you will build and maintain a provider network for housing support; and
    b) Describe how you will build and maintain a provider network for employment support.
10. Describe how you would coordinate individual referrals with contracted network providers.
11. Describe your experience with Fair Hearing process, notice of action, etc.
12. Describe your approach to continuous improvement of program outcomes.
13. Describe your approach to and experiences with engaging stakeholder collaborative' s; such as, Behavioral Health Advisory Council, Governor's Advisory Council on Homelessness, WA State Interagency Council on Homelessness, Governor's Advisory Council on Disability Issues and Employment, WA State Rehabilitation Council, etc.

B. Work Plan

1. Include all project requirements and the proposed tasks, services, activities, etc. necessary to accomplish the scope of the project defined in this RFP. Your response to this section should not exceed ten (10) pages in length. This section of the technical Proposal must contain sufficient detail to convey to members of the evaluation team that Bidder has sufficient knowledge of the subjects and skills necessary to successfully complete the project. Include any required involvement of HCA and DSHS staff. The Bidder may also present any additional approaches to delivering the services described in this RFP and provide any pertinent supporting documentation. The documentation does not count toward the page length requirement.

C. Project Schedule

Describe in your Proposal a project schedule for the first 12 months that includes FCS service delivery in July 2017 via the initial provider network identified by HCA and DSHS. Your response to this section should not exceed five (5) pages in length.

1. Include a project schedule chart indicating when the elements of the work will be completed. Such elements include, but are not limited to, initial service delivery, network development, data collection, care coordination and partnership development as defined in Section 1.2, etc. See Exhibit D for sample template with list of deliverables.

a. The Bidder needs to identify bandwidth capacity and flexibility to implement this Contract with their other on-going Contract commitments.
b. Provide a work plan and timetable that details services and the number of staff dedicated by your company to ramp up and implement TPA services for the first year; by month, by quarter, semi-annual and annual basis.

D. Outcomes and Performance Measurement

Provide information on the following assessment and measurement components. Your response to this section should not exceed seven (7) pages in length. Reference Federal government CMS Grievance System Statute 42 CFR Section 438.400(b) – https://www.gpo.gov/fdsys/pkg/CFR-2011-title42-vol4/pdf/CFR-2011-title42-vol4-part438-subpartF.pdf.

Also reference Federal government CMS Statue 48.43.535 and WAC 246-305 and 284-43 on the enrollee's right to and how to request an independent review.

1. Describe the impacts/outcomes the Bidder proposes to achieve as a result of the delivery of these services including how these outcomes will be monitored, measured, and reported to HCA.
2. Describe elements and provide an example of a Fraud and Abuse Compliance Plan. The example may be included as an attachment to your response.
3. Describe and provide an example of a Quality Management Assessment and Performance improvement Plan.
4. Describe and provide an example of a Grievance and Appeal Process that you would implement for this program.
5. Describe any experience with Evidence Based Practice (EBP) in making decisions about the care of individual patients.

E. Risks

Identify potential risks that are considered significant barrier to the success of the project. Your response to this section should not exceed three (3) pages in length.

1. Include how the Bidder would propose to effectively monitor and manage these risks, including reporting of risks to the HCA, DSHS contract managers and stakeholders.
2. Describe how your company limits risk exposure as to whether you have a data breach and/or IT system outage to minimize downtime and financial risk for your individuals.

F. Deliverables

1. Please see a list of expected deliverables in *Exhibit D – Sample Plan Timeline* and provide your Work Plan Timeline. Add to this list any additional deliverables your organization will provide in support of program implementation.

G. Implementation

Describe your experience working with multiple systems of care including housing and vocational rehabilitation. Your response to this section should not exceed five (5) pages in length.

1. Describe your experience incorporating consumer voice.
2. Describe your experience recruiting and enrolling beneficiaries, especially multiple referral sources; i.e. HCS, BHO, MCO's.

3. Describe how you will support Providers in the credentialing process, when necessary, to reduce the burden as much as possible.
4. Describe your experience responding to external stakeholders.
5. Describe the Bidder's methods and experience HIPAA and 42 CFR Part 2 data exchanges. How will the Bidder incorporate a written and signed disclosure with consent for SUD treatment in compliance with state and federal regulations? How will the Bidder share confidential information between medical, social service and behavioral health providers for the purposes of care integration?
6. Describe your methodology to ensure prompt payment to providers, including:
   a) The contingency plan for paying providers if they cannot submit on an 837; and
   b) Any tools and reports the Bidder will share with Providers to help them with claims management.

H. Sustainability Planning

The Bidder must identify its experience with supporting sustainability planning and describe what steps to maintain a smooth transition of the program to a sustainable model at the end of the contract term. Your response to this section should not exceed three (3) pages in length.

I. Integration with Partnerships

Your responses to this section should not exceed three (3) pages in length.

1. The Bidder must identify its collaboration experiences engaging in partnerships described in the Objectives Section 1.2 Scope of Work that identified the various partnerships required in this RFP.
2. The Bidder will address how it responds to advocacy entities; such as, but not limited to, Behavioral Health Advisory Council, Governor's Advisory Council on Homelessness, WA State Interagency council on Homelessness, Governor's Advisory Council on Disability Issues and Employment, and WA State Rehabilitation Council, etc.

J. Conflict of Interests

1. The Bidder must identify any conflict of interest's findings and/or sanctions received in their organization. (Mandatory – not Scored)
2. Describe your process for identifying and resolving conflict of interests.
3. Identify any sanctions received from any government regulatory or credentialing agency during the past ten (10) years.

K. Reporting

Your response to this section should not exceed three (3) pages in length.

1. The Bidder must identify and provide template examples of various TPA report formats showing utilization and outcome tracking of the following items.
   a) Number of individuals served, by region and target population,
   b) Number of service dollars spent, by region and target population,

2. Describe how the Bidder will modify its information system to process encounters via the HIPAA-compliant 837 transactions for Encounter Data Reporting. Include validation processes, use of identifiers, timeliness of the submission files, and support for claims/encounters for new providers.

2.21. MANAGEMENT PROPOSAL

A. Project Management (SCORED) - Your response to sections 1 and 2 below should not exceed three (3) pages in length. Your response to section 3 below should not exceed seven (7) pages in length.

1. **Project Team Structure/Internal Controls** – Provide a description of the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Provide an organizational chart of your firm indicating lines of authority for personnel involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Include who within the firm will have prime responsibility and final authority for the work.

2. **Staff Qualifications/Experience** – Identify staff, including subcontractors, who will be assigned to the potential contract, indicating the responsibilities and qualifications of such personnel, and include the amount of time each will be assigned to the project. Provide resumes for the named staff, which include information on the individual's particular skills related to this project, education, experience, significant accomplishments and any other pertinent information. The Bidder must commit that staff identified in its Proposal will actually perform the assigned work. Any staff substitution must have the prior approval of HCA.

3. **Quality Management (QM) Plan** – Provide a description on how you intend to implement and maintain a continuous Quality Management Plan. Components of your QM Plan must include demonstrating your individual notification capacity, Appeals/complaint management capabilities, and data collection and analysis. In demonstrating your data collection and analysis capacity, include the following:

   a. Describe what data you plan to collect for the Program. Describe your anticipated reporting schedule for that data.

   b. Describe how you will collect, store, and report eligibility and encounter data to be submitted to the State both via ProviderOne and via a dashboard. Describe how the data collected prior to submission will be able to be transferred to the State system once the infrastructure is available.

   c. Describe your experience submitting data to a State system.

   d. Describe your experience in conducting Medicaid eligibility validation processes.

B. **Experience of the Bidder (SCORED)**

Your response to this section should not exceed five (5) pages in length.

1. Indicate the experience the Bidder and any subcontractors have in the following areas associated with the Objectives and Scope of Work (Section 1.2):

   a. Administration of Medicaid reimbursable services.

b. Development and maintenance of provider networks.

c. Services related to addressing social determinants of health, including supportive housing and supported employment.

d. Medicaid populations spanning multiple delivery systems, including physical health, behavioral health and long-term care.

e. Services for patients leaving formal institutional settings and transitioning into home and community-based care settings.

2. Include a list of contracts the Bidder has had during the last five years that support the Bidder's ability to perform the services needed under this RFP. List contract reference numbers, contract period of performance, contact persons, telephone numbers and e-mail addresses.

C. Related Information (MANDATORY)

1. If the Bidder or any subcontractor contracted with the state of Washington during the past 24 months, indicate the name of the agency, the contract number, and project description and/or other information available to identify the contract.

2. If the Bidder's staff or subcontractor's staff was an employee of the state of Washington during the past 24 months, or is currently a Washington State employee, identify the individual by name, the agency previously or currently employed by, job title or position held, and separation date.

3. If the Bidder has had a contract terminated for default in the last five years, describe such incident. Termination for default is defined as notice to stop performance due to the Bidder's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Bidder, or (b) litigated and such litigation determined that the Bidder was in default.

4. Submit full details of the terms for default including the other party's name, address, and phone number. Present the Bidder's position on the matter. HCA will evaluate the facts and may, at its sole discretion, reject the Proposal on the grounds of the past experience. If no such termination for default has been experienced by the Bidder in the past five years, so indicate.

D. References (MANDATORY)

List names, addresses, telephone numbers, and fax numbers/e-mail addresses of three business references for the Bidder and three business references for the lead staff person for whom work has been accomplished and briefly describe the type of service provided. Do not include current HCA staff as references. By submitting a Proposal in response to this RFP, the vendor and team members grant permission to HCA to contact these references and others, who from HCA's perspective, may have pertinent information. HCA may or may not, at HCA's discretion, contact references. HCA may evaluate references at HCA's discretion.

E. OMWBE Certification (OPTIONAL AND NOT SCORED)

Include proof of certification issued by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) if certified minority-owned firm and/or women-owned firm(s) will be participating on this project. For information: http://www.omwbe.wa.gov.

2.22. ADMINISTRATIVE FEE COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Bidder of least cost, but rather to the Bidder whose Proposal best meets the requirements of this RFP. However, Bidders are encouraged to submit Proposals which are consistent with state government efforts to conserve state resources. The Proposal must include all costs related to administering the FCS program for the contract term and will serve as the base for contract negotiations with the ASB. Bidder is to provide a table of all costs for entire Contract term by month by year describing key milestones with dates. Bidder will be paid on a monthly basis.

Administrative costs tied to this contract are not to exceed 5 percent of annual service costs per demonstration year (DY), with the exception of DY 1, where administrative costs may not exceed 5% of the maximum allowable service. The table below identifies the maximum allowable service and administrative budgets over the course of the demonstration. The Bidder's administrative fee cost Proposal must not exceed the projected administrative cost limits specified below.

	DY 1 (Jul-Dec 2017)	DY 2 (Jan-Dec 2018)	DY 3 (Jan-Dec 2019)	DY 4 (Jan-Dec 2020)	DY 5 (Jan-Dec 2021)
FCS Services	$ 13,867,600	$ 30,734,050	$ 43,695,150	$ 47,898,350	$ 49,379,275
Supportive Housing services	$ 8,718,125	$ 20,518,350	$ 27,072,900	$ 27,898,000	$ 28,699,050
Supported Employment Services	$ 5,149,475	$ 10,215,700	$ 16,622,250	$ 20,000,350	$ 20,680,225
Maximum Allowable Admin. Fee (5%)	**$ 693,380**	**$ 1,536,703**	**$ 2,184,758**	**$ 2,394,918**	**$ 2,468,964**

A. Identification of Costs (SCORED)

The maximum TPA administrative fee for this contract must be specified individually by year for the contract term.

HCA would like to see cost associated per user/per month cap rate of TPA to Providers not-to-exceed the CMS allocation rate. Projected monthly caseloads can be found in Exhibit C. The caseload assumptions provided within Exhibit C will be used uniformly across all Bidders for evaluation of fee Proposals relative to a target cost. These caseload assumptions are non-binding and used for evaluation purposes only. Due to significant procedural implementation steps described in the RFP for the first year, HCA will consider Bidder identifying an additional administrative fee, tied to the achievement of payable deliverables specified in Exhibit D within the first 4 quarters of the contract term.

The Bidder's administrative fee cost Proposal for the first 4 quarters must demonstrate that per user/per month fees in addition to deliverable payments will not exceed administrative cost limits.

Identify all costs in U.S. dollars including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. The Cost Proposal will include a fully

detailed budget including staff costs and any expenses that includes any travel, lodging and administrative costs necessary to accomplish the tasks and to produce the deliverables under the contract. Bidders are required to collect and pay Washington State sales and use taxes, as applicable.

Proposed fees must be on a 'mature' basis such that, when the agreement is terminated, no additional charges will be incurred to provide for the processing of sixty (60) months of run-out Claims, and all associated customer service and provider network support activities. The HCA will not pay Administrative Fees to two administrators during the run-out period following the termination of the agreement.

Costs for subcontractors are to be broken out separately. Please note if any subcontractors are certified by the OMWBE.

Survivability components will be specified in the Contract terms and conditions that shall identify the expiration or termination of the Contract to include but are not limited to Confidentiality, Fraud, Overpayment, Indemnification and Hold Harmless, Inspection and Maintenance of Records. After termination of the Contract, the Bidder remains obligated to: a) cover hospitalized Enrollees until discharge consistent with the Contract, b) submit all data and reports required in the Contract, c) provide access to records required in accord with the Inspection provisions, d) provide the Administrative Services associated with Contracted services (e.g. claims processing, Enrollee Appeals) provided to Enrollees prior to the effective date of termination under the terms of the Contract, and e) repay any overpayments that pertain to services provided at any time during the term of the Contract, and are identified through an HCA audit or other HCA administrative review at any time on or before six (6) years from the date of the termination of the Contract or are identified through a Fraud investigation conducted by the Medicaid Fraud Control Unit or other law enforcement entity, based on the timeframes provided by federal or state law.

B. Computation

The score for the cost Proposal will be computed by dividing the lowest cost bid received by the Bidder's total cost. Then the resultant number will be multiplied by the maximum possible points for the cost section.

3. EVALUATION AND CONTRACT AWARD

3.1. EVALUATION PROCEDURE

Responsive Proposals will be evaluated strictly in accordance with the requirements stated in this solicitation and any addenda issued. The evaluation of Proposals will be accomplished by an evaluation team(s), to be designated by HCA, which will determine the ranking of the Proposals.

HCA, at its sole discretion, may elect to select the top-scoring firms as finalists for an oral presentation.

The RFP Coordinator may contact the Bidder for clarification of any portion of the Bidder's Proposal.

3.2. EVALUATION WEIGHTING AND SCORING

The following weighting and points will be assigned to the Proposal for evaluation purposes:

Technical Proposal – 50% **170 points**

TECHNICAL REQUIREMENTS	MAXIMUM POINTS
Project Approach/Methodology	50
Quality of Work Plan	5
Project Schedule	15
Outcomes/Performance Measurable	20
Risks	10
Deliverables	5
Implementation	25
Sustainability Planning Transition	5
Integration with Partnerships	10
Conflict of Interests	10
Reporting	15

Management Proposal – 20% **68 points**

MANAGEMENT REQUIREMENTS	MAXIMUM POINTS
Project Team Structure and Internal Controls	17
Staff Qualifications/Experience	17
Quality Management Plan	17
Experience of the Bidder	17

Cost Proposal – 30% **102 points**

TOTAL **340 POINTS**

HCA reserves the right to award the contract to the Bidder whose Proposal is deemed to be in the best interest of HCA and the state of Washington.

3.3. ORAL PRESENTATIONS MAY BE REQUIRED

HCA may after evaluating the written Proposals elect to schedule oral presentations of the finalists. **Should oral presentations become necessary, HCA will contact at minimum the two (2) top-scoring firm(s) from the written evaluation to schedule a time on-site May 26, 2017**. Commitments made by the Bidder at the oral interview, if any, will be considered binding. Questions will be provided prior to presentations.

The scores from the written evaluation and the oral presentation combined together will determine the Apparently Successful Bidder.

3.4. SUBSTANTIALLY EQUIVALENT SCORES

Substantially equivalent scores are scores separated by two percent or less in total points. If multiple Proposals receive a Substantially Equivalent Score, HCA may leave the matter as scored, or select as the Apparently Successful Bidder the one Proposal that is deemed to be in HCA's best interest relative to the overall purpose and objective as stated in Sections 1.1 and 1.2 of this Procurement.

If applicable, HCA's best interest will be determined by HCA managers and executive officers, who have sole discretion over this determination. The basis for such determination will be communicated in writing to all Bidders with equivalent scores.

3.5. NOTIFICATION TO BIDDERS

HCA will notify the Apparently Successful Bidder of their selection in writing upon completion of the evaluation process. Bidders whose Proposals were not selected for further negotiation or award will be notified separately by e-mail.

3.6. DEBRIEFING OF UNSUCCESSFUL BIDDERS

Any Bidder who has submitted a Proposal and been notified that they were not selected for contract award may request a debriefing. The request for a debriefing conference must be received by the RFP Coordinator no later than 5:00 p.m., local time, in Olympia, Washington, within three business days after the Unsuccessful Bidder Notification is e-mailed or faxed to the Bidder. The debriefing must be held within three business days of the request.

Discussion at the debriefing conference will be limited to the following:

A. Evaluation and scoring of the firm's Proposal;

B. Critique of the Proposal based on the evaluation; and

C. Review of Bidder's final score in comparison with other final scores without identifying the other firms.

Comparisons between Proposals, or evaluations of the other Proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour/thirty minutes.

3.7. PROTEST PROCEDURE

Protests may be made only by Bidders who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Bidder is allowed five business days to file a protest of the acquisition with the RFP Coordinator. Protests must be received by the RFP Coordinator no later than 4:30 p.m., local time, in Olympia, Washington on the fifth business day following the debriefing. Protests may be submitted by e-mail or by mail.

Bidders protesting this procurement must follow the procedures described below. Protests that do not follow these procedures will not be considered. This protest procedure constitutes the sole administrative remedy available to Bidders under this procurement.

All protests must be in writing, addressed to the RFP Coordinator, and signed by the protesting party or an authorized agent. The protest must state the RFP number, the grounds for the protest with specific facts, and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included.

Only protests stipulating an issue of fact concerning the following subjects will be considered:

A. A matter of bias, discrimination, or conflict of interest on the part of an evaluator;

B. Errors in computing the score; or

C. Non-compliance with procedures described in the procurement document or agency protest process or HCA requirements.

Protests not based on procedural matters will not be considered. Protests will be rejected as without merit if they address issues such as: 1) an evaluator's professional judgment on the quality of a Proposal; or 2) HCA's assessment of its own and/or other agencies needs or requirements.

Upon receipt of a protest, a protest review will be held by HCA. The HCA Director, or an employee delegated by the Director who was not involved in the procurement, will consider the record and all available facts and issue a decision within five business days of receipt of the protest. If additional time is required, the protesting party will be notified of the delay.

In the event a protest may affect the interest of another Bidder that also submitted a Proposal, such Bidder will be given an opportunity to submit its views and any relevant information on the protest to the RFP Coordinator.

The final determination of the protest will:

A. Find the protest lacking in merit and uphold HCA's action; or

B. Find only technical or harmless errors in HCA's acquisition process and determine HCA to be in substantial compliance and reject the protest; or

C. Find merit in the protest and provide HCA options which may include:

   a. Correct the errors and re-evaluate all Proposals; or

   b. Reissue the solicitation document and begin a new process; or

   c. Make other findings and determine other courses of action as appropriate.

If HCA determines that the protest is without merit, HCA will enter into a contract with the Apparently Successful Bidder. If the protest is determined to have merit, one of the alternatives noted in the preceding paragraph will be taken.

4. RFP EXHIBITS

Exhibit A	Certifications and Assurances
Exhibit B	Diverse Business Inclusion Plan
Exhibit C	FCS Projected Caseload and Population Spreadsheet
Exhibit D	Sample Work Plan Timeline
Exhibit E	Sample ALTSA Contract Language of Special Terms and Conditions for Supportive Housing and Supportive Employment
Exhibit F	Draft WAC for Supportive Housing and Employment Certification for Licensed Community Behavioral Health Agencies
Attachment A	Data Share Agreement with Non-Disclosure Agreement Inclusive of Business Associate Agreement
Attachment B	Selected TPA PowerPoint Slides to HCA Webinar – Given at HCA on 3/10/17
Attachment C	Sample Service Contract including General Terms and Conditions (GT&Cs)

EXHIBIT A – CERTIFICATIONS AND ASSURANCES – SUBMIT WITH YOUR PROPOSAL

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:

1. I/we declare that all answers and statements made in the proposal are true and correct.

2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.

3. The attached proposal is a firm offer for a period of 120 days following receipt, and it may be accepted by HCA without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120-day period.

4. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.

5. I/we understand that HCA will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of HCA, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.

6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by him/her prior to opening, directly or indirectly, to any other Bidder or to any competitor.

7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.

8. No attempt has been made or will be made by the Bidder to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

9. I/we grant HCA the right to contact references and other, who may have pertinent information regarding the ability of the Bidder and the lead staff person to perform the services contemplated by this RFP.

10. If any staff member(s) who will perform work on this contract has retired from the State of Washington under the provisions of the 2008 Early Retirement Factors legislation, his/her name(s) is noted on a separately attached page.

We (circle one) **are / are not** submitting proposed Contract exceptions. (See Section 2.12, Contract and General Terms and Conditions.) If Contract exceptions are being submitted, I/we have attached them to this form.

On behalf of the Bidder submitting this proposal, my name below attests to the accuracy of the above statement. *If electronic, also include*: We are submitting a scanned signature of this form with our proposal.

_____

Signature of Bidder

_____

Title Date

EXHIBIT B – DIVERSE BUSINESS INCLUSION PLAN - SUBMIT WITH YOUR PROPOSAL

Do you anticipate using, or is your firm, a State Certified Minority Business?	Y/N
Do you anticipate using, or is your firm, a State Certified Women's Business?	Y/N
Do you anticipate using, or is your firm, a State Certified Veteran Business?	Y/N
Do you anticipate using, or is your firm, a Washington State Small Business?	Y/N

If you answered No to all of the questions above, please explain:
_____

Please list the approximate percentage of work to be accomplished by each group:

Minority	__%
Women	__%
Veteran	__%
Small Business	__%

Please identify the person in your organization to manage your Diverse Inclusion Plan responsibility.

Name: _____

Phone: _____

E-Mail: _____

EXHIBIT C – FCS PROJECTED CASELOAD AND POPULATION SPREADSHEET

Below are caseload projections for Supportive Housing and Supported Employment. These are estimates and are subject to change.

Supportive Housing		Supported Employment	
Month	**Projected Caseload**	**Month**	**Projected Caseload**
Jul-17	156	Jul-17	76
Aug-17	313	Aug-17	152
Sep-17	470	Sep-17	229
Oct-17	628	Oct-17	306
Nov-17	786	Nov-17	383
Dec-17	945	Dec-17	460
Jan-18	1,103	Jan-18	538
Feb-18	1,262	Feb-18	615
Mar-18	1,422	Mar-18	693
Apr-18	1,582	Apr-18	772
May-18	1,742	May-18	850
Jun-18	1,903	Jun-18	929
Jul-18	2,064	Jul-18	1,008
Aug-18	2,226	Aug-18	1,088
Sep-18	2,388	Sep-18	1,167
Oct-18	2,550	Oct-18	1,247
Nov-18	2,713	Nov-18	1,327
Dec-18	2,876	Dec-18	1,408
Jan-19	3,040	Jan-19	1,488
Feb-19	3,204	Feb-19	1,569
Mar-19	3,368	Mar-19	1,650
Apr-19	3,533	Apr-19	1,732
May-19	3,698	May-19	1,814
Jun-19	3,863	Jun-19	1,896
Jul-19	3,868	Jul-19	1,978
Aug-19	3,873	Aug-19	2,060
Sep-19	3,878	Sep-19	2,143
Oct-19	3,883	Oct-19	2,226
Nov-19	3,887	Nov-19	2,309
Dec-19	3,892	Dec-19	2,393
Jan-20	3,897	Jan-20	2,477
Feb-20	3,902	Feb-20	2,561
Mar-20	3,907	Mar-20	2,645
Apr-20	3,912	Apr-20	2,730
May-20	3,916	May-20	2,815
Jun-20	3,921	Jun-20	2,900

Jul-20	3,926	Jul-20	2,905
Aug-20	3,931	Aug-20	2,910
Sep-20	3,936	Sep-20	2,915
Oct-20	3,941	Oct-20	2,919
Nov-20	3,946	Nov-20	2,924
Dec-20	3,951	Dec-20	2,929
Jan-21	3,955	Jan-21	2,934
Feb-21	3,960	Feb-21	2,939
Mar-21	3,965	Mar-21	2,944
Apr-21	3,970	Apr-21	2,948
May-21	3,975	May-21	2,953
Jun-21	3,980	Jun-21	2,958
Jul-21	3,985	Jul-21	2,963
Aug-21	3,990	Aug-21	2,968
Sep-21	3,995	Sep-21	2,973
Oct-21	4,000	Oct-21	2,978
Nov-21	4,005	Nov-21	2,983
Dec-21	4,010	Dec-21	2,988

EXHIBIT D – SAMPLE WORK PLAN TIMELINE - BIDDER TO COMPLETE AND SUBMIT IN TECHNICAL PROPOSAL – SECTION 3.2, Deliverables

CONTRACT TERM – 4.5 YEARS

Project Time Line- Full Staff Names		Year 1 Quarter				Year 2 Quarter				Year 3 Quarter				Year 4 Quarter				Year 4.5 Quarter			
Key Activities & Milestones (X)		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2		
Startup & Service Delivery																					
Assemble Stakeholder/Partners																					
Develop a network plan (Year 1 Payable Deliverable																					
Issue contracts to initial provider sites (Year 1 Payable Deliverable)																					
Develop and distribute education materials to beneficiaries /stakeholders																					
Quality Management Plan Development																					
Begin Service Delivery via Initial Network (Year 1 Payable Deliverable)																					
Data Management																					
Develop data collection Protocols (Year 1 Payable Deliverable)																					
Train Local Providers on data collection Protocols																					
Collect Outcomes for dashboard																					
Submit service encounters																					
Submit Service Implementation Plan																					
Submit Performance Assessment (Year 1 Payable Deliverable)																					
Performance Assessment																					
Monitoring of Performance indicators																					
Quarterly Reports																					
Participate in Sustainability Plan Development																					

EXHIBIT E: SAMPLE ALTSA CONTRACT LANAGUAGE OF SPECIAL TERMS AND CONDITIONS

(Meant for information about kinds of services that may not be applicable to the TPA program)

SPECIAL TERMS AND CONDITIONS: SUPPORTIVE HOUSING SERVICES CONTRACT UNDER THE AGING AND LONG-TERM SUPPORT ADMINISTRATION

1. Purpose. The purpose of this Contract is to: provide Supportive Housing services to eligible DSHS Long-Term Care (LTC) clients. Supportive Housing services are provided by an agency which provides a specific intervention for people who, but for the availability of services, do not succeed in housing and who, but for housing, do not succeed in services. Supportive Housing is affordable, independent and permanent. Supportive Housing Services are flexible, voluntary, and tenant-centered. Supportive Housing Services include activities that provide assistance to eligible individuals to access and remain in housing with maximum independence in the community.

2. Statement of Work. The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

a. Services are only to be provided as authorized by the LTC Case Manager to individuals who are Medicaid eligible and eligible to receive home and community based waiver or state plan services.

b. Supportive Housing services, which includes Community Choice Guide: Supportive Housing Specialist or Supportive Housing Specialty services, may include any of the following:

(1) Services that support an individual's ability to prepare for and transition to housing, including direct and collateral services:

(a) Screening and housing assessment for individuals' preferences and barriers.

(b) Developing an individual housing support plan: identifying goals, addressing barriers, establishing approaches to meet goals, including identifying available services and resources.

(c) Assisting with eligibility determination, housing applications, subsidy applications, and housing searches.

(d) Identifying resources for modifications and/or one-time move-in needs.

(e) Assisting in arranging for and supporting details of moving into housing.

(f) Training on roles, responsibilities, and rights of tenant and landlord.

(g) Developing housing support crisis plan.

(2) Services to support individuals to maintain tenancy once housing is secured, such as:

(a) Early intervention for behaviors that might jeopardize housing, e.g., late rent payment, lease violations, etc.

(b) Training on responsibilities and rights of tenant and landlord.

(c) Coaching on relationship-building with landlords, property managers, and neighbors, and assisting in dispute resolution.

(d) Linking with community resources to prevent eviction.

(e) Assisting with housing and subsidy recertification process.

(f) Coordinating with the individual to review, update, and modify their housing support and crisis plans.

(g) On-going training and support in household management.

(h) For individuals receiving personal care, coordination of services authorized to each LTC client.

(3) Activities that support collaborative efforts across public agencies and the private sector that assist in identifying and securing housing resources, such as:

(a) Developing formal/informal collaborations between services and housing agencies.

(b) Participating in planning processes of housing agencies, for example, by providing demographic, housing need, and other relevant data.

(c) Working with housing partners to create and identify housing options, such as coordinating with the Aging and Long-Term Support Administration (ALTSA) Bridge Program; subsidies through the Department of Commerce or other sources; coordinating housing locator systems; developing services data and tracking systems to include housing.

3. Provider Qualifications. In order to receive a contract to serve LTC clients, the Administration must consider an applicant's ability to perform successfully under the terms and conditions of the contract. This includes Contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Providers must meet the following minimum qualifications:

a. The Contractor must have at least one year of demonstrated experience and ability to provide services per the specifications in this Contract and maintain all necessary licenses, registration, and certification as required by law.

b. Employees of the Contractor providing Community Choice Guide: Supportive Housing Specialist services must meet the following criteria:

(1) Bachelor's degree in in a related field with one years' experience in the coordination of supportive housing or in the coordination of independent living services in a social service setting, or

(2) Two years' experience in the coordination of supportive housing or in the coordination of independent living services in a social service setting under qualified supervision.

(3) If the services to be provided require licensure or certification, the employee shall have the applicable license or certification, which shall be current and in good standing.

c. Certification of commitment to Supportive Housing quality standards include the following to ensure delivery of quality services and common program practices across provider agencies:

(1) Agency policies and procedures reflect the Contractor's commitment to:

(a) Housing First principles,

(b) HUD's health and safety standards for affordable housing,

(c) State and federal privacy and security regulations,

(d) Harm reduction principles,

(e) The provision of services to people with complex long term care needs.

(2) Coordinating with local housing authorities, non-profit and for-profit housing providers, and others to provide and sustain independent housing for individuals with complex needs.

(3) Coordinating access to housing as applicable, including the use of coordinated referrals and triage, common applications, common entrance criteria and centralized waitlists.

(4) Understanding programs, principles, regulations and statutes related to community based long term care.

(5) Services provided will reflect the Contractor's commitment to:

(a) Tenant choice. Supportive housing tenants will have choices in what support services they receive. Services will reflect tenant-defined needs and preferences.

(b) Flexible and Voluntary Services. Supportive housing tenants are involved in creating their individualized service plan. Services are voluntary, customized and comprehensive, reflecting the needs of the tenant. Services are not a requirement for housing.

(c) Assertive outreach and engagement. The service team will use a variety of outreach/engagement techniques to support tenants.

(d) Service coordination. Supportive Housing staff will serve as the bridge between tenants and the supports that help them achieve stability and long-term tenancy.

(6) The Contractor's commitment to tenant housing includes:

(a) Tenant choice. Supportive Housing tenants will be able to choose where they want to live. Tenants cannot be evicted from their housing for rejecting services.

(b) Access. Supportive Housing units will be available to people who are experiencing homelessness, are precariously housed and/or who have multiple barriers to housing stability, including disabilities and substance Abuse.

(c) Quality. Housing units will be similar to other units in the community.

(d) Integration. Supportive Housing tenants with disabilities will have a right to receive housing and supportive services in the most integrated settings available.

(e) Independent, Permanent Housing. Supportive Housing tenant leases or subleases will confer full rights of tenancy, including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. Tenants can remain in their homes as long as the basic requirements of the lease are met.

(f) Affordability. Supportive Housing must meet tenant's affordability standards.

(g) Coordination between housing and services. Property managers and support service staff will stay in regular communication and coordinate their efforts to help prevent evictions and to ensure tenants facing eviction have access to necessary services and supports.

(h) Delineated roles. There will be a functional separation of roles, with the housing elements (rent collection, property maintenance, enforcement of tenancy responsibilities) carried out by different staff than those providing services.

d. Demonstrated capacity to ensure adequate administrative and accounting procedures and controls necessary to safeguard all funds and meet program expenses in advance of reimbursement, determined through evaluation of the agency's most recent audit report or financial review.

e. No history of significant deficiencies as evidenced by monitoring, licensing reports or surveys.

f. Have sufficient staff qualified to provide services per the DSHS contract terms as evidenced by a current organizational chart or staffing plan indicating position titles and credentials, as applicable. This also includes any outside agency, person, or organization that will do any part of the work defined in the DSHS contract.

g. Current staff, including those with unsupervised access to clients and those with a controlling interest in the organization, have no findings of Abuse, neglect, exploitation, abandonment nor has the agency had any government issued license revoked or denied related to the care of medically frail and/or functionally disabled persons suspended or revoked in any state.

h. Have no multiple cases of lost litigation related to service provision to medically frail and/or functionally disabled persons

4. Reports, Monitoring, Quality Standards and Deliverables. The Contractor shall:

a. Participate in scheduled training, fidelity, and peer review processes as specified by the DSHS ALTSA.

b. Submit a monthly report on the form provided by DSHS within 15 days of the end of each month detailing individuals served.

c. Provide quarterly progress reports which shall include demographic and service information to demonstrate performance outcomes as specified by ALTSA. Quarterly reports are due to ALTSA no later than 45 days after the end of the quarter reporting period per the following table:

Reporting Period	Quarterly Report Due
January-March	May 15th
April-June	August 15th
July-September	November 15th
October-December	February 15th

5. Consideration. Total consideration payable to Contractor for satisfactory compliance with the terms of this Contract is as follows:

a. per 15 minute unit (“OF” or one fourth hour) per client for pre-placement services.

b. per per client for supportive housing services (once housing is secured) in the following geographical area . For partial months, this amount will be prorated to a daily rate.

c. per per client for supportive housing services (once housing is secured) in the following geographical area . For partial months, this amount will be prorated to a daily rate.

d. per per client for supportive housing services (once housing is secured) in the following geographical area . For partial months, this amount will be prorated to a daily rate.

6. Billing and Payment.

a. The Contractor shall receive payment for authorized services using the ProviderOne Payment system which is the State of Washington’s Medicaid Management Information System.

b. If this Contract is terminated for any reason, DSHS shall pay for only those services authorized and provided through the date of termination.

Based on the service provided, the Contractor may bill in ¼ hour, daily or monthly increments.

7. Purpose. The purpose of this Contract is to: provide Supported Employment services to eligible DSHS Long-Term Care (LTC) clients. Supported Employment services are provided by an agency which provides support for people who have identified disabilities and a need for services in order to engage with the competitive job market to obtain and retain employment in an integrated environment at, or above, minimum wage. Supported Employment services include activities that provide assistance to eligible individuals to access and retain employment in the community.

8. Statement of Work. The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

a. Services are only to be provided as authorized by the LTC Case Manager to individuals who are Medicaid eligible and eligible to receive home and community based waiver or state plan services.

b. Supported Employment services may include any of the following:

(1) Pre-Employment services that support an individual's ability to prepare for and transition to employment, including direct and collateral services:

(a) Screening and employment assessment for individuals' preferences and barriers.

(b) Developing an individual person-centered employment plan: identifying goals, addressing barriers, establishing approaches to meet goals, including identifying available services and resources.

(c) Providing discovery or assessment services to help identify skills, interests and abilities prior to engaging in job development.

(d) Providing job preparation services such as resume development, interviewing preparation and transportation training.

(e) Assisting in obtaining benefits education and planning.

(f) Assisting in identifying and support to access any career advancement services in the community.

(g) Assisting in identifying and accessing community resources to support job search.

(2) Job Development services to support individuals to search for and secure a job in the community, such as:

(a) Identifying and negotiating jobs.

(b) Building relationships with employers.

(c) Customized employment development, job analysis and job carving.

(d) Linking with community resources to support job search.

(3) Post-Employment services to support individuals to retain a job in the community, such as:

(a) Job coaching supports needed to perform and excel at a job.

(b) Retention supports to keep a job, maintain positive relationship with employer, identify opportunities, negotiate a raise in pay, promotion and/or increased benefits.

(c) Linking with community resources to support the individual to remain in a job.

9. Provider Qualifications. In order to receive a contract to serve LTC clients, the Administration must consider an applicant's ability to perform successfully under the terms and conditions of the contract. This includes Contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Providers must meet the following minimum qualifications:

a. The Contractor must have at least one year of demonstrated experience and ability to provide services per the specifications in this Contract and maintain all necessary licenses, registration, and certification as required by law.

b. Contractors consisting of one (1) person must meet one of the following:

(1) Be a Certified Employment Support Professional (CESP) by the Employment Support Professional Certification Council (ESPCC);

(2) Be a Certified Rehabilitation Counselor (CRC) by the Commission of Rehabilitation Counselor Certification (CRCC);

(3) Accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) in Employment Services;

(4) Have a Bachelor's degree in human or social services from an accredited college or university and at least two (2) years of demonstrated experience providing supported employment or similar services;

(5) Have four (4) or more years of demonstrated experience providing supported employment or similar services.

c. Contractors consisting of more than one person must meet one of the following:

(1) Accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) in Employment Services;

(2) Licensed in Employment Services by the DSHS Division of Behavioral Health and Recovery;

(3) Have all staff that will be performing Supported Employment services meet the qualifications identified in 3. b. above.

d. Demonstrated capacity to ensure adequate administrative and accounting procedures and controls necessary to safeguard all funds and meet program expenses in advance of reimbursement, determined through evaluation of the agency's most recent audit report or financial review.

e. No history of significant deficiencies as evidenced by monitoring, licensing reports or surveys.

f. Have sufficient staff qualified to provide services per the DSHS contract terms as evidenced by a current organizational chart or staffing plan indicating position titles and credentials, as applicable. This also includes any outside agency, person, or organization that will do any part of the work defined in the DSHS contract.

g. Current staff, including those with unsupervised access to clients and those with a controlling interest in the organization, have no findings of Abuse, neglect, exploitation, abandonment nor has the agency had any government issued license revoked or denied related to the care of medically frail and/or functionally disabled persons suspended or revoked in any state.

h. Have no multiple cases of lost litigation related to service provision to medically frail and/or functionally disabled persons

10. Reports, Monitoring, Quality Standards and Deliverables. The Contractor shall:

a. Participate in scheduled training, fidelity, and peer review processes as specified by the DSHS ALTSA.

b. Submit a monthly report on the form provided by ~~DSHS~~ within 15 days of the end of each month detailing individuals served.

c. Provide quarterly progress reports which shall include demographic and service information to demonstrate performance outcomes as specified by ALTSA. Quarterly reports are due to ALTSA no later than 45 days after the end of the quarter reporting period per the following table:

Reporting Period	Quarterly Report Due
January-March	May 15th
April-June	August 15th
July-September	November 15th
October-December	February 15th

11. Consideration Total consideration payable to Contractor for satisfactory compliance with the terms of this Contract is as follows: per 15 minute unit ("OF" or one fourth hour) per client for Supported Employment services.

12. Billing and Payment.

a. The Contractor shall receive payment for authorized services using the ProviderOne Payment system which is the State of Washington's Medicaid Management Information System.

b. If this Contract is terminated for any reason, DSHS shall pay for only those services authorized and provided through the date of termination.

c. Based on the service provided, the Contractor may bill in ¼ hour.

EXHIBIT F: Draft WAC for Supportive Housing and Employment Certification for Licensed Community Behavioral Health Agencies

Note: The WACs referenced below are not final and are subject to change. Language is provided solely to provide background information on anticipated provider requirements for community behavioral health agencies.

WAC 388-877A-0330 Recovery support services that require program-specific certification—Supported employment services**.** Supported employment services are recovery support services that require program-specific certification by the department's division of behavioral health and recovery. These services assist in job search, placement services, and training to help individuals find competitive jobs in their local communities.

(1) A behavioral health agency that provides Supported Employment Services must have knowledge of and provide individuals access to employment and education opportunities by coordinating efforts with one or more entities that provide other rehabilitation and employment services, such as:

(a) The department's division of vocational rehabilitation (DVR). DVR provides supported employment under WAC 388-891-0840 by community rehabilitation program contract as described in WAC 388-892-0100;

(b) The department's community services offices;

(c) Community, trade, and technical colleges;

(d) The business community;

(e) WorkSource, Washington state's official site for online employment services;

(f) Washington state department of employment security; and

(g) Organizations that provide job placement within the community.

(2) A behavioral health agency that provides Supported Employment Services must:

(a) Ensure all staff members who provide direct services for employment are knowledgeable and familiar with services provided by the department's division of vocational rehabilitation;

(b) Conduct and document a vocational assessment in partnership with the individual that includes work history, skills, training, education, and personal career goals;

(c) Assist the individual to create an individualized job and career development plan that focuses on the individual's strengths and skills;

(d) Assist the individual to locate employment opportunities that are consistent with the individual's skills, goals, and interests;

(e) Provide and document any outreach, job coaching, and support at the individual’s worksite, when requested by the individual or the individual’s employer; and

(f) If the employer makes a request, provide information regarding the requirements of reasonable accommodations, consistent with the Americans with Disabilities Act (ADA) of 1990 and Washington state anti-discrimination law.

[Statutory Authority: Chapters 70.02, 70.96A, 71.05, 71.24, 71.34, 74.50 RCW, RCW 74.08.090, 43.20A.890, and 42 C.F.R. Part 8. WSR 13-12-053, § 388-877A-0330, filed 5/31/13, effective 7/1/13.]

NEW SECTION

WAC 388-877A-0335 Recovery support services that require program-specific certification—Supportive housing services. Supportive housing services are recovery support services that require program-specific certification by the department's division of behavioral health and recovery. Supportive housing services support an individual's transition to community integrated housing and support the individual to be a successful tenant in a housing arrangement.

(1) A behavioral health agency that provides supportive housing services must have knowledge of and provide housing related collaborative activities to assist individuals in identifying, coordinating, and securing housing or housing resources with entities such as:

(a) Local homeless continuum of care groups or local homeless planning groups;

(b) Housing authorities that operate in a county or city in the behavioral health organization's (BHO) regional service area;

(c) Community action councils that operate in a county or region in the BHO's regional service area;

(d) Landlords of privately owned residential homes; and

(e) State agencies that provide housing resources.

(2) A behavioral health agency that provides supportive housing services must:

(a) Ensure all staff members who provide direct services for supportive housing are knowledgeable and familiar with fair housing laws;

(b) Conduct and document a housing assessment in partnership with the individual that includes housing preferences, affordability, and barriers to housing;

(c) Conduct and document a functional needs assessment in partnership with the individual that includes independent living skills and personal community integration goals;

(d) Assist the individual to create an individualized housing acquisition and maintenance plan that focuses on the individual's choice in housing;

(e) Assist the individual to locate housing opportunities that are consistent with the individual's preferences, goals, and interests;

(f) Provide any outreach, tenancy support, and independent living skill building supports at a location convenient to the individual;

(g) Provide the individual with information regarding the requirements of the Fair Housing Act, Americans with Disabilities Act (ADA) of 1990, and Washington state anti-discrimination law, and post this information in a public place in the agency; and

(h) Ensure the services are specific to each individual and meant to assist in obtaining and maintaining housing in scattered-site, clustered, integrated, or single-site housing as long as the individual holds a lease or sub-lease.

NEW SECTION

WAC 388-877B-0730 Substance use disorder recovery support services that require program-specific certification—Supported employment services. Supported Employment Services are substance use disorder recovery support services that require program-specific certification by the department's division of behavioral health and recovery. These services assist in job search, placement services, and training to help individuals find competitive jobs in their local communities.

(1) A behavioral health agency that provides Supported Employment Services must have knowledge of and provide individuals access to employment and education opportunities by coordinating efforts with one or more entities that provide other rehabilitation and employment services, such as:

(a) The department's division of vocational rehabilitation (DVR), which provides supported employment under WAC 388-891-0840 by community rehabilitation program contract as described in WAC 388-892-0100;

(b) The department's community service offices;

(c) Community, trade, and technical colleges;

(d) The business community;

(e) WorkSource, Washington state's official site for online employment services;

(f) Washington state department of employment security; and

(g) Organizations that provide job placement within the community.

(2) A behavioral health agency that provides Supported Employment Services must:

(a) Ensure all staff members who provide direct services for employment are knowledgeable and familiar with services provided by the department's division of vocational rehabilitation;

(b) Conduct and document a vocational assessment in partnership with the individual that includes work history, skills, training, education, and personal career goals;

(c) Assist the individual to create an individualized job and career development plan that focuses on the individual's strengths and skills;

(d) Assist the individual to locate employment opportunities that are consistent with the individual's skills, goals, and interests;

(e) Provide and document any outreach, job coaching, and support at the individual's worksite, when requested by the individual or the individual's employer; and

(f) If the employer makes a request, provide information regarding the requirements of reasonable accommodations, consistent with the Americans with Disabilities Act (ADA) of 1990 and Washington state anti-discrimination law.

NEW SECTION

WAC 388-877B-0740 Substance use disorder recovery support services that require program-specific certification—Supportive housing services. Supportive housing services are substance use disorder

recovery support services that require program-specific certification by the department's division of behavioral health and recovery. Supportive housing services support an individual's transition to community integrated housing and support the individual to be a successful tenant in a housing arrangement.

(1) A behavioral health agency that provides supportive housing services must have knowledge of and provide housing related collaborative activities to assist individuals in identifying, coordinating, and securing housing or housing resources with entities such as:

(a) Local homeless continuum of care groups or local homeless planning groups;

(b) Housing authorities that operate in a county or city in the behavioral health organization's (BHO) regional service area;

(c) Community action councils that operate in a county or region in the BHO's regional service area;

(d) Landlords of privately owned residential homes; and

(e) State agencies that provide housing resources.

(2) A behavioral health agency that provides supportive housing services must:

(a) Ensure all staff members who provide direct services for supportive housing are knowledgeable and familiar with fair housing laws;

(b) Conduct and document a housing assessment in partnership with the individual that includes housing preferences, affordability, and barriers to housing;

(c) Conduct and document a functional needs assessment in partnership with the individual that includes independent living skills and personal community integration goals;

(d) Assist the individual to create an individualized housing acquisition and maintenance plan that focuses on the individual's choice in housing;

(e) Assist the individual to locate housing opportunities that are consistent with the individual's preferences, goals, and interests;

(f) Provide any outreach, tenancy support, and independent living skill building supports at a location convenient to the individual;

(g) Provide the individual with information regarding the requirements of the Fair Housing Act, Americans with Disabilities Act (ADA) of 1990, and Washington state anti-discrimination law, and post this information in a public place in the agency; and

(h) Ensure the services are specific to each individual and meant to assist in obtaining and maintaining housing in scattered-site, clustered, integrated, or single-site housing as long as the individual holds a lease or sub-lease.

ATTACHMENT A – DATA SHARE AGREEMENT (DSA) INCLUSIVE OF A BUSINESS ASSOCIATE AGREEMENT WITH NON-DISCLOSURE AGREEMENT TO BE SUBMITTED WITH PROPOSAL

(This is a sample agreement and elements of TPA sharing data will be determined at time of review)

Washington State Health Care Authority	**Data Share Agreement [DESCRIPTION]**	HCA Contract Number: K Receiving Party Contract Number: _____

This Data Share Agreement ("Agreement" or "DSA") is made by and between the state of Washington Health Care Authority ("HCA") and the party whose name appears below ("Receiving Party")

Receiving Party Name	*Receiving Party doing business as (DBA)*
Receiving Party Address	*Receiving Party Contact Name, Title (Contract Manager)*
Receiving Party Contact Telephone	*Receiving Party Contact Email Address*

HCA Program	*HCA Division/Section*
ProviderOne	**ProviderOne Operations and Services**
HCA Contact Name, Title (Contract Manager)	*HCA Contact Address*
Cathie Ott, Assistant Director **ProviderOne Operations and Services**	**626 8th Avenue SE, PO Box 45564** **Olympia, WA 98504-5564**
HCA Contact Telephone	*HCA Contact Email Address*
(360) 725-2116	**Cathie.ott@hca.wa.gov**

The parties signing below warrant that they have read and understand this Agreement, and have authority to execute this Agreement. This Agreement will be binding on HCA only upon signature by HCA.

Receiving Party Signature	*Printed Name and Title*	*Date Signed*
HCA Signature	*Printed Name and Title*	*Date Signed*

Table of Contents

1. Background (optional) 3
2. Purpose of the DSA 3
3. Justification and Authority for Data Sharing 3
4. Definitions 3
5. Description of Data to be Shared 5
6. Data Classification 5
7. Constraints on Use of Data 6
8. Security of Data 6
9. Data Confidentiality and Non-Disclosure 7
10. Public Disclosure 7
11. Data Shared with Subcontractors 8
12. HIPAA Compliance 8
13. Non PHI Data Breach Notification 12
14. Amendments and Alterations 12
15. Assignment 12
16. Dispute Resolution (Option 1: Vendor/Contractor) 12
17. Dispute Resolution (Option 2: Agencies) 12
18. Entire Agreement 13
19. Governing Law and Venue 13
20. Incorporated Documents and Order of Precedence 13
21. Inspection 14
22. Insurance 14
23. Legal Notices 15
24. Maintenance of Records 15
25. Responsibility 15
26. Severablility ..... **Error! Bookmark not defined.**
27. Survival Clauses 16
28. Term and Termination 16
29. Waiver 16
30. Signatures and Counterparts 16

Schedule 1: Description of Shared Data

Exhibit A: Data Security Requirements

Exhibit B: User Agreement on Non-Disclosure of Confidential Information

1. **Background (optional)**

   Explain the context for sharing the data – who's who and how we got here

2. **Purpose of the DSA**

   The purpose of this Data Share Agreement (DSA) is to identify, describe and protect the Medicaid data being provided by HCA from ProviderOne to the Receiving Party. The purpose for sharing the Data is for the Receiving Party to .

3. **Justification and Authority for Data Sharing**

   The Data to be shared under this DSA are necessary to comply with

   [Explain the justification for the data sharing and provide the statutory or rule authority for the data to be shared.]

4. **Definitions**

   "Agreement" means this Data Share Agreement.

   "Authorized User" means an individual or individuals with an authorized business need to access HCA's Confidential Information under this Agreement.

   "Breach" means the acquisition, access, use, or disclosure of Protected Health Information in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of the Protected Health Information, with the exclusions and exceptions listed in 45 CFR 164.402

   "Business Associate" means a Business Associate as defined in 45 CFR 160.103, who performs or assists in the performance of an activity for or on behalf of HCA, a Covered Entity that involves the use or disclosure of protected health information (PHI). Any reference to Business Associate in this DSA includes Business Associate's employees, agents, officers, Subcontractors, third party contractors, volunteers, or directors.

   "Business Associate Agreement" means the HIPAA Compliance section of this DSA (Section 13) and includes the Business Associate provisions required by the U.S. Department of Health and Human Services, Office for Civil Rights.

   "CFR" means the Code of Federal Regulations. All references in this Data Share Agreement to CFR chapters or sections will include any successor, amended, or replacement regulation. The CFR may be accessed at http://www.ecfr.gov/cgi-bin/ECFR?page=browse

   "Confidential Information" means information that is exempt from disclosure to the public or other unauthorized persons under Chapter 42.56 RCW or other federal or state laws. Confidential Information comprises both Category 3 and Category 4 Data as described in Section 6, *Data Classification*, which includes, but is not limited to, Personal Information and Protected Health Information. For purposes of this DSA, Confidential Information means the same as "Data."

   "Contract Administrator" means the individual designated to receive legal notices and to administer, amend, or terminate this Agreement.

“Contract Manager” means the individual identified on the cover page of this DSA who will provide oversight of the activities conducted under this DSA.

“Covered Entity” means HCA, which is a Covered Entity as defined in 45 CFR 160.103, in its conduct of covered functions by its health care components.

“Data” means the information that is disclosed or exchanged as described by this Data Share Agreement. For purposes of this DSA, Data means the same as “Confidential Information.”

“Designated Record Set” means a group of records maintained by or for a Covered Entity, that is: the medical and billing records about Individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or Used in whole or part by or for the Covered Entity to make decisions about Individuals.

“Disclosure” means the release, transfer, provision of, access to, or divulging in any other manner of information outside the entity holding the information.

“DSA” means this Data Share Agreement.

“Electronic Protected Health Information (ePHI)” means Protected Health Information that is transmitted by electronic media or maintained in any medium described in the definition of electronic media at 45 CFR 160.103.

“HCA” means the state of Washington Health Care Authority, any section, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

“HIPAA” means the Health Insurance Portability and Accountability Act of 1996, Pub. L. 104-191, as amended by the American Recovery and Reinvestment Act of 2009 (“ARRA”), Sec. 13400 – 13424, H.R. 1 (2009) (HITECH Act).

“HIPAA Rules” means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Parts 160 and Part 164.

“Individual(s)” means the person(s) who is the subject of PHI and includes a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

“Minimum Necessary” means the least amount of PHI necessary to accomplish the purpose for which the PHI is needed.

“Personal Information” means information identifiable to any person, including, but not limited to, information that relates to a person’s name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver’s license numbers, credit card numbers, any other identifying numbers, and any financial identifiers.

“Protected Health Information” or **“PHI”** means information that relates to the provision of health care to an individual; the past, present, or future physical or mental health or condition of an individual; or past, present or future payment for provision of health care to an individual. 45 CFR 160 and 164. PHI includes demographic information that identifies the individual or about which there is reasonable basis to believe, can be used to identify the individual. 45 CFR 160.103. PHI is information transmitted, maintained, or stored in any form or medium. 45 CFR 164.501. PHI does not include education records covered by the Family Educational Right and Privacy Act, as amended, 20 USC 1232g(a)(4)(b)(iv).

"ProviderOne" means the Medicaid Management Information System, which is the State's Medicaid payment system managed by HCA.

"RCW" means the Revised Code of Washington. All references in this Agreement to RCW chapters or sections will include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at: http://apps.leg.wa.gov/rcw/.

"Regulation" means any federal, state, or local regulation, rule, or ordinance.

"Receiving Party" means the entity that is identified on the cover page of this DSA and is a party to this Agreement, and includes the entity's owners, members, officers, directors, partners, trustees, employees, and Subcontractors and their owners, members, officers, directors, partners, trustees, and employees.

"Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system.

"Subcontract" means any separate agreement or contract between the Receiving Party and an individual or entity ("Subcontractor") to perform any duties that give rise to a business requirement to access the Data that is the subject of this DSA.

"Subcontractor" means any separate agreement or contract between the Receiving Party and an individual or entity ("Subcontractor") to provide services or perform any duties that give rise to a business requirement to access the Data that is the subject of this DSA.

"USC" means the United States Code. All references in this Data Share Agreement to USC chapters or sections will include any successor, amended, or replacement statute. The USC may be accessed at http://uscode.house.gov/

"Use" includes the sharing, employment, application, utilization, examination, or analysis, of PHI within an entity that maintains such information

"WAC" means the Washington Administrative Code. All references in this Agreement to WAC chapters or sections will include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at: http://apps.leg.wa.gov/wac/.

5. **Description of Data to be Shared**

The Data to be shared is set out in attached Schedule 1: *Description of Shared Data*.

The Data will be provided *[how often and how shared – example: one time via an HCA Secure FTP site. HCA will provide access to the Receiving Party.]*

6. **Data Classification**

The State classifies data into categories based on the sensitivity of the data pursuant to the Security policy and standards promulgated by the Office of the state of Washington Chief Information Officer. (See Section 4, *Data Security*, of *Securing IT Assets Standards* No. 141.10 in the *State Technology Manual* at https://ocio.wa.gov/policies/141-securing-information-technology-assets/14110-securing-information-technology-assets. Section 4 is hereby incorporated by reference.)

The Data that is the subject of this DSA is classified as indicated below:

☐ Category 1 – Public Information

Public information is information that can be or currently is released to the public. It does not need protection from unauthorized disclosure, but does need integrity and availability protection controls.

☐ Category 2 – Sensitive Information

Sensitive information may not be specifically protected from disclosure by law and is for official use only. Sensitive information is generally not released to the public unless specifically requested.

☐ Category 3 – Confidential Information

Confidential information is information that is specifically protected from disclosure by law. It may include but is not limited to:

a. Personal Information about individuals, regardless of how that information is obtained;
b. Information concerning employee personnel records;
c. Information regarding IT infrastructure and security of computer and telecommunications systems;

☐ Category 4 – Confidential Information Requiring Special Handling

Confidential information requiring special handling is information that is specifically protected from disclosure by law and for which:

a. Especially strict handling requirements are dictated, such as by statutes, regulations, or agreements;
b. Serious consequences could arise from unauthorized disclosure, such as threats to health and safety, or legal sanctions.

7. **Constraints on Use of Data**

7.1. The Data being shared/accessed is owned and belongs to HCA.

7.2. This Agreement does not constitute a release of the Data for the Receiving Party's discretionary use. Receiving Party must use the Data received or accessed under this DSA only to carry out the purpose and justification of this agreement as set out in sections 2, Purpose of the Data Sharing, and 3, Justification and Authority for Data Sharing. Any ad hoc analyses or other use or reporting of the Data is not permitted without HCA's prior written consent.

7.3. Any disclosure of Data contrary to this Agreement is unauthorized and is subject to penalties identified in law**.**

8. **Security of Data**

8.1. **Data Protection**

The Receiving Party must protect and maintain all Confidential Information gained by reason of this Agreement against unauthorized use, access, disclosure, modification or loss. This duty requires the Receiving Party to employ reasonable security measures, which include restricting access to the Confidential Information by:

a. Allowing access only to staff that have an authorized business requirement to view the Confidential Information.
b. Physically securing any computers, documents, or other media containing the Confidential Information.

8.2. **Data Security Standards**

Receiving Party must comply with the Data Security Requirements set out in Exhibit A and the Washington OCIO Security Standard, 141.10 (https://ocio.wa.gov/policies/141-securing-information-technology-assets/14110-securing-information-technology-assets.) The Security Standard 141.10 is hereby incorporated by reference into this Agreement.

8.3. Data Disposition

Upon request by HCA, or at the end of the DSA term, or when no longer needed, Confidential Information/Data must be disposed of as set out in Exhibit A, Section 6 *Data Disposition,* except as required to be maintained for compliance or accounting purposes.

9. Data Confidentiality and Non-Disclosure

9.1. Data Confidentiality.

The Receiving Party will not use, publish, transfer, sell or otherwise disclose any Confidential Information gained by reason of this Agreement for any purpose that is not directly connected with the purpose and justification of this DSA, as set out in Sections 1 and 3 above, except: (a) as provided by law; or (b) with the prior written consent of the person or personal representative of the person who is the subject of the Confidential Information.

9.2. Non-Disclosure of Data

The Receiving Party must ensure that all employees or Subcontractors who will have access to the Data described in this Agreement (including both employees who will use the Data and IT support staff) are instructed and made aware of the use restrictions and protection requirements of this DSA before gaining access to the Data identified herein. The Receiving Party will also instruct and make any new employee aware of the use restrictions and protection requirements of this DSA before they gain access to the Data.

The Receiving Party will ensure that each employee or Subcontractor who will access the Data signs the *User Agreement on Non-Disclosure of Confidential Information*, Exhibit B hereto. The Receiving Party will retain the signed copy of the *User Agreement on Non-Disclosure of Confidential Information* in each employee's personnel file for a minimum of six years from the date the employee's access to the Data ends. The documentation must be available to HCA upon request.

9.3. Penalties for Unauthorized Disclosure of Data

State laws (including RCW 74.04.060 and RCW 70.02.020) and federal regulations (including HIPAA Privacy and Security Rules, 45 CFR Part 160 and Part 164; Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR, Part 2; and Safeguarding Information on Applicants and Beneficiaries, 42 CFR Part 431, Subpart F) prohibit unauthorized access, use, or disclosure of Confidential Information. Violation of these laws may result in criminal or civil penalties or fines.

The Receiving Party accepts full responsibility and liability for any noncompliance by itself, its employees, and its Subcontractors with these laws and any violations of the Agreement.

10. Public Disclosure *(Public Agency)*

If the Receiving Party receives a public records request under Chapter 42.56 RCW for any records containing Data subject to this DSA, Receiving Party agrees to notify the HCA Public Disclosure Officer within five (5) business days and to follow the procedure set out in this section before disclosing any records. The HCA Public Disclosure Officer can be contacted at PublicDisclosure@hca.wa.gov.

The Receiving Party must provide a copy of the records with proposed redactions to HCA when they are available and ready. HCA will respond within ten (10) business days of receipt of the redacted records to identify concerns with disclosure of the records, propose any changes to the Receiving Party redactions, or request more time if needed. If Receiving Party disagrees with any of HCA's concerns or proposed changes, Receiving Party must notify HCA of that disagreement and provide HCA with a minimum of fifteen (15) business days to obtain a restraining order or injunction under RCW 42.56.540 before disclosing any records.

11. **Public Disclosure *(non-Public Agency)***

Receiving Party acknowledges that HCA is subject to the Public Records Act (Chapter 42.56 RCW). This Agreement will be a "public record" as defined in Chapter 42.56 RCW. Any documents submitted to HCA by Receiving Party may also be construed as "public records" and therefore subject to public disclosure.

12. **Data Shared with Subcontractors**

The Receiving Party will not enter into any subcontract without the express, written permission of HCA, which will approve or deny the proposed contract in its sole discretion. If Data access is to be provided to a Subcontractor under this DSA, the Receiving Party must include all of the Data security terms, conditions and requirements set forth in this Agreement in any such Subcontract. Because the Data includes PHI, Section 13.5 *Subcontracts and Other Third Party Agreements* also applies. In no event will the existence of the Subcontract operate to release or reduce the liability of the Receiving Party to HCA for any breach in the performance of the Receiving Party's responsibilities.

13. **HIPAA Compliance**

This section of the Agreement is the Business Associate Agreement required by HIPAA. The Receiving Party is a "Business Associate" of the Agency as defined in the HIPAA Rules.

13.1. HIPAA Point of Contact. The point of contact for the Receiving Party for all required HIPAA-related reporting and notification communications from this Section 13 *HIPAA Compliance* and all required Non-PHI Data breach notification communications from Section 14 *Non-PHI Data Breach Notification,* is*:*

HCA Privacy Officer

Washington State Health Care Authority
626 8th Avenue SE
PO Box 42700
Olympia, WA 98504-2700
Telephone: 360-725-1116

E-mail: PrivacyOfficer@hca.wa.gov

13.2. Compliance. Business Associate must perform all Agreement duties, activities and tasks in compliance with HIPAA, the HIPAA Rules, and all attendant regulations as promulgated by the U.S. Department of Health and Human Services, Office for Civil Rights, as applicable**.**

13.3. Use and Disclosure of PHI. Business Associate is limited to the following permitted and required uses or disclosures of PHI:

a. Duty to Protect PHI. Business Associate must protect PHI from, and will use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 (Security Standards for the Protection of Electronic Protected Health Information) with respect to ePHI, to prevent the unauthorized Use or disclosure of PHI for as long as the PHI is within its possession and control, even after the termination or expiration of this Agreement.

b. Minimum Necessary Standard. Business Associate will apply the HIPAA Minimum Necessary standard to any Use or disclosure of PHI necessary to achieve the purposes of this Agreement. See 45 CFR 164.514 (d)(2) through (d)(5).

c. Disclosure as Part of the Provision of Services. Business Associate will only Use or disclose PHI as necessary to perform the services specified in this Agreement or as required by law, and will not Use or disclose such PHI in any manner that would violate Subpart E of 45 CFR Part 164 (Privacy of Individually Identifiable Health Information) if done by Covered Entity, except for the specific uses and disclosures set forth below.

d. Use for Proper Management and Administration. Business Associate may Use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

e. Disclosure for Proper Management and Administration. Business Associate may disclose PHI for the proper management and administration of Business Associate, subject to the Agency approval, or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been Breached.

f. Impermissible Use or Disclosure of PHI. Business Associate must report to the contact identified in Subsection 13.1 in writing all Uses or disclosures of PHI not provided for by this Agreement within five (5) business days of becoming aware of the unauthorized Use or disclosure of PHI, including Breaches of unsecured PHI as required at 45 CFR 164.410 (Notification by a Business Associate), as well as any Security Incident of which it becomes aware. Upon request by HCA, Business Associate will mitigate, to the extent practicable, any harmful effect resulting from the impermissible Use or disclosure.

g. Failure to Cure. If the Agency learns of a pattern or practice of the Business Associate that constitutes a violation of the Business Associate's obligations under the terms of this Agreement and reasonable steps by the Business Associate do not end the violation, the Agency may terminate this Agreement, if feasible. In addition, If Business Associate learns of a pattern or practice of its Subcontractors that constitutes a violation of the Business Associate's obligations under the terms of their contract and reasonable steps by the Business Associate do not end the violation, Business Associate must terminate the Subcontract, if feasible.

h. Termination for Cause. Business Associate authorizes immediate termination of this Agreement by the Agency, if they determine that Business Associate has violated a material term of this Business Associate Agreement. The Agency may, at their sole option, offer Business Associate an opportunity to cure a violation of this Business Associate Agreement before exercising a termination for cause.

i. Consent to Audit. Business Associate must give reasonable access to PHI, its internal practices, records, books, documents, electronic data and/or all other business information received from, or created or received by Business Associate on behalf of the Agency, to the Secretary of DHHS and/or to the Agency for use in determining compliance with HIPAA privacy requirements.

j. Obligations of Business Associate Upon Expiration or Termination. Upon expiration or termination of this Agreement for any reason, with respect to PHI received from the Agency, or created, maintained, or received by Business Associate, or any Subcontractors, on behalf of the Agency, Business Associate must:

   i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;

   ii. Return to the Agency or destroy the remaining PHI that the Business Associate or any Subcontractors still maintain in any form;

   iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 (Security Standards for the Protection of Electronic Protected Health Information) with respect to Electronic Protected Health Information to prevent Use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate or any Subcontractors retain the PHI;

   iv. Not Use or disclose the PHI retained by Business Associate or any Subcontractors other than for the purposes for which such PHI was retained and subject to the same conditions set out in Subsection 13.3 *Use and Disclosure of PHI* that applied prior to termination; and

v. Return to the Agency or destroy the PHI retained by Business Associate, or any Subcontractors, when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

k. Survival. The obligations of the Business Associate under this section will survive the termination or expiration of this Agreement.

13.4. **Individual Rights.**

a. <u>Accounting of Disclosures.</u>

i. Business Associate will document all disclosures, except those disclosures that are exempt under 45 CFR 164.528, of PHI and information related to such disclosures.

ii. Within ten (10) business days of a request from the Agency, Business Associate will make available to the Agency the information in Business Associate's possession that is necessary for the Agency to respond in a timely manner to a request for an accounting of disclosures of PHI by the Business Associate. See 45 CFR 164.504(e)(2)(ii)(G) and 164.528(b)(1).

iii. At the request of the Agency or in response to a request made directly to the Business Associate by an Individual, Business Associate will respond, in a timely manner and in accordance with HIPAA and the HIPAA Rules, to requests by Individuals for an accounting of disclosures of PHI.

iv. Business Associate record keeping procedures will be sufficient to respond to a request for an accounting under this section for the six (6) years prior to the date on which the accounting was requested.

b. <u>Access</u>

i. Business Associate will make available PHI that it holds that is part of a Designated Record Set when requested by the Agency or the Individual as necessary to satisfy the Agency's obligations under 45 CFR 164.524 (Access of Individuals to Protected Health Information).

ii. When the request is made by the Individual to the Business Associate or if the Agency ask the Business Associate to respond to a request, the Business Associate must comply with requirements in 45 CFR 164.524 (Access of Individuals to Protected Health Information) on form, time and manner of access. When the request is made by the Agency, the Business Associate will provide the records to the Agency within ten (10) business days.

c. <u>Amendment.</u>

i. If the Agency amends, in whole or in part, a record or PHI contained in an Individual's Designated Record Set and the Agency has previously provided the PHI or record that is the subject of the amendment to Business Associate, then the Agency will inform Business Associate of the amendment pursuant to 45 CFR 164.526(c)(3) (Amendment of Protected Health Information).

ii. Business Associate will make any amendments to PHI in a Designated Record Set as directed by the Agency or as necessary to satisfy the Agency's obligations under 45 CFR 164.526 (Amendment of Protected Health Information).

13.5. Subcontracts and other Third Party Agreements. In accordance with 45 CFR 164.502(e)(1)(ii), 164.504(e)(1)(i), and 164.308(b)(2), Business Associate must ensure that any agents, Subcontractors, independent contractors or other third parties that create, receive, maintain, or transmit PHI on Business Associate's behalf, enter into a written contract that contains the same terms, restrictions, requirements, and conditions as the HIPAA compliance provisions in this Contract with respect to such PHI. The same provisions must also be included in any contracts by a Business Associate's Subcontractor with its own business associates as required by 45 CFR 164.314(a)(2)(b) and 164.504(e)(5) .

13.6. Obligations. To the extent the Business Associate is to carry out one or more of the Agency's obligation(s) under Subpart E of 45 CFR Part 164 (Privacy of Individually

Identifiable Health Information), Business Associate must comply with all requirements that would apply to the Agency in the performance of such obligation(s).

13.7. Liability. Within ten (10) business days, Business Associate must notify the contact identified in Subsection 13.1 of any complaint, enforcement or compliance action initiated by the Office for Civil Rights based on an allegation of violation of the HIPAA Rules and must inform HCA of the outcome of that action. Business Associate bears all responsibility for any penalties, fines or sanctions imposed against the Business Associate for violations of the HIPAA Rules and for any imposed against its Subcontractors or agents for which it is found liable.

13.8. Breach Notification.

a. In the event of a Breach of unsecured PHI or disclosure that compromises the privacy or security of PHI obtained from HCA or involving HCA individuals, Business Associate will take all measures required by state or federal law.

b. Business Associate will notify the contact identified in Subsection 13.1 by telephone and in writing within five (5) business days of any acquisition, access, use or disclosure of PHI not allowed by the provisions of this Agreement or not authorized by HIPAA Rules or required by law that potentially compromises the security or privacy of the Protected Health Information.

c. Business Associate will notify the HCA Privacy Officer identified in Section 13.1 above by telephone or e-mail within five (5) business days of any potential Breach of security or privacy of PHI by the Business Associate or its Subcontractors or agents. Business Associate will follow telephone or e-mail notification with a written (fax or email acceptable) explanation of the Breach, to include the following: date and time of the Breach, date Breach was discovered, location and nature of the PHI, type of Breach, origination and destination of PHI, Business Associate unit and personnel associated with the Breach, detailed description of the Breach, anticipated mitigation steps, and the name, address, telephone number, fax number, and e-mail of the individual who is responsible as the primary point of contact. Business Associate will notify the Agency prior to dissemination of any public announcement of a data security Breach involving the Agency's data and include in any such required notifications, the planned date for the public announcement.

d. Solely for purposes of the performance of the Proof of Concept as more particularly set forth in Schedule 1 hereto and Schedules A hereto, if a Breach of unsecured PHI is the sole fault of Business Associate then as between Business Associate and HCA, Business Associate will remain liable for claims that may arise from such Breach, including, but not limited to, costs for litigation (including reasonable attorneys' fees), and reimbursement sought by individuals, including but not limited to, costs for credit monitoring or allegations of loss in connection with the Breach, and to the extent that any claims are brought against HCA, must indemnify HCA from such claims (if such claims arise through no fault or breach by HCA) and Business Associate will be responsible for any other legal or regulatory obligations which may arise under applicable law in connection with such a Breach and will bear all costs associated with complying with legal and regulatory obligations in connection therewith. For avoidance of doubt, "fault" refers to the party's failure through act or omission to use reasonable procedures to avoid unauthorized access, use or disclosure of Personal Information.

e. In the event the Breach is the sole fault of HCA, then as between Business Associate and HCA, HCA will remain liable for claims that may arise from such Breach, including, but not limited to, costs for litigation (including reasonable attorneys' fees), and reimbursement sought by individuals, including but not limited to, costs for credit monitoring or allegations of loss in connection with the Breach, and to the extent that any claims are brought against Business Associate, will indemnify Business Associate from such claims (if such claims arise through no fault or breach by Business Associate) and HCA will be responsible for any other legal or regulatory obligations which may arise under applicable law in connection with such a Breach and will bear all costs associated with complying with legal and regulatory obligations in connection therewith. For avoidance of doubt, "fault" refers to the party's failure, through act or omission, to use reasonable procedures to prevent unauthorized acquisition of, access to or use of such Personal Information.

13.9. Miscellaneous Provisions.

a. Regulatory References. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or amended.

b. Interpretation. Any ambiguity in this Agreement will be interpreted to permit compliance with the HIPAA Rules.

14. **Non PHI Data Breach Notification**

The Breach of non-PHI Data shared under this Agreement must be reported to the HCA Privacy Officer at PrivacyOfficer@hca.wa.gov within five (5) business days of discovery. The Receiving Party must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by applicable law or reasonably requested by the Agency in order to meet its regulatory obligations.

15. **Amendments and Alterations**

This Agreement, or any term or condition, may be modified only by a written amendment signed by all parties. Only personnel authorized to bind each of the parties will sign an amendment.

16. **Assignment**

The Receiving Party will not assign rights or obligations derived from this Agreement to a third party without the prior, written consent of HCA and the written assumption of the Receiving Party's obligations by the third party.

17. **Dispute Resolution** ***(Option 1: non-Public Agency)***

17.1. The parties will use their best, good faith efforts to cooperatively resolve disputes and problems that arise in connection with this Agreement. Both parties will continue without delay to carry out their respective responsibilities under this Agreement while attempting to resolve any dispute. When a genuine dispute arises between HCA and the Receiving Party regarding the terms of this Agreement or the responsibilities imposed herein and it cannot be resolved between the parties' Contract Managers, either party may initiate the following dispute resolution process.

17.2. The initiating party will reduce its description of the dispute to writing and deliver it to the responding party (email acceptable). The responding party will respond in writing within five (5) Business Days (email acceptable). If after five (5) additional Business Days the parties have not resolved the Dispute, it will be submitted to the HCA Director, who may employ whatever dispute resolution methods the Director deems appropriate to resolve the dispute.

17.3. A party's request for a dispute resolution must:

a. Be in writing;

b. Include a written description of the dispute;

c. State the relative positions of the parties and the remedy sought;

d. State the Contract Number and the names and contact information for the parties;

17.4. This dispute resolution process constitutes the sole administrative remedy available under this Agreement. There is no right under this Agreement to an adjudicative proceeding under the Administrative Procedure Act.

18. **Dispute Resolution** *(Option 2: Public Agency)*

18.1. The parties agree to work in good faith to resolve all conflicts at the lowest level possible. However, if the parties are not able to promptly and efficiently resolve, through direct informal contact, any dispute concerning the interpretation, application, or

implementation of any section of this Agreement, either party may reduce its description of the dispute in writing, and deliver it to the other party for consideration. Once received, the assigned managers or designees of each party will work to informally and amicably resolve the issue within five (5) business days. If managers or designees are unable to come to a mutually acceptable decision within five (5) business days, they may agree to issue an extension to allow for more time.

18.2. If the dispute cannot be resolved by the managers or designees, the issue will be referred through each Agency's respective operational protocols, to the Director of HCA ("Director") and the Receiving Party's Agency Head ("Agency Head") or their deputies or designated delegates. Both parties will be responsible for submitting all relevant documentation, along with a short statement as to how they believe the dispute should be settled, to the Director and Agency Head.

18.3. Upon receipt of the referral and relevant documentation, the Director and Agency Head will confer to consider the potential options of resolution, and to arrive at a decision within fifteen (15) business days. The Director and Agency Head may appoint a review team, a facilitator, or both, to assist in the resolution of the dispute. If the Director and Agency Head are unable to come to a mutually acceptable decision within fifteen (15) business days, they may agree to issue an extension to allow for more time.

18.4. The final decision will be put in writing, and will be signed by both the Director and Agency Head. If the agreement is active at the time of resolution, the parties will execute an amendment or change order to incorporate the final decision into the agreement. The decision will be final and binding as to the matter reviewed and the dispute will be settled in accordance with the terms of the decision.

18.5. If the Director and Agency Head are unable to come to a mutually acceptable decision, the parties will request intervention by the Governor, per RCW 43.17.330, in which case the governor may employ whatever dispute resolution methods that the governor deems appropriate in resolving the dispute.

18.6. Both parties agree that, the existence of a dispute notwithstanding, the parties will continue without delay to carry out all respective responsibilities under this agreement that are not affected by the dispute.

19. **Entire Agreement**

This Agreement, including all documents attached to or incorporated by reference, contains all the terms and conditions agreed upon by the parties. No other understandings or representations, oral or otherwise, regarding the subject matter of this Agreement, will be deemed to exist or bind the parties.

20. **Governing Law and Venue**

This Agreement is governed by, and will be construed and enforced in accordance with, the laws of the State of Washington. In the event of a lawsuit involving this Agreement, jurisdiction is proper only in the Superior Court of Washington, and venue is proper only in Thurston County, Washington.

21. **Incorporated Documents and Order of Precedence**

21.1. Each of the documents listed below is, by this reference, incorporated into this Agreement as though fully set forth herein.

a. Schedule 1 – Description of Shared Data

b. Exhibit A – Data Security Requirements

c. Exhibit B – User Agreement on Non-Disclosure of Confidential Information

d. Section 4 of OCIO 141.10, *Securing Information Technology Assets Standards: Data Security* (https://ocio.wa.gov/policies/141-securing-information-technology-assets/14110-securing-information-technology-assets.)

21.2. In the event of any inconsistency in this Agreement, the inconsistency will be resolved in the following order of precedence:

a. Applicable federal and state statutes, laws, and regulations;

b. Sections of this Data Share Agreement;

c. Attachments, Exhibits and Schedules to this Data Share Agreement.

22. **Inspection**

No more than once per quarter during the term of this Agreement and for six (6) years following termination or expiration of this Agreement, HCA will have the right at reasonable times and upon no less than five (5) business days prior written notice to access the Receiving Party's records and place of business for the purpose of auditing, and evaluating the Receiving Party's compliance with this Agreement and applicable laws and regulations.

23. **Insurance**

23.1. HCA certifies that it is self-insured under the State's self-insurance liability program, as provided by RCW 4.92.130, and will pay for losses for which HCA is found liable.

23.2. The Receiving Party certifies that it is self-insured, is a member of a risk pool, or maintains the types and amounts of insurance identified below and will provide certificates of insurance to that effect to HCA upon request.

23.3. Required Insurance or Self-Insured Equivalent

a. Commercial General Liability Insurance (CGL) covering the risks of bodily injury (including death), property damage, and contractual liability, with a limit of not less than $1 million per occurrence, $2 million aggregate.

b. Cyber Liability Insurance covering claims involving infringement of intellectual property, including infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy must provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. Limits must be not less than:

i. Information Security & Privacy Liability: $2,000,000.

ii. Privacy Notification: $500,000

iii. Regulatory Defense and Penalties: $2,000,000

iv. Website Media Content Liability: $2,000,000

v. Cyber Extortion Loss: $2,000,000

vi. Data Protection Loss and Business Interruption Loss: $2,000,000

c. <u>If any of the required policies provide coverage on a claims-made basis:</u>

i. The retroactive date must be shown and must be before the date of the contract or of the beginning of contract work.

ii. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the contract of work.

iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Receiving Party must purchase "extended reporting" coverage for a minimum of five years after completion of contract work.

The State of Washington, including but not limited to HCA.

In the event of cancellation, non-renewal, revocation or other termination of any insurance coverage required by this Contract, Receiving Party must provide written notice of such to HCA within one (1) Business Day of Receiving Party's receipt of such notice.

By requiring insurance herein, HCA does not represent that coverage and limits will be adequate to protect Receiving Party. Such coverage and limits will not limit Receiving Party's liability under the indemnities and reimbursements granted to HCA in this Contract.

24. **Legal Notices**

24.1. Any other notice or demand or other communication required or permitted to be given under this DSA or applicable law will be effective only if it is in writing and signed by the applicable party, properly addressed, and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, postage prepaid certified mail, return receipt requested, to the parties at the addresses provided in this section.

a. To Receiving Party at:

[Address of Receiving Party]

b. To HCA at:

Contract Administrator
Division of Legal Services
Health Care Authority
P. O. Box 42702
Olympia, Washington 98504-2702

Notices will be effective upon receipt or four (4) Business Days after mailing, whichever is earlier. The notice address and information provided above may be changed by written notice given as provided above.

25. **Maintenance of Records**

The Receiving Party must maintain records related to compliance with this Agreement for six (6) years after expiration or termination of this Agreement. HCA or its designee will have the right to access those records during that six-year period for purposes of auditing.

26. **Responsibility**

HCA and the Receiving Party will each be responsible for their own acts and omissions and for the acts and omissions of their agents and employees. Each party to this Agreement must defend, protect, and hold harmless the other party, or any of the other party's agents, from and against any loss and all claims, settlements, judgments, costs, penalties, and expenses, including reasonable attorney fees, arising from any willful misconduct or dishonest, fraudulent, reckless, unlawful, or negligent act or omission of the first party, or agents of the first party, while performing under the terms of this Agreement, except to the extent that such losses result from the willful misconduct, or dishonest, fraudulent, reckless, unlawful, or negligent act or omission on the part of the second party. Each party agrees to promptly notify the other party in writing of any claim and provide the other party the opportunity to defend and settle the claim.

27. **Severability**

The provisions of this Agreement are severable. If any provision of this Agreement is held invalid by any court of competent jurisdiction that invalidity will not affect the other provisions of this Agreement and the invalid provision will be considered modified to conform to the existing law.

28. **Survival Clauses**

The terms and conditions contained in this Agreement that by their sense and context are intended to survive the expiration or other termination of this Agreement must survive. Surviving terms include, but are not limited to: *Constraints on Use of Data, Security of Data, Data Confidentiality and Non-Disclosure of Data, HIPAA Compliance, Non PHI Data Breach Notification, Dispute Resolution, Inspection, Maintenance of Records, and Responsibility*.

29. **Term and Termination**

29.1. Term. This Agreement will begin on [BEGINNING DATE] or date of execution, whichever is later, and continue through [ENDING DATE], unless terminated sooner as provided in this Section.

29.2. Termination for Convenience. Either HCA or the Receiving Party may terminate this Agreement for convenience with thirty (30) calendar days' written notice to the other. However, once Data is accessed by the Receiving Party, this Agreement is binding as to the confidentiality, use and disposition of all Data received as a result of access, unless otherwise agreed in writing.

29.3. Termination for Cause. HCA may terminate this Agreement for default, in whole or in part, by written notice to the Receiving Party, if HCA has a reasonable basis to believe that the Receiving Party has: (1) failed to perform under any provision of this Agreement; (2) violated any law, regulation, rule, or ordinance applicable to this Agreement; and/or (3) otherwise breached any provision or condition of this Agreement.

Before HCA terminates this Agreement for default, HCA will provide the Receiving Party with written notice of its noncompliance with the Agreement and provide the Receiving Party a reasonable opportunity to correct its noncompliance. If the Receiving Party does not correct the noncompliance within the period of time specified in the written notice of noncompliance, HCA may then terminate the Agreement. HCA may terminate the Agreement for default without such written notice and without opportunity for correction if HCA has a reasonable basis to believe that an individual's health or safety is in jeopardy. The determination of whether or not the Receiving Party corrected the noncompliance will be made by HCA, in its sole discretion.

30. **Waiver**

Waiver of any breach or default on any occasion will not be deemed to be a waiver of any subsequent breach or default. Any waiver will not be construed to be a modification of the terms and conditions of this Agreement.

31. **Signatures and Counterparts**

The signatures on the cover page indicate agreement between the parties. The parties may execute this Agreement in multiple counterparts, each of which is deemed an original and all of which constitute only one agreement.

Schedule 1: Description of Shared Data - To be determined for each DSA

Exhibit A – Data Security Requirements

Definitions

In addition to the definitions set out in section 4, *Definitions*, of the Data Share Agreement, the definitions below apply to this Exhibit.

d. "Hardened Password" means a string of at least eight characters containing at least three of the following character classes: upper case letters; lower case letters; numerals; and special characters, such as an asterisk, ampersand or exclamation point.

e. "Secured Area" means an area to which only Authorized Users have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.

f. "Transmitting" means the transferring of data electronically, such as via email.

g. "Trusted Systems" means the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Data with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) which offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.

h. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase, or other mechanism, authenticates a user to an information system.

Data Transmitting

i. When transmitting HCA's Confidential Information electronically, including via email, the Data must be protected by:

   i. Transmitting the Data within the State Governmental Network (SGN) or Receiving Party's internal network; or

   ii. Encrypting any Data that will be transmitted outside the SGN or Receiving Party's internal network with 128-bit Advanced Encryption Standard (AES) encryption or better. This includes transit over the public Internet.

j. HCA's Confidential Information will not be transmitted via facsimile (fax).

k. When transmitting HCA's Confidential Information via paper documents, the Receiving Party must use a Trusted System.

Protection of Data

The Receiving Party agrees to store Data on one or more of the following media and protect the Data as described:

l. Hard disk drives. Data stored on local workstation hard disks. Access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.

m. Network server disks. Data stored on hard disks mounted on network servers and made available through shared folders. Access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or

other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

Data Destruction: For HCA's Confidential Information stored on network disks, deleting unneeded Data is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data as outlined in section 0: *Data Disposition* of this Exhibit may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.

n. Removable Media, including Optical discs (CDs or DVDs) in local workstation optical disc drives and which *will not be transported out of a secure area*. Confidential Information provided by HCA on removable media, such as optical discs or USB drives, which will be used in local workstation optical disc drives or USB connections will be encrypted with 128-bit AES encryption or better. When not in use for the contracted purpose, such discs must be locked in a drawer, cabinet or other container to which only Authorized Users have the key, combination or mechanism required to access the contents of the container. Workstations that access Confidential Information on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

o. Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers and which *will not be transported out of a secure area*. Confidential Information provided by HCA on optical discs which will be attached to network servers will be encrypted with 128-bit AES encryption or better. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has been authenticated to the network using a unique user ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

p. Paper documents. Any paper records containing Confidential Information must be protected by storing the records in a secure area that is accessible only to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.

Protection of Data Stored on Portable Devices or Media

HCA's Data must *not* be stored by the Receiving Party on portable devices or media unless specifically authorized within the Data Share Agreement. If so authorized, the Receiving Party must protect the Data as provided in this section 0.

Portable devices are any small computing device that can be transported, including but are not limited to: handhelds/PDAs/phones; Ultra mobile PCs, flash memory devices (e.g. USB flash drives, personal media players); and laptop/notebook/tablet computers.

Portable media means any Data storage device that can be detached or removed from a computer and transported, including but not limited to: optical media (e.g. CDs, DVDs); magnetic media (e.g. floppy disks, tape, and Zip or Jaz disks); USB drives; or flash media (e.g., CompactFlash, SD, MMC).

For Data stored on Portable devices or media, Receiving Party must:

q. Encrypt the Data with a key length of at least 128 bits using an industry standard algorithm, such as AES;

r. Ensure that portable devices such as flash drives are Federal Information Processing Standards (FIPS) Level 2 compliant;

s. Control access to the devices with a unique user ID and password or stronger authentication method such as a physical token or biometrics;

t. Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. The maximum period of inactivity is 20 minutes.

u. Physically protect the portable device(s) and/or media by:

   i. Keeping them in locked storage when not in use;
   ii. Using check-in/check-out procedures when they are shared;
   iii. Maintaining an inventory; and
   iv. Ensuring that when being transported outside of a Secured Area, portable devices and media with Data are under the physical control of an Authorized User.

Data Segregation

HCA's Data received under this DSA must be segregated or otherwise distinguishable from non-HCA Data. This is to ensure that when no longer needed by the Receiving Party, all of HCA's Data can be identified for return or destruction. It also aids in determining whether HCA's Data has or may have been compromised in the event of a security breach.

v. HCA's Data must be kept in one of the following ways:

   v. on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-HCA Data; or
   vi. in a logical container on electronic media, such as a partition or folder dedicated to HCA's Data; or
   vii. in a database that will contain no non-HCA Data; or
   viii. within a database and will be distinguishable from non-HCA Data by the value of a specific field or fields within database records; or
   ix. When stored as physical paper documents, physically segregated from non-HCA Data in a drawer, folder, or other container.

w. When it is not feasible or practical to segregate HCA's Data from non-HCA Data, then both HCA's Data and the non-HCA Data with which it is commingled must be protected as described in this exhibit.

Data Disposition

When the Confidential Information is no longer needed, except as noted in 12.m above, the Data must be returned to HCA or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

Data stored on:	Will be destroyed by:
Server or workstation hard disks, or Removable media (e.g. floppies, USB flash drives, portable hard disks, Zip or similar disks)	Using a "wipe" utility which will overwrite the Data at least three (3) times using either random or single character Data, or Degaussing sufficiently to ensure that the Data cannot be reconstructed, or Physically destroying the disk
Paper documents with Category 3 and higher Data	Recycling through a contracted firm provided the contract with the recycler assures that the confidentiality of Data will be protected.

Paper documents containing confidential information requiring special handling (e.g. protected health information)	On-site shredding by a method that renders the Data unreadable, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or cutting/breaking into small pieces.
Magnetic tape	Degaussing, incinerating or crosscut shredding

User Agreement on Non-Disclosure of Confidential Information

Your organization has entered into a Data Share Agreement with the state of Washington Health Care Authority (HCA) that will allow you access to data and records that are deemed Confidential Information as defined below. Prior to accessing this Confidential Information you must sign this *User Agreement on Non-Disclosure of Confidential Information.*

Confidential Information

"Confidential Information" means information that is exempt from disclosure to the public or other unauthorized persons under Chapter 42.56 RCW or other federal or state laws. Confidential Information includes, but is not limited to, Protected Health Information and Personal Information. For purposes of the pertinent Data Share Agreement, Confidential Information means the same as "Data."

"Protected Health Information" means information that relates to: the provision of health care to an individual; the past, present, or future physical or mental health or condition of an individual; or the past, present or future payment for provision of health care to an individual and includes demographic information that identifies the individual or can be used to identify the individual.

"Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, credit card numbers, any other identifying numbers, and any financial identifiers.

Regulatory Requirements and Penalties

State laws (including, but not limited to, RCW 74.04.060, RCW 74.34.095, and RCW 70.02.020) and federal regulations (including, but not limited to, HIPAA Privacy and Security Rules, 45 CFR Part 160 and Part 164; Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR, Part 2; and Safeguarding Information on Applicants and Beneficiaries, 42 CFR Part 431, Subpart F) prohibit unauthorized access, use, or disclosure of Confidential Information. Violation of these laws may result in criminal or civil penalties or fines.

User Assurance of Confidentiality

In consideration for HCA granting me access to the Confidential Information that is the subject of this Agreement, I agree that I:

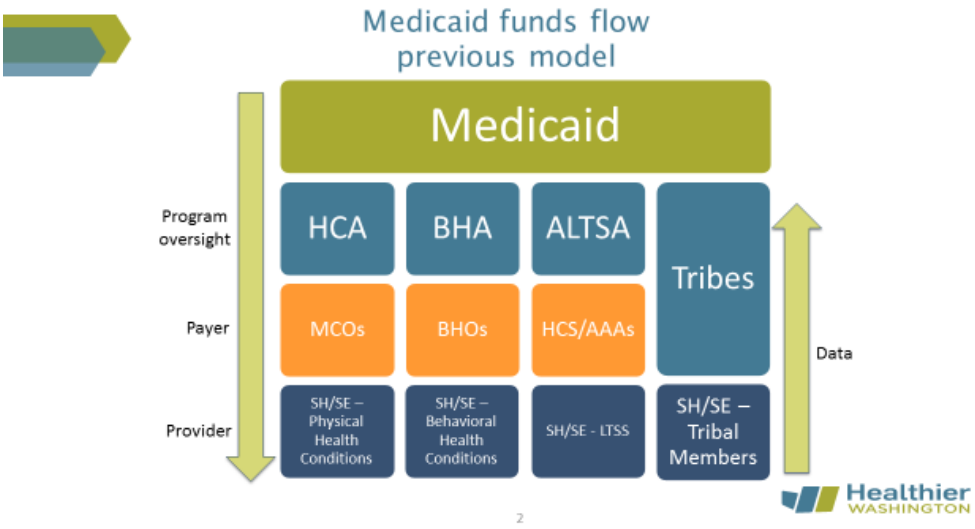
1. Will access, use, and disclose Confidential Information only in accordance with the terms of this Agreement and consistent with applicable statutes, regulations, and policies.
2. Have an authorized business requirement to access and use the Confidential Information.
3. Will not use or disclose any Confidential Information gained by reason of this Agreement for any commercial or personal purpose, or any other purpose that is not directly connected with this Agreement.
4. Will not use my access to look up or view information about family members, friends, the relatives or friends of other employees, or any persons who are not directly related to my assigned job duties.
5. Will not discuss Confidential Information in public spaces in a manner in which unauthorized individuals could overhear and will not discuss Confidential Information with unauthorized individuals, including spouses, domestic partners, family members, or friends.
6. Will protect all Confidential Information against unauthorized use, access, disclosure, or loss by employing reasonable security measures, including physically securing any computers, documents, or other media containing Confidential Information and viewing Confidential Information only on secure workstations in non-public areas.
7. Will not make copies of Confidential Information, or print system screens unless necessary to perform my assigned job duties and will not transfer any Confidential Information to a portable electronic device or medium, or remove Confidential Information on a portable device or medium from facility premises, unless the information is encrypted and I have obtained prior permission from my supervisor.
8. Will access, use or disclose only the "minimum necessary" Confidential Information required to perform my assigned job duties.
9. Will not distribute, transfer, or otherwise share any software with anyone.
10. Will forward any requests that I may receive to disclose Confidential Information to my supervisor for resolution and will immediately inform my supervisor of any actual or potential security breaches involving Confidential Information, or of any access to or use of Confidential Information by unauthorized users.

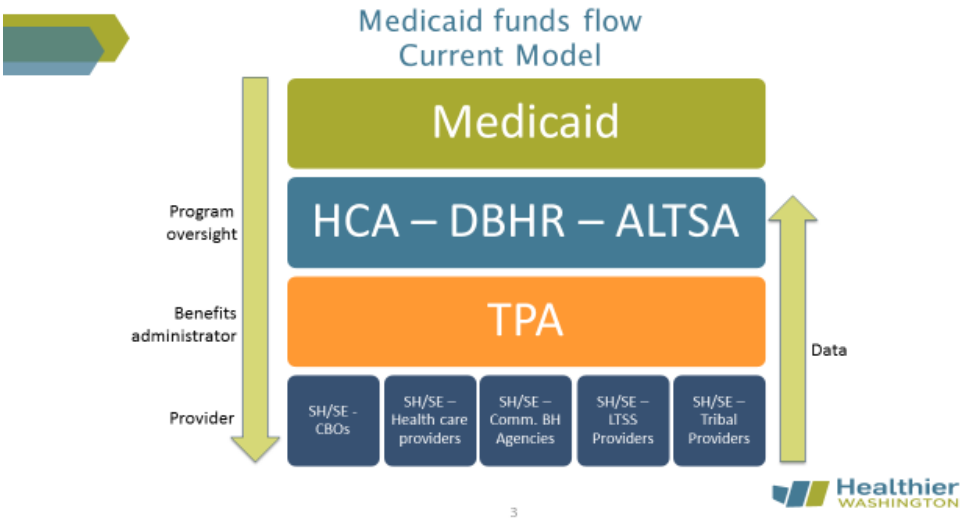
11. Understand at any time, HCA may audit, investigate, monitor, access, and disclose information about my use of the Confidential Information and that my intentional or unintentional violation of the terms of this Agreement may result in revocation of privileges to access the Confidential Information, disciplinary actions against me, or possible civil or criminal penalties or fines.

12. Understand that my assurance of confidentiality and these requirements will continue and do not cease at the time I terminate my relationship with my employer.

Signature		
Print User's Name	User Signature	Date

ATTACHMENT B – OVERVIEW OF TPA SERVICES PROVIDED IN A HCA WEBINAR GIVEN ON 3/10/17





Third party administrator

- Single administrative entity for supportive housing & supported employment.
- No longer to be administered through MCOs, BHOs, LTSS

HOWEVER

- Services and target populations remain the same
- Providers previously eligible to provide the service

Healthier WASHINGTON

4

What is a third party administrator?

- Contracted with the state
- Provides administrative oversight of benefit programs
  - Provider network development and maintenance
  - Service authorization
  - Distribution of reimbursement payments
  - Data/encounter tracking

Healthier WASHINGTON

5

TPA Recommendation

- November 2016 report by Public Consulting Group
  - Commissioned by the Office of Financial Management
- Report Recommendation:
  - "...we recommend the state retain a separate, statewide supportive housing care manager to effectively establish and administer the benefit for the first 30 months. Once capacity is built, supportive housing would fully integrate with Medicaid managed care organizations on January 1, 2020."
- Link: http://www.ofm.wa.gov/reports/FinalRecommendations%20Report_11.28.16.pdf

Healthier WASHINGTON

6

Why use a third party administrator?

For the demonstration	For sustainability
· Streamline administration and funds flow · Monitor usage via single information source · Single point of accountability · Single data source for evaluation	· Build the program in order to transition to a sustainable model post-demonstration · Goal is to include managed care and fee-for-service components in the sustainability approach, post-third party administrator

Healthier WASHINGTON

7

What does this mean for providers?

- Single contracting entity for both benefits
- HCA, BHA and ALTSA will continue to provide technical assistance and consultation
- Existing housing & employment providers will still be able to provide FCS services

Healthier WASHINGTON

8

What does this mean for providers?

- Single contracting entity for both benefits
- HCA, BHA and ALTSA will continue to provide technical assistance and consultation
- Existing housing & employment providers will still be able to provide FCS services

Healthier WASHINGTON

8

Foundational Community Supports
Next steps

Foundational Community Supports protocol
- Protocol must be approved before services can be provided

Third party administrator
- Procurement will be released shortly

WAC
- HCA: Program authorization
- DBHR: Certification WAC

Initial provision of services to begin July 2017
- Benefits will be provided statewide

Healthier WASHINGTON

11

What does this mean for providers?

- Single contracting entity for both benefits
- HCA, BHA and ALTSA will continue to provide technical assistance and consultation
- Existing housing & employment providers will still be able to provide FCS services

Healthier WASHINGTON

12

ATTACHMENT C - SAMPLE HCA PROFESSIONAL SERVICES CONTRACT

Washington State Health Care Authority	**PROFESSIONAL SERVICES CONTRACT for** *[subject of contract]*	HCA Contract Number: **KXXXX** Resulting from Solicitation Number (If applicable: Contractor/Vendor Contract Number:

THIS AGREEMENT is made by and between Washington State Health Care Authority, hereinafter referred to as "HCA," and the party whose name appears below, hereinafter referred to as the "Contractor."

CONTRACTOR NAME		CONTRACTOR DOING BUSINESS AS (DBA)		
CONTRACTOR ADDRESS	STREET	CITY	STATE	ZIP CODE
CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR E-MAIL ADDRESS		

IS CONTRACTOR A SUBRECIPIENT UNDER THIS CONTRACT? ☐YES ☐NO	CFDA NUMBER(S): 93.778;	FFATA Form Required ☐YES ☐NO

HCA PROGRAM	HCA DIVISION/SECTION
HCA CONTACT NAME AND TITLE	HCA CONTACT ADDRESS Health Care Authority PO Box ____ (Street Address: 626 8th Avenue SE) Olympia, WA 98504-____
HCA CONTACT TELEPHONE (360) 725-	HCA CONTACT E-MAIL ADDRESS

CONTRACT START DATE	**CONTRACT END DATE**	**TOTAL MAXIMUM CONTRACT AMOUNT**
PURPOSE OF CONTRACT:		

The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below warrant that they have read and understand this Contract, and have authority to execute this Contract. This Contract will be binding on HCA only upon signature by HCA.

CONTRACTOR SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED
HCA SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED

TABLE OF CONTENTS

1. STATEMENT OF WORK (SOW) 31

2. DEFINITIONS 31

3. SPECIAL TERMS AND CONDITIONS 33

3.1 PERFORMANCE EXPECTATIONS *(Optional)* 33

3.2 TERM 33

3.3 DES FILING REQUIREMENT 33

3.4 ON-SITE CONTRACTOR ORIENTATION 33

3.5 ON-SITE CONTRACTOR'S WORK SPACE 34

3.6 COMPENSATION 34

3.7 INVOICE AND PAYMENT 35

3.8 CONTRACTOR and HCA CONTRACT MANAGERS 36

3.9 KEY STAFF *(Optional)* 36

3.10 LEGAL NOTICES 36

3.11 INCORPORATION OF DOCUMENTS AND ORDER OF PRECEDENCE 37

3.12 INSURANCE 37

4. GENERAL TERMS AND CONDITIONS 38

4.1 ACCESS TO DATA 38

4.2 ADVANCE PAYMENT PROHIBITED 38

4.3 AMENDMENTS 38

4.4 ASSIGNMENT 38

4.5 ATTORNEYS' FEES 39

4.6 CHANGE IN STATUS 39

4.7 CONFIDENTIAL INFORMATION PROTECTION 39

4.8 CONFIDENTIAL INFORMATION SECURITY 39

4.9 CONFIDENTIAL INFORMATION BREACH – REQUIRED NOTIFICATION 39

4.10 CONTRACTOR'S PROPRIETARY INFORMATION 40

4.11 COVENANT AGAINST CONTINGENT FEES 40

4.12 DEBARMENT 40

4.13 DISPUTES 40

4.14 FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY ACT (FFATA)....41
4.15 FORCE MAJEURE....41
4.16 FUNDING WITHDRAWN, REDUCED OR LIMITED....41
4.17 GOVERNING LAW....42
4.18 HCA NETWORK SECURITY....42
4.19 INDEMNIFICATION....42
4.20 INDEPENDENT CAPACITY OF THE CONTRACTOR....42
4.21 INDUSTRIAL INSURANCE COVERAGE....42
4.22 LEGAL AND REGULATORY COMPLIANCE....43
4.23 LIMITATION OF AUTHORITY....43
4.24 NO THIRD-PARTY BENEFICIARIES....43
4.25 NONDISCRIMINATION....43
4.26 OVERPAYMENTS TO CONTRACTOR....43
4.27 PUBLICITY....43
4.28 RECORDS AND DOCUMENTS REVIEW....44
4.29 REMEDIES NON-EXCLUSIVE....44
4.30 RIGHT OF INSPECTION....44
4.31 RIGHTS IN DATA/OWNERSHIP....44
4.32 RIGHTS OF STATE AND FEDERAL GOVERNMENTS....45
4.33 SEVERABILITY....45
4.34 SITE SECURITY....45
4.35 SUBCONTRACTING....45
4.36 SUBRECIPIENT....46
4.37 SURVIVAL....47
4.38 TAXES....47
4.39 TERMINATION....47
4.40 TERMINATION PROCEDURES....48
4.41 WAIVER....49

Attachments

Attachment 1: Confidential Information Security Requirements *(if applicable)*

Attachment 2: Federal Compliance, Certifications and Assurances *(if applicable)*

Attachment 3: Federal Funding Accountability and Transparency Act Data Collection Form *(if applicable)*

Schedules

Schedule A: Statement of Work (SOW) _____ Services

Exhibits

Exhibit A: HCA RFx _____ for _____ Services

Exhibit B: *[Bidder Name]* Response to HCA RFP _____

***Note**: Exhibits A and B are not attached but are available upon request from the HCA Contract Administrator.*

Contract #KXXXX for

_____ Services

Use the following Recitals to establish context for competitively awarded contracts.

Recitals

The state of Washington, acting by and through the Health Care Authority (HCA), issued a Request for Proposals/Qualifications and Quotation (RFP or RFQQ) dated _____, (Exhibit A) for the purpose of purchasing *[describe services being purchased]* Services in accordance with its authority under chapters 39.26 and 41.05 RCW.

[Contractor Name] submitted a timely Response to HCA's RFX #XXXX (Exhibit B).

HCA evaluated all properly submitted Responses to the above-referenced RFx and has identified *[Contractor Name]* as the Apparently Successful Bidder.

HCA has determined that entering into a Contract with *[Contractor Name]* will meet HCA's needs and will be in the State's best interest.

NOW THEREFORE, HCA awards to *[Contractor Name]* this Contract, the terms and conditions of which will govern Contractor's providing to HCA the *[describe services being purchased – purpose of contract]* Services.

- OR -

Use the following Recitals to establish context for a sole source contract.

Recitals

The Washington State Health Care Authority (HCA) posted a Notice of Intent to award a Sole Source Contract to *[Contractor Name]* on the Washington Electronic Business Solution (WEBS) website from *[date to date]* and also posted the [Notice or proposed Sole Source Contract] on the HCA website from *[date to date]*.

HCA also filed the proposed Sole Source Contract and required documentation in the Sole Source Contact Database on *[date]*, which was ten (10) or more working days prior to the Contract start date. The Department of Enterprise Services (DES) reviewed and approved the filing on *[date].*

NOW THEREFORE, HCA and *[Contractor Name]* enter into this Contract, the terms and conditions of which will govern Contractor's providing to HCA the *[describe services being purchased – purpose of contract]* Services.

IN CONSIDERATION of the mutual promises as set forth in this Contract, the parties agree as follows:

1. STATEMENT OF WORK (SOW)

The Contractor will provide the services and staff as described in Schedule A: *Statement of Work*.

2.DEFINITIONS

(Definitions should always be checked after the rest of the Contract is drafted to ensure that pertinent terms are included and to delete the terms below that are not used in the final Contract.)

"Authorized Representative" means a person to whom signature authority has been delegated in writing acting within the limits of his/her authority.

"Breach" means the unauthorized acquisition, access, use, or disclosure of Confidential Information that compromises the security, confidentiality, or integrity of the Confidential Information.

"Business Associate" is as defined in 45 CFR, Part 160.103 and includes any entity that performs or assists in performing a function or activity (e.g., claims processing or administration, data analysis, processing or administration, utilization review, quality assurance, patient safety activities, billing, benefit management, practice management, and repricing; or legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services) for or on behalf of HCA involving the use/disclosure of Protected Health Information (PHI). Any reference to Business Associate in this Contract includes Business Associate's employees, agents, officers, Subcontractors, third party contractors, volunteers, or directors.

"Business Days and Hours" means Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington.

"Centers for Medicare and Medicaid Services" or **"CMS"** means the federal office under the Secretary of the United States Department of Health and Human Services, responsible for the Medicare and Medicaid programs.

"CFR" means the Code of Federal Regulations. All references in this Contract to CFR chapters or sections include any successor, amended, or replacement regulation. The CFR may be accessed at http://www.ecfr.gov/cgi-bin/ECFR?page=browse

"Confidential Information" means information that may be exempt from disclosure to the public or other unauthorized persons under chapter 42.56 RCW or chapter 70.02 RCW or other state or federal statutes. Confidential Information includes, but is not limited to, any information identifiable to an individual that relates to a natural person's health, finances, education, business, use or receipt of governmental services, names, addresses, telephone numbers, social security numbers, driver license numbers, financial profiles, credit card numbers, financial identifiers and any other identifying numbers, law enforcement records, HCA source code or object code, or HCA or State security information.

"Contract" means this Contract document, all schedules, exhibits, attachments, and amendments.

"**Contractor"** means any firm, provider, organization, individual or other entity performing services under this Contract. It includes any Subcontractor retained by the prime contractor as permitted under the terms of this Contract.

"Covered entity" means a health plan, a health care clearinghouse or a health care provider who transmits any health information in electronic form to carry out financial or administrative activities related to health care

"Data" means information produced, furnished, acquired, or used by Contractor in meeting requirements under this Contract.

"Effective Date" means the first date this Contract is in full force and effect. It may be a specific date agreed to by the parties; or, if not so specified, the date of the last signature of a party to this Contract.

"Electronic Protected Health Information" or **"ePHI"** means Protected Health Information that is transmitted by electronic media or maintained in any medium described in the definition of electronic media at 45 CFR 160.103.

"Equipment" means an article of non-expendable, tangible property having a useful life of more than one year and an acquisition cost of $5,000 or more.

"HCA Contract Manager" means the individual identified on the cover page of this Contract who will provide oversight of the Contractor's activities conducted under this Contract.

"Health Care Authority" or **"HCA"** means the Washington State Health Care Authority, any division, section, office, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

"Proprietary Information" means information owned by Contractor to which Contractor claims a protectable interest under law. Proprietary Information includes, but is not limited to, information protected by copyright, patent, trademark, or trade secret laws.

"**Protected Health Information**" or **"PHI"** means any information about health status, provision of health care, or payment for health care that is created or collected by a Covered Entity (or a Business Associate of a Covered Entity), and can be linked to a specific individual. PHI includes demographic information that identifies the individual or about which there is reasonable basis to believe, can be used to identify the individual. 45 CFR 160.103 PHI is information transmitted, maintained, or stored in any form or medium. 45 CFR 164.501 PHI does not include education records covered by the Family Educational Right and Privacy Act, as amended, 20 USC 1232g(a)(4)(b)(iv).

"Response" means Contractor's Response to HCA's RFx -### for _____ Services and is Exhibit B hereto.

"RCW" means the Revised Code of Washington. All references in this Contract to RCW chapters or sections include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at: http://apps.leg.wa.gov/rcw/.

Use the appropriate type of procurement, e.g., RFQQ , etc.

"RFP" means the Request for Proposals used as the solicitation document to establish this Contract, including all its amendments and modifications and is Exhibit A hereto.

"Statement of Work" or **"SOW"** means a detailed description of the work activities the Contractor is required to perform under the terms and conditions of this Contract, including the deliverables and timeline, and is Schedule A hereto.

"Subcontractor" means one not in the employment of Contractor, who is performing all or part of the business activities under this Contract under a separate contract with Contractor. The term "Subcontractor" means subcontractor(s) of any tier.

"Subrecipient" means a contractor operating a federal or state assistance program receiving federal funds and having the authority to determine both the services rendered and disposition of program. See OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for additional detail.

"USC" means the United States Code. All references in this Contract to USC chapters or sections shall include any successor, amended, or replacement statute. The USC may be accessed at http://uscode.house.gov/

"WAC" means the Washington Administrative Code. All references to WAC chapters or sections will include any successor, amended, or replacement regulation. Pertinent WACs may be accessed at: http://app.leg.wa.gov/wac/.

3.SPECIAL TERMS AND CONDITIONS

3.1 PERFORMANCE EXPECTATIONS *(Optional)*

Expected performance under this Contract includes, but is not limited to, the following:

[Examples – add or delete as appropriate]

a) Knowledge of applicable state and federal laws and regulations pertaining to subject of contract;
b) Use of professional judgment;
c) Collaboration with HCA staff in Contractor's conduct of the services;
d) Conformance with HCA directions regarding the delivery of the services;
e) Timely, accurate and informed communications;
f) Regular completion and updating of project plans, reports, documentation and communications;
g) Regular, punctual attendance at all meetings;
h) Provision of high quality services; and

Prior to payment of invoices, HCA will review and evaluate the performance of Contractor in accordance with Contract and these performance expectations and may withhold payment if expectations are not met or Contractor's performance is unsatisfactory.

3.2 TERM

3.2.1 The initial term of the Contract will commence on _____, or date of last signature, whichever is later, and continue through _____, unless terminated sooner as provided herein.

3.2.2 This Contract may be extended through _____in whatever time increments HCA deems appropriate. No change in terms and conditions will be permitted during these extensions unless specifically agreed to in writing.

3.2.3 Work performed without a contract or amendment signed by the authorized representatives of both parties will be at the sole risk of the Contractor. HCA will not pay, any costs incurred before a contract or any subsequent amendment(s) is fully executed.

3.3 DES FILING REQUIREMENT

Use only if DES Sole source (contracts over $10,000) 10-Day filing is required

The provisions of Chapter 39.26 RCW require HCA to file this sole source Contract and any amendments to this Contract with the Department of Enterprise Services (DES) for approval. No filed contract or amendment is effective, nor shall work commence under it, until the tenth (10th) working day following the date of filing and subject to DES approval.

3.4 ON-SITE CONTRACTOR ORIENTATION

3.4.1 Contractors who will be working on site at HCA must attend a Contractor Orientation within 30 days of commencing work at HCA, and must abide by all applicable policies and procedures provided at orientation.

3.4.2 Contractors who will be working on site will be assigned an identification card to access the building and will be granted use of one of the available Contractor Lounges. (Note:

See Section 2.a *On-Site Contractor's Work Space* below if Contract will be assigned an HCA work space.)

3.4.3 If the Contractor violates any applicable policy or procedure while providing services under this Contract, or when it is in the best interests of the state, HCA may terminate the Contractor's access to the Contractor Lounge or the Contractor's workstation, as applicable, upon thirty days' written notice

a. ON-SITE CONTRACTOR'S WORK SPACE

[Use only if applicable. NOTE: Prior approval from the Chief Legal Officer is required before a Contractor can have a workstation. See Administrative Policy 8-03]

If the Contractor is being assigned one or more workstations at HCA, the following additional provisions will apply.

3.5.1 HCA will assign the Contractor _#___ workstation(s) and assess a workstation fee of $_____ per month per workstation.

3.5.2 The Contractor must deduct the workstation fee as a separate line item from the amount due on its monthly invoices to HCA. If the Contractor has performed no billable work during a month, the Contractor will still be obligated to credit HCA the workstation fee for that month on its next invoice. If the Contractor has multiple contracts with HCA, the parties will agree and document which Contract will be assessed the workstation fee.

3.5.3 HCA will prorate the monthly workstation fee if work begins or ends in the middle of the month. The fee will be divided by the number of days in the month, then multiplied by the number of days the contract was in effect.

3.5.4 If the Contractor fails to credit a monthly workstation fee to HCA, the parties specifically agree that HCA will deduct the workstation fee from the invoiced amount and authorize the corrected invoice for payment.

b. COMPENSATION

3.6.1 The Maximum Compensation payable to Contractor for the performance of all things necessary for or incidental to the performance of work as set forth in Schedule A: *Statement of Work* is $_____, and includes any allowable expenses.

3.6.2 Contractor's compensation for services rendered will be based on the following rates or in accordance with the following terms.

[Note: List detail compensation to be paid, e.g. hourly rates, number of hours per task, unit prices, cost per task, cost per deliverable, etc. Or reference documents that specify Contractor's compensation and payment, e.g. Contractors' compensation for services rendered will be based on the schedule set forth in Schedule A: Statement of Work. After you select the appropriate language delete the red text from the final Contract.]

3.6.3 Day-to-day expenses related to performance under the Contract, including but not limited to, travel, lodging, meals, incidentals will not be reimbursed to Contractor. If Contractor is required by HCA to travel, any such travel must be authorized in writing by the HCA *[position title]* and reimbursement will be at rates not to exceed the then-current rules, regulations, and guidelines for State employees published by the Washington State Office of Financial Management set forth in the Washington State Administrative and Accounting Manual (http://www.ofm.wa.gov/policy/10.htm) and not to exceed expenses actually incurred.

To receive reimbursement, Contractor must provide a detailed breakdown of authorized expenses and receipts for any expenses of $50 or more.

(If Applicable, please ensure that Attachment 2: Federal Compliance, Certification and Assurances is attached. If no federal funds, remove the below paragraph discussing federal

funds and remove this "red" text from the final contract.)

3.6.4 Federal funds disbursed through this Contract were received by HCA through OMB Catalogue of Federal Domestic Assistance (CFDA) Number: [Enter CFDA#], [Enter Federal Program Name], [Enter Grant Award#], [Enter Grant Award Name]. Contractor agrees to comply with applicable rules and regulations associated with these federal funds and has signed Attachment 2: *Federal Compliance, Certification and Assurances*, attached.

c. INVOICE AND PAYMENT

3.7.1 Contractor must submit accurate invoices to the following address for all amounts to be paid by HCA:

Health Care Authority
Administrative Accounting
Attention: Accounts Payable
Post Office Box 42691
Olympia, WA 98504-2691

3.7.2 If submitting the invoice via e-mail, send invoices to: Acctspay@hca.wa.gov. Include HCA Contract number in the subject line of the email.

3.7.3 All invoices will be reviewed and must be approved by the Contract Manager or his/her designee prior to payment.

3.7.4 Contractor must submit properly itemized invoices to include the following information, as applicable:

a. HCA Contract number *[Enter HCA Contract #]*;
b. Contractor name, address, phone number;
c. Description of Services;
d. Date(s) of delivery;
e. Net invoice price for each item;3.4
f. Applicable taxes;
g. Total invoice price; and
h. Payment terms and any available prompt payment discount.

3.7.5 HCA will return incorrect or incomplete invoices, to the Contractor for correction and reissue. The Contract Number must appear on all invoices, bills of lading, packages, and correspondence relating to this Contract.

3.7.6 Invoices must describe and document to HCA's satisfaction, a description of the work performed; the progress of the project; and fees. If expenses are invoiced, invoices must provide a detailed breakdown of each type. Any single expense in the amount of $50.00 or more must be accompanied by a receipt in order to receive reimbursement.

3.7.7 Payment will be considered timely if made by HCA within thirty (30) days of receipt of properly completed invoices. Payment will be sent to the address designated by the Contractor. (Note: Failure to submit a properly completed IRS form W-9 may result in delayed payments.)

3.7.8 Upon expiration of the Contract, any claims for payment for costs due and payable under this Contract that are incurred prior to the expiration date must be submitted by the Contractor to HCA within sixty (60) days after the Contract expiration date. Belated claims will be paid at the discretion of the HCA and are contingent upon the availability of funds.

d. CONTRACTOR and HCA CONTRACT MANAGERS

3.8.1 Contractor's Contract Manager will have prime responsibility and final authority for the services provided under this Contract and be the principal point of contact for the HCA Contract Manager for all business matters, performance matters, and administrative activities.

3.82 HCA's Contract Manager is responsible for monitoring the Contractor's performance and will be the contact person for all communications regarding contract performance and deliverables. The HCA Contract Manager has the authority to accept or reject the services provided and must approve Contractor's invoices prior to payment.

3.8.3 The contact information provided below may be changed by written notice of the change (email acceptable) to the other party.

CONTRACTOR **Contract Manager Information**		**Health Care Authority** **Contract Manager Information**	
Name:		*Name:*	
Title:		*Title:*	
Address:		*Address:*	
Phone:		*Phone:*	
Email:		*Email:*	

e. KEY STAFF *(Optional)*

3.9.1 Except in the case of a legally required leave of absence, sickness, death, termination of employment or unpaid leave of absence, Key Staff must not be changed during the term of the Statement of Work (SOW) from the people who were described in the Response for the first SOW or those Key Staff initially assigned to subsequent SOWs, without the prior written approval of HCA until completion of their assigned tasks.

3.9.2 During the term of the Statement of Work (SOW), HCA reserves the right to approve or disapprove Contractor's Key Staff assigned to this Contract, to approve or disapprove any proposed changes in Contractor's Key Staff, or to require the removal or reassignment of any Contractor staff found unacceptable by HCA, subject to HCA's compliance with applicable laws and regulations. Contractor must provide a resume to HCA of any replacement Key Staff and all staff proposed by Contractor as replacements for other staff must have comparable or greater skills for performing the activities as performed by the staff being replaced.

f. LEGAL NOTICES

Any notice or demand or other communication required or permitted to be given under this Contract or applicable law is effective only if it is in writing and signed by the applicable party, properly addressed, and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, postage prepaid certified mail, return receipt requested, to the parties at the addresses provided in this section.

3.10.1 In the case of notice to the Contractor:

[Contractor Contact Information]

3.10.2 In the case of notice to HCA:

Attention: Contract Administrator
Health Care Authority
Division of Legal Services
Post Office Box 42702
Olympia, WA 98504-2702

3.10.3 Notices are effective upon receipt or four (4) Business Days after mailing, whichever is earlier.

3.10.4 The notice address and information provided above may be changed by written notice of the change given as provided above.

g. INCORPORATION OF DOCUMENTS AND ORDER OF PRECEDENCE

Each of the documents listed below is by this reference incorporated into this Contract. In the event of an inconsistency, the inconsistency will be resolved in the following order of precedence:

a) Applicable Federal and State of Washington statutes and regulations;
b) Business Associate Agreement, HCA Contract No. K0000 *(if applicable, otherwise delete)*
c) Special Terms and Conditions;
d) General Terms and Conditions;
e) Attachment 1: *Confidential Information Security Requirements (if applicable, otherwise delete)*
f) *Attachment 2: Federal Compliance, Certifications and Assurances (if applicable, otherwise delete)*
g) *Attachment 3: Federal Funding Accountability and Transparency Act Data Collection Form (if applicable, otherwise delete)*
h) Schedule A: *Statement of Work*;
i) Exhibit A: *HCA RFP -### for* _____ *Services*, dated _____;
j) Exhibit B: *Contractor's Response* dated _____;
k) Any other provision, term or material incorporated herein by reference or otherwise incorporated.

h. INSURANCE

Contractor must provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of Contractor or Subcontractor, or agents of either, while performing under the terms of this Contract. Contractor must provide insurance coverage that is maintained in full force and effect during the term of this Contract, as follows:

3.12.1 Commercial General Liability Insurance Policy - Provide a Commercial General Liability Insurance Policy, including contractual liability, in adequate quantity to protect against legal liability arising out of contract activity but no less than $1 million per occurrence/$2 million general aggregate. Additionally, Contractor is responsible for ensuring that any Subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

3.12.2 Business Automobile Liability. In the event that services delivered pursuant to this Contract involve the use of vehicles, either owned, hired, or non-owned by the Contractor, automobile liability insurance is required covering the risks of bodily injury (including death) and property damage, including coverage for contractual liability. The minimum limit for automobile liability is $1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.

3.12.3 Professional Liability Errors and Omissions – Provide a policy with coverage of not less than $1 million per claim/$2 million general aggregate.

3.12.4 The insurance required must be issued by an insurance company/ies authorized to do business within the state of Washington, and must name HCA and the state of Washington, its agents and employees as additional insured's under the insurance policy/ies. All policies must be primary to any other valid and collectable insurance. In the event of cancellation, non-renewal, revocation or other termination of any insurance coverage required by this Contract, Contractor must provide written notice of such to HCA within one (1) Business Day of Contractor's receipt of such notice. Failure to buy and maintain the required insurance may, at HCA's sole option, result in this Contract's termination.

Upon request, Contractor must submit to HCA, a certificate of insurance that outlines the coverage and limits defined in the Insurance section. If a certificate of insurance is requested, Contractor must submit renewal certificates as appropriate during the term of the contract.

4. GENERAL TERMS AND CONDITIONS

b. ACCESS TO DATA

In compliance with RCW 39.26.180 (2) and federal rules, the Contractor must provide access to any data generated under this Contract to HCA, the Joint Legislative Audit and Review Committee, the State Auditor, and any other state or federal officials so authorized by law, rule, regulation, or agreement at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the Contractor's reports, including computer models and methodology for those models.

c. ADVANCE PAYMENT PROHIBITED

No advance payment will be made for services furnished by the Contractor pursuant to this Contract.

d. AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments will not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

e. ASSIGNMENT

Contractor may not assign or transfer this Contract or any of its rights hereunder, or delegate any of its duties hereunder, except delegations as set forth in Section __, *Subcontracting*, without the prior written consent of HCA, and any permitted assignment will not operate to relieve Contractor of any of its duties and obligations hereunder, nor will such assignment affect any remedies available to HCA that may arise from any breach of the provisions of this Contract or warranties made herein including but not limited to, rights of setoff. HCA may assign this Contract to any public agency, commission, board, or the like, within the political boundaries of the State of Washington. Any attempted assignment, transfer or delegation in contravention of this Section of the Contract will be null and void.

This Contract will inure to the benefit of and be binding on the parties hereto and their permitted successors and assigns.

f. ATTORNEYS' FEES

In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorneys' fees and costs.

g. CHANGE IN STATUS

In the event of substantive change in the legal status, organizational structure, or fiscal reporting responsibility of the Contractor, Contractor agrees to notify the HCA of the change. Contractor must provide notice as soon as practicable, but no later than thirty days after such a change takes effect.

h. CONFIDENTIAL INFORMATION PROTECTION

4.7.1 Contractor acknowledges that some of the material and information that may come into its possession or knowledge in connection with this Contract or its performance may consist of Confidential Information. Contractor agrees to hold Confidential Information in strictest confidence and not to make use of Confidential Information for any purpose other than the performance of this Contract, to release it only to authorized employees or Subcontractors requiring such information for the purposes of carrying out this Contract, and not to release, divulge, publish, transfer, sell, disclose, or otherwise make the information known to any other party without HCA's express written consent or as provided by law. Contractor agrees to implement physical, electronic, and managerial safeguards to prevent unauthorized access to Confidential Information. (See Attachment 1: *Confidential Information Security Requirements*)

4.7.2 Contractors that may come into contact with Protected Health Information will be required to enter into a Business Associate Agreement with HCA in compliance with the requirements of the Health Insurance Portability and Accountability Act of 1996, Pub. L. 104-191, as modified by the American Recovery and Reinvestment Act of 2009 ("ARRA"), Sec. 13400 – 13424, H.R. 1 (2009) (HITECH Act) (HIPAA).

4.7.3 HCA reserves the right to monitor, audit, or investigate the use of Confidential Information collected, used, or acquired by Contractor through this Contract. Violation of this section by Contractor or its Subcontractors may result in termination of this Contract and demand for return of all Confidential Information, monetary damages, or penalties.

4.7.4 The obligations set forth in this Section will survive completion, cancellation, expiration, or termination of this Contract.

i. CONFIDENTIAL INFORMATION SECURITY

[Use if applicable]

The federal government, the Centers for Medicare and Medicaid Services (CMS), and the State of Washington all maintain security requirements regarding privacy, data access, and other areas. Contractor is required to comply with the Confidential Information Security Requirements set out in Attachment 1 to this Contract and appropriate portions of the Washington OCIO Security Standard, 141.10 (https://ocio.wa.gov/policies/141-securing-information-technology-assets/14110-securing-information-technology-assets).

j. CONFIDENTIAL INFORMATION BREACH – REQUIRED NOTIFICATION

4.9.1 Upon a Breach or suspected Breach of Confidential Information, the Contractor must immediately notify the HCA Privacy Officer (HCAPrivacyOfficer@hca.wa.gov). For the purposes of this Contract, "immediately "means within one calendar day.

4.92 The Contractor will take steps necessary to mitigate any known harmful effects of such unauthorized access including, but not limited to, sanctioning employees, notifying subjects, and taking steps necessary to stop further unauthorized access. The Contractor agrees to indemnify and hold harmless HCA for any damages related to unauthorized use or disclosure of Confidential Information by the Contractor, its officers, directors, and employees, Subcontractors or agents.

4.9.3 Any breach of this clause may result in termination of the Contract and the demand for return of all Confidential Information.

k. CONTRACTOR'S PROPRIETARY INFORMATION

Contractor acknowledges that HCA is subject to chapter 42.56 RCW, the Public Records Act, and that this Contract will be a public record as defined in chapter 42.56 RCW. Any specific information that is claimed by Contractor to be Proprietary Information must be clearly identified as such by Contractor. To the extent consistent with chapter 42.56 RCW, HCA will maintain the confidentiality of Contractor's information in its possession that is marked Proprietary. If a public disclosure request is made to view Contractor's Proprietary Information, HCA will notify Contractor of the request and of the date that such records will be released to the requester unless Contractor obtains a court order from a court of competent jurisdiction enjoining that disclosure. If Contractor fails to obtain the court order enjoining disclosure, HCA will release the requested information on the date specified.

l. COVENANT AGAINST CONTINGENT FEES

Contractor warrants that no person or selling agent has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the Contractor for the purpose of securing business. HCA will have the right, in the event of breach of this clause by the Contractor, to annul this Contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

m. DEBARMENT

By signing this Contract, Contractor certifies that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded in any Washington State or Federal department or agency from participating in transactions (debarred). Contractor agrees to include the above requirement in any and all subcontracts into which it enters, and also agrees that it will not employ debarred individuals. Contractor must immediately notify HCA if, during the term of this Contract, Contractor becomes debarred. HCA may immediately terminate this Contract by providing Contractor written notice, if Contractor becomes debarred during the term hereof.

n. DISPUTES

The parties will use their best, good faith efforts to cooperatively resolve disputes and problems that arise in connection with this Contract. Both parties will continue without delay to carry out their respective responsibilities under this Contract while attempting to resolve any dispute. When a genuine dispute arises between HCA and the Contractor regarding the terms of this Contract or the responsibilities imposed herein and it cannot be resolved between the parties' Contract Managers, either party may initiate the following dispute resolution process.

4.13.1 The initiating party will reduce its description of the dispute to writing and deliver it to the responding party (email acceptable). The responding party will respond in writing within five (5) Business Days (email acceptable). If after five (5) additional Business Days the

parties have not resolved the Dispute, it will be submitted to the HCA Director, who may employ whatever dispute resolution methods the Director deems appropriate to resolve the dispute.

4.13.2 A party's request for a dispute resolution must:

a. Be in writing;
b. Include a written description of the dispute;
c. State the relative positions of the parties and the remedy sought;
d. State the Contract Number and the names and contact information for the parties;

4.13.3 This dispute resolution process constitutes the sole administrative remedy available under this Contract. The parties agree that this resolution process will precede any action in a judicial or quasi-judicial tribunal.

o. FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY ACT (FFATA)

[Use if applicable]

4.14.1 This Contract is supported by federal funds that require compliance with the Federal Funding Accountability and Transparency Act (FFATA or the Transparency Act). The purpose of the Transparency Act is to make information available online so the public can see how federal funds are spent.

4.14.2 To comply with the act and be eligible to enter into this Contract, Contractor must have a Data Universal Numbering System (DUNS®) number. A DUNS® number provides a method to verify data about your organization. If Contractor does not already have one, a DUNS® number is available free of charge by contacting Dun and Bradstreet at www.dnb.com.

4.14.3 Information about Contractor and this Contract will be made available on www.uscontractorregistration.com by HCA as required by P.L. 109-282. HCA's Attachment 3: *Federal Funding Accountability and Transparency Act Data Collection Form*, is considered part of this Contract and must be completed and returned along with the Contract.

p. FORCE MAJEURE

A party will not be liable for any failure of or delay in the performance of this Contract for the period that such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, war, strikes or labor disputes, embargoes, government orders or any other force majeure event.

q. FUNDING WITHDRAWN, REDUCED OR LIMITED

If the funds HCA relied upon to establish this Contract are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Contract, HCA, at its discretion, may:

a) Terminate this Contract pursuant to Section 0, *Termination for Non-Allocation of Funds*;
b) Renegotiate the Contract under the revised funding conditions; or
c) Suspend Contractor's performance under the Contract by written notice to Contractor. HCA will use this option only when HCA determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow Contractor's performance to be resumed prior to the normal completion date of this Contract.

(1) During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.

(2) When HCA determines that the funding insufficiency is resolved, it will give Contractor written notice to resume performance. Upon the receipt of this notice, Contractor will provide written notice to HCA informing HCA whether it can resume performance and, if so, the date of resumption. For purposes of this subsection, "written notice" may include email.

(3) If the Contractor's proposed resumption date is not acceptable to HCA and an acceptable date cannot be negotiated, HCA may terminate the contract by giving written notice to Contractor. The parties agree that the Contract will be terminated retroactive to the date of the notice of suspension. HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the retroactive date of termination.

r. GOVERNING LAW

This Contract is governed in all respects by the law and statutes of the state of Washington, without reference to conflict of law principles. The jurisdiction for any action hereunder is exclusively in the Superior Court for the state of Washington and the venue of any action hereunder is in the Superior Court for Thurston County, Washington.

s. HCA NETWORK SECURITY

Contractor agrees not to attach any Contractor-supplied computers, peripherals or software to the HCA Network without prior written authorization from HCA's Chief Information Officer. Unauthorized access to HCA networks and systems is a violation of HCA Policy and constitutes computer trespass in the first degree pursuant to RCW 9A.52.110. Violation of any of these laws or policies could result in termination of the contract and other penalties.

Contractor will have access to the HCA visitor Wi-Fi Internet connection while on site.

t. INDEMNIFICATION

Contractor must defend, indemnify, and save HCA harmless from and against all claims, including reasonable attorneys' fees resulting from such claims, for any or all injuries to persons or damage to property, or Breach of its confidentiality and notification obligations under Section h *Confidential Information Protection* and Section i *Confidentiality Breach-Required Notification*, arising from intentional or negligent acts or omissions of Contractor, its officers, employees, or agents, or Subcontractors, their officers, employees, or agents, in the performance of this Contract.

u. INDEPENDENT CAPACITY OF THE CONTRACTOR

The parties intend that an independent contractor relationship will be created by this Contract. Contractor and his or her employees or agents performing under this Contract are not employees or agents of HCA. Contractor will not hold himself/herself out as or claim to be an officer or employee of HCA or of the State of Washington by reason hereof, nor will Contractor make any claim of right, privilege or benefit that would accrue to such employee under law. Conduct and control of the work will be solely with Contractor.

v. INDUSTRIAL INSURANCE COVERAGE

Prior to performing work under this Contract, Contractor must provide or purchase industrial insurance coverage for the Contractor's employees, as may be required of an "employer" as defined in Title 51 RCW, and must maintain full compliance with Title 51 RCW during the course of this Contract.

w. LEGAL AND REGULATORY COMPLIANCE

4.22.1 During the term of this Contract, Contractor must comply with all local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this Contract and all other applicable federal, state and local laws, rules, and regulations.

4.22.2 While on the HCA premises, Contractor must comply with HCA operations and process standards and policies (e.g., ethics, Internet / email usage, data, network and building security, harassment, as applicable). HCA will make an electronic copy of all such policies available to Contractor.

4.22.3 Failure to comply may result in Contract termination.

x. LIMITATION OF AUTHORITY

Only the HCA Authorized Representative has the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract. Furthermore, any alteration, amendment, modification, or waiver or any clause or condition of this Contract is not effective or binding unless made in writing and signed by the HCA Authorized Representative.

y. NO THIRD-PARTY BENEFICIARIES

HCA and Contractor are the only parties to this contract. Nothing in this Contract gives or is intended to give any benefit of this Contract to any third parties.

z. NONDISCRIMINATION

During the performance of this Contract, the Contractor must comply with all federal and state nondiscrimination laws, regulations and policies, including but not limited to: Title VII of the Civil Rights Act, 42 U.S.C. §12101 et seq.; the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. §12101 et seq., 28 CFR Part 35; and Title 49.60 RCW, Washington Law Against Discrimination. In the event of Contractor's noncompliance or refusal to comply with any nondiscrimination law, regulation or policy, this Contract may be rescinded, canceled, or terminated in whole or in part under the Termination for Default sections, and Contractor may be declared ineligible for further contracts with HCA.

aa. OVERPAYMENTS TO CONTRACTOR

In the event that overpayments or erroneous payments have been made to the Contractor under this Contract, HCA will provide written notice to Contractor and Contractor shall refund the full amount to HCA within thirty (30) days of the notice. If Contractor fails to make timely refund, HCA may charge Contractor one percent (1%) per month on the amount due, until paid in full.

bb. PUBLICITY

4.27.1 The award of this Contract to Contractor is not in any way an endorsement of Contractor or Contractor's Services by HCA and must not be so construed by Contractor in any advertising or other publicity materials.

4.27.2 Contractor agrees to submit to HCA, all advertising, sales promotion, and other publicity materials relating to this Contract or any Service furnished by Contractor in which HCA's name is mentioned, language is used, or Internet links are provided from which the connection of HCA's name with Contractor's Services may, in HCA's judgment, be inferred or implied. Contractor further agrees not to publish or use such advertising, marketing, sales promotion materials, publicity or the like through print, voice, the Web, and other communication media in existence or hereinafter developed without the express written consent of HCA prior to such use.

cc. RECORDS AND DOCUMENTS REVIEW

4.28.1 The Contractor must maintain books, records, documents, magnetic media, receipts, invoices and other evidence relating to this Contract and the performance of the services rendered, along with accounting procedures and practices, all of which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. At no additional cost, these records including materials generated under this Contract, are subject at all reasonable times to inspection, review, or audit by HCA, the Office of the State Auditor, and state and federal officials so authorized by law, rule, regulation, or agreement. The Contractor must retain such records for a period of six (6) years after the date of final payment.

4.28.2 If any litigation, claim or audit is started before the expiration of the six (6) year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved.

dd. REMEDIES NON-EXCLUSIVE

The remedies provided in this Contract are not exclusive, but are in addition to all other remedies available under law.

ee. RIGHT OF INSPECTION

The Contractor must provide right of access to its facilities to HCA, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Contract.

ff. RIGHTS IN DATA/OWNERSHIP

4.31.1 HCA and Contractor agree that all data and work products (collectively "Work Product") produced pursuant to this Contract will be considered work made for hire under the U.S. Copyright Act, 17 U.S.C. §101 *et seq*, and will be owned by HCA. Contractor is hereby commissioned to create the Work Product. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, Software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product.

4.31.2 If for any reason the Work Product would not be considered a work made for hire under applicable law, Contractor assigns and transfers to HCA, the entire right, title and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof.

4.31.3 Contractor will execute all documents and perform such other proper acts as HCA may deem necessary to secure for HCA the rights pursuant to this section.

4.31.4 Contractor will not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership of any Work Product, without the prior written permission of HCA. Contractor shall take all reasonable steps necessary to ensure that its agents, employees, or Subcontractors will not copy or disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party.

4.31.5 Material that is delivered under this Contract, but that does not originate therefrom ("Preexisting Material"), must be transferred to HCA with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, display, and dispose of such Preexisting Material, and to authorize others to do so. Contractor agrees to obtain, at its own expense, express written consent of the copyright holder for the

inclusion of Preexisting Material. HCA will have the right to modify or remove any restrictive markings placed upon the Preexisting Material by Contractor.

4.31.6 Contractor must identify all Preexisting Material when it is delivered under this Contract and must advise HCA of any and all known or potential infringements of publicity, privacy or of intellectual property affecting any Preexisting Material at the time of delivery of such Preexisting Material. Contractor must provide HCA with prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by Contractor with respect to any Preexisting Material delivered under this Contract.

gg. RIGHTS OF STATE AND FEDERAL GOVERNMENTS

In accordance with 45 CFR 95.617, all appropriate state and federal agencies, including but not limited to the Centers for Medicare and Medicaid Services (CMS), will have a royalty free, nonexclusive, and irrevocable license to reproduce, publish, translate, or otherwise use, and to authorize others to use for Federal Government purposes: (i) software, modifications, and documentation designed, developed or installed with Federal Financial Participation (FFP) under 45 CFR Part 95, subpart F; (ii) the Custom Software and modifications of the Custom Software, and associated Documentation designed, developed, or installed with FFP under this Contract; (iii) the copyright in any work developed under this Contract; and (iv) any rights of copyright to which Contractor purchases ownership under this Contract.

hh. SEVERABILITY

If any provision of this Contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity will not affect the other provisions or applications of this Contract that can be given effect without the invalid provision, and to this end the provisions or application of this Contract are declared severable.

ii. SITE SECURITY

While on HCA premises, Contractor, its agents, employees, or Subcontractors must conform in all respects with physical, fire or other security policies or regulations. Failure to comply with these regulations may be grounds for revoking or suspending security access to these facilities. HCA reserves the right and authority to immediately revoke security access to Contractor staff for any real or threatened breach of this provision. Upon reassignment or termination of any Contractor staff, Contractor agrees to promptly notify HCA.

jj. SUBCONTRACTING

4.35.1 Neither Contractor, nor any Subcontractors, may enter into subcontracts for any of the work contemplated under this Contract without prior written approval of HCA. In no event will the existence of the subcontract operate to release or reduce the liability of Contractor to HCA for any breach in the performance of Contractor’s duties.

4.35.2 Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Contract are included in any subcontracts.

4.35.3 If at any time during the progress of the work HCA determines in its sole judgment that any Subcontractor is incompetent or undesirable, HCA will notify Contractor, and Contractor must take immediate steps to terminate the Subcontractor's involvement in the work.

4.35.4 The rejection or approval by the HCA of any Subcontractor or the termination of a Subcontractor will not relieve Contractor of any of its responsibilities under the Contract, nor be the basis for additional charges to HCA.

4.35.5 HCA has no contractual obligations to any Subcontractor or vendor under contract to the Contractor. Contractor is fully responsible for all contractual obligations, financial or otherwise, to its Subcontractors.

kk. SUBRECIPIENT

[Use if applicable]

4.36.1 General

If the Contractor is a sub-recipient of federal awards as defined by Office of Management and Budget (OMB) OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 and this Contract, the Contractor shall:

a. Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
b. Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
c. Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
d. Incorporate OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 audit requirements into all agreements between the Contractor and its Subcontractors who are sub-recipients;
e. Comply with any future amendments to OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501 and any successor or replacement Circular or regulation;
f. Comply with the applicable requirements of OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501and any future amendments to OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, and any successor or replacement Circular or regulation; and
g. Comply with the Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C.D.E. and G, and 28 CFR Part 35 and 39. (Go to http://ojp.gov/about/offices/ocr.htm for additional information and access to the aforementioned Federal laws and regulations.)

If the Contractor is a sub-recipient and expends $750,000 or more in federal awards from any and/or all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a FCS-specific audit for that fiscal year. Upon completion of each audit, the Contractor shall:

a. Submit to the Authority contact person the data collection form and reporting package specified in OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;

b. Follow-up and develop corrective action for all audit findings; in accordance with OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501, prepare a "Summary Schedule of Prior Audit Findings."

4.36.3 Overpayments

If it is determined by HCA, or during the course of a required audit, that Contractor has been paid unallowable costs under this or any FCS Agreement, HCA may require Contractor to reimburse HCA in accordance with OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501.

ll. SURVIVAL

The terms and conditions contained in this Contract that by their sense and context, are intended to survive the completion, cancellation, termination, or expiration of the Contract will survive. In addition, the terms of the sections titled *Confidential Information Protection, Confidential Information Breach – Required Notification, Contractor's Proprietary Information, Disputes, Overpayments to Contractor, Publicity, Records and Documents Review, Rights in Data/Ownership, and Rights of State and Federal Governments* will survive the termination of this Contract.

mm. TAXES

HCA will pay sales or use taxes, if any, imposed on the services acquired hereunder. Contractor must pay all other taxes including, but not limited to, Washington Business and Occupation Tax, other taxes based on Contractor's income or gross receipts, or personal property taxes levied or assessed on Contractor's personal property. HCA, as an agency of Washington State government, is exempt from property tax.

Contractor must complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract.

nn. TERMINATION

4.39.1 TERMINATION FOR DEFAULT

In the event HCA determines that Contractor has failed to comply with the terms and conditions of this Contract, HCA has the right to suspend or terminate this Contract. HCA will notify Contractor in writing of the need to take corrective action. If corrective action is not taken within five (5) Business Days, or other time period agreed to in writing, the Contract may be terminated. HCA reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by Contractor or a decision by HCA to terminate the Contract.

In the event of termination for default, Contractor will be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement or cover Contract and all administrative costs directly related to the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising, and staff time.

If it is determined that Contractor: (i) was not in default, or (ii) its failure to perform was outside of its control, fault or negligence, the termination will be deemed a "Termination for Convenience."

4.39.2 TERMINATION FOR CONVENIENCE

When, at HCA's sole discretion, it is in the best interest of the State, HCA may terminate this Contract in whole or in part by providing thirty (30) days' notice. If

this Contract is so terminated, HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. No penalty will accrue to HCA in the event the termination option in this section is exercised.

4.39.3 TERMINATION FOR NONALLOCATION OF FUNDS

If funds are not allocated to continue this Contract in any future period, HCA may immediately terminate this Contract by providing written notice to the Contractor. The termination will be effective on the date specified in the termination notice. HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. HCA agrees to notify Contractor of such non allocation at the earliest possible time. No penalty will accrue to HCA in the event the termination option in this section is exercised.

4.39.4 TERMINATION FOR WITHDRAWAL OF AUTHORITY

In the event that the authority of HCA to perform any of its duties is withdrawn, reduced, or limited in any way after the commencement of this Contract and prior to normal completion, HCA may immediately terminate this Contract by providing written notice to the Contractor. The termination will be effective on the date specified in the termination notice. HCA will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. HCA agrees to notify Contractor of such withdrawal of authority at the earliest possible time. No penalty will accrue to HCA in the event the termination option in this section is exercised.

4.39.5 TERMINATION FOR CONFLICT OF INTEREST

HCA may terminate this Contract by written notice to the Contractor if HCA determines, after due notice and examination, that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW, or any other laws regarding ethics in public acquisitions and procurement and performance of contracts. In the event this Contract is so terminated, HCA will be entitled to pursue the same remedies against the Contractor as it could pursue in the event Contractor breaches the contract.

oo. TERMINATION PROCEDURES

4.40.1 Upon termination of this Contract HCA, in addition to any other rights provided in this Contract, may require Contractor to deliver to HCA any property specifically produced or acquired for the performance of such part of this Contract as has been terminated.

4.40.2 HCA will pay Contractor the agreed upon price, if separately stated, for completed work and services accepted by HCA and the amount agreed upon by the Contractor and HCA for (i) completed work and services for which no separate price is stated; (ii) partially completed work and services; (iii) other property or services that are accepted by HCA; and (iv) the protection and preservation of property, unless the termination is for default, in which case HCA will determine the extent of the liability. Failure to agree with such determination will be a dispute within the meaning of Section n *Disputes*. HCA may withhold from any amounts due the Contractor such sum as HCA determines to be necessary to protect HCA against potential loss or liability.

4.40.3 after receipt of notice of termination, and except as otherwise directed by HCA, Contractor must:

a. Stop work under the Contract on the date, and to the extent specified in the notice;

b. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the Contract that is not terminated;
c. Assign to HCA, in the manner, at the times, and to the extent directed by HCA, all the rights, title, and interest of the Contractor under the orders and subcontracts so terminated; in which case HCA has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
d. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of HCA to the extent HCA may require, which approval or ratification will be final for all the purposes of this clause;
e. Transfer title to and deliver as directed by HCA any property required to be furnished to HCA;
f. Complete performance of any part of the work that was not terminated by HCA; and
g. Take such action as may be necessary, or as HCA may direct, for the protection and preservation of the records related to this Contract that are in the possession of the Contractor and in which HCA has or may acquire an interest.

pp. WAIVER

Waiver of any breach of any term or condition of this Contract will not be deemed a waiver of any prior or subsequent breach or default. No term or condition of this Contract will be held to be waived, modified, or deleted except by a written instrument signed by the parties. Only the HCA Authorized Representative has the authority to waive any term or condition of this Contract on behalf of HCA.

Attachment 1

Confidential Information Security Requirements

1.Definitions

In addition to the definitions set out in Section 0 of this Contract KXXXX for _____ Services, the definitions below apply to this Attachment.

a. "Authorized User(s)" means an individual or individuals with an authorized business requirement to access Confidential Information.

b. "Hardened Password" means a string of at least eight characters containing at least one alphabetic character, at least one number and at least one special character such as an asterisk, ampersand or exclamation point.

c. "Secured Area" means an area to which only Authorized Users have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.

d. "Transmitting" means the transferring of Confidential Information electronically, such as via email.

e. "Trusted Systems" means the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such

as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) that offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.

f. "Unique User ID" means a string of characters that identifies a specific user and that, in conjunction with a password, passphrase, or other mechanism, authenticates a user to an information system.

13. Confidential Information Transmitting

a. When transmitting HCA Confidential Information electronically, including via email, the Confidential Information must be protected by:

i. Transmitting the Confidential Information within the (State Governmental Network) SGN or Contractor's internal network, or;

ii. Encrypting any Confidential Information that will be transmitted outside the SGN or Contractor's internal network with 128-bit Advanced Encryption Standard (AES) encryption or better. This includes transit over the public Internet.

b. When transmitting HCA Confidential Information via facsimile (fax), the Contractor must verify the fax recipient's fax number and communicate with the intended fax recipient before transmission to ensure that the fax will be received only by the intended fax recipient.

c. When transmitting the Agencies' Confidential Information via paper documents, Contractor must use a Trusted System.

g. Protection of Confidential Information

The Contractor agrees to store Confidential Information on one or more of the following media and protect the Confidential Information as described:

d. **Hard disk drives.** Confidential Information stored on local workstation hard disks. Access to the Confidential Information will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms that provide equal or greater security.

a. Network server disks. Confidential Information stored on hard disks mounted on network servers and made available through shared folders. Access to the Confidential Information will be restricted to Authorized Users through the use of access control lists that will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms that provide equal or greater security, such as biometrics or smart cards. Confidential Information on disks mounted to such servers must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

Confidential Information Destruction: For HCA Confidential Information stored on network disks, deleting unneeded Confidential Information is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Confidential Information as outlined in Section 7: *Confidential Information Disposition* of this Attachment may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.

b. **Removable Media, including Optical discs (CDs or DVDs) in local workstation optical disc drives and that *will not be transported out of a secure area*.** Confidential Information provided by HCA on removable media, such as optical discs or USB drives, which will be used in local workstation optical disc drives or USB connections, will be encrypted with 128-bit AES

encryption or better. When not in use for the contracted purpose, such discs must be locked in a drawer, cabinet or other container to which only Authorized Users have the key, combination or mechanism required to access the contents of the container. Workstations that access Confidential Information on optical discs must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

c. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers and that *will not be transported out of a secure area*.** Confidential Information provided by HCA on optical discs that will be attached to network servers will be encrypted with 128-bit AES encryption or better. Access to Confidential Information on these discs will be restricted to Authorized Users through the use of access control lists that will grant access only after the Authorized User has been authenticated to the network using a unique user ID and complex password or other authentication mechanisms that provide equal or greater security, such as biometrics or smart cards. Confidential Information on discs attached to such servers must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

d. **Paper documents.** Any paper records containing Confidential Information must be protected by storing the records in a secure area that is only accessible to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.

e. **Access via remote terminal/workstation over the State Governmental Network (SGN).** Confidential Information accessed and used interactively over the SGN. Access to the Confidential Information will be controlled by HCA staff who will issue authentication credentials (e.g. a unique user ID and complex password) to Authorized Users. Contractor must have established and documented termination procedures for existing staff with access to the Confidential Information. These procedures must be provided upon request. The Contractor will notify HCA staff within five (5) business days whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the user no longer requires access.

f. **Access via remote terminal/workstation over the Internet through Secure Access Washington.** Confidential Information accessed and used interactively over the Internet. Access to the Confidential Information will be controlled by HCA staff who will issue remote access authentication credentials (e.g. a unique user ID and complex password) to Authorized Users. Contractor must have established and documented termination procedures for existing staff with access to the Confidential Information. These procedures must be provided upon request. Contractor will notify HCA staff within five (5) business days whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor and whenever an Authorized User's duties change such that the user no longer requires access.

h. Protection of Confidential Information Stored on Portable Devices or Media

HCA Confidential Information must ***not*** be stored by the Contractor on portable devices or media unless specifically authorized within the Contract. If so authorized, the Contractor must protect the Confidential Information as provided in this Section 4.

Portable devices are any small computing device that can be transported, including but are not limited to: handhelds/PDAs/phones; Ultra mobile PCs, flash memory devices (e.g. USB flash drives, personal media players); and laptop/notebook/tablet computers.

Portable media means any data storage device that can be detached or removed from a computer and transported, including but not limited to: optical media (e.g. CDs, DVDs); magnetic media (e.g. floppy disks, tape, and Zip or Jaz disks); USB drives; or flash media (e.g., CompactFlash, SD, MMC).

Contractor must

a. Encrypt the Confidential Information with a key length of at least 128 bits using an industry standard algorithm, such as AES;

b. Ensure that portable devices such as flash drives are FIPS Level 2 compliant;

c. Control access to the devices with a unique user ID and password or stronger authentication method such as a physical token or biometrics;

d. Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. The maximum period of inactivity is 20 minutes.

e. Physically protect the portable device(s) and/or media by:

i. Keeping them in locked storage when not in use;

ii. Using check-in/check-out procedures when they are shared; and

iii. Maintaining an inventory.

iv. Ensure that when being transported outside of a Secured Area, portable devices and media with Confidential Information are under the physical control of an Authorized User.

i. Confidential Information Segregation

HCA Confidential Information received under this Contract must be segregated or otherwise distinguishable from non-HCA data. This is to ensure that when no longer needed by the Contractor, all HCA Confidential Information can be identified for return or destruction. It also aids in determining whether HCA Confidential Information has or may have been compromised in the event of a security Breach.

e. The HCA Confidential Information must be kept in one of the following ways:

i. on media (e.g. hard disk, optical disc, tape, etc.) that will contain no non-HCA data; or

ii. in a logical container on electronic media, such as a partition or folder dedicated to HCA Confidential Information; or

iii. in a database that will contain no non-HCA data; or

iv. within a database and will be distinguishable from non-HCA data by the value of a specific field or fields within database records; or

v. When stored as physical paper documents, physically segregated from non-HCA data in a drawer, folder, or other container.

b. When it is not feasible or practical to segregate HCA Confidential Information from non-HCA data, then both the HCA Confidential Information and the non-HCA data with which it is commingled must be protected as described in this Attachment.

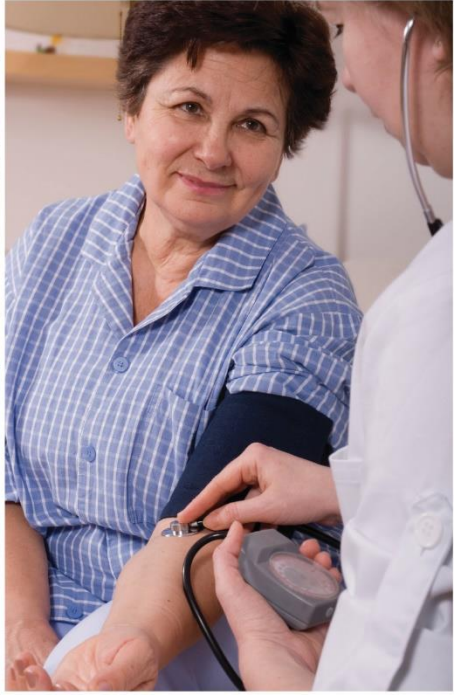
j. Confidential Information Shared with Subcontractors

If HCA Confidential Information provided under this Contract is to be shared with a Subcontractor, the contract with the Subcontractor must include all of the Confidential Information Security Requirements.

k. Confidential Information Disposition

When the Confidential Information is no longer needed, except as noted in Section 3.b. above, *Confidential Information Destruction*, the Confidential Information must be returned to HCA or destroyed. Media on which Confidential Information may be stored and associated acceptable methods of destruction are as follows:

Confidential Information stored on:	Will be destroyed by:
Server or workstation hard disks, or Removable media (e.g. floppies, USB flash drives, portable hard disks, Zip or similar disks)	Using a “wipe” utility that will overwrite the Confidential Information at least three (3) times using either random or single character data, or Degaussing sufficiently to ensure that the Confidential Information cannot be reconstructed, or Physically destroying the disk
Paper documents containing Confidential Information	On-site shredding by a method that renders the Confidential Information unreadable, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or cutting/breaking into small pieces.
Magnetic tape	Degaussing, incinerating or crosscut shredding



ATTACHMENT E

Medicaid Transformation Project Demonstration

Healthier WASHINGTON

Today's speakers

- Nathan Johnson, chief policy officer, HCA
- Marc Provence, director, Office of Medicaid Transformation, HCA
- Bea Rector, director, Home & Community Services Division, Aging & Long Term Support Administration, DSHS
- MaryAnne Lindeblad, Medicaid director, HCA

Healthier WASHINGTON

Today's agenda

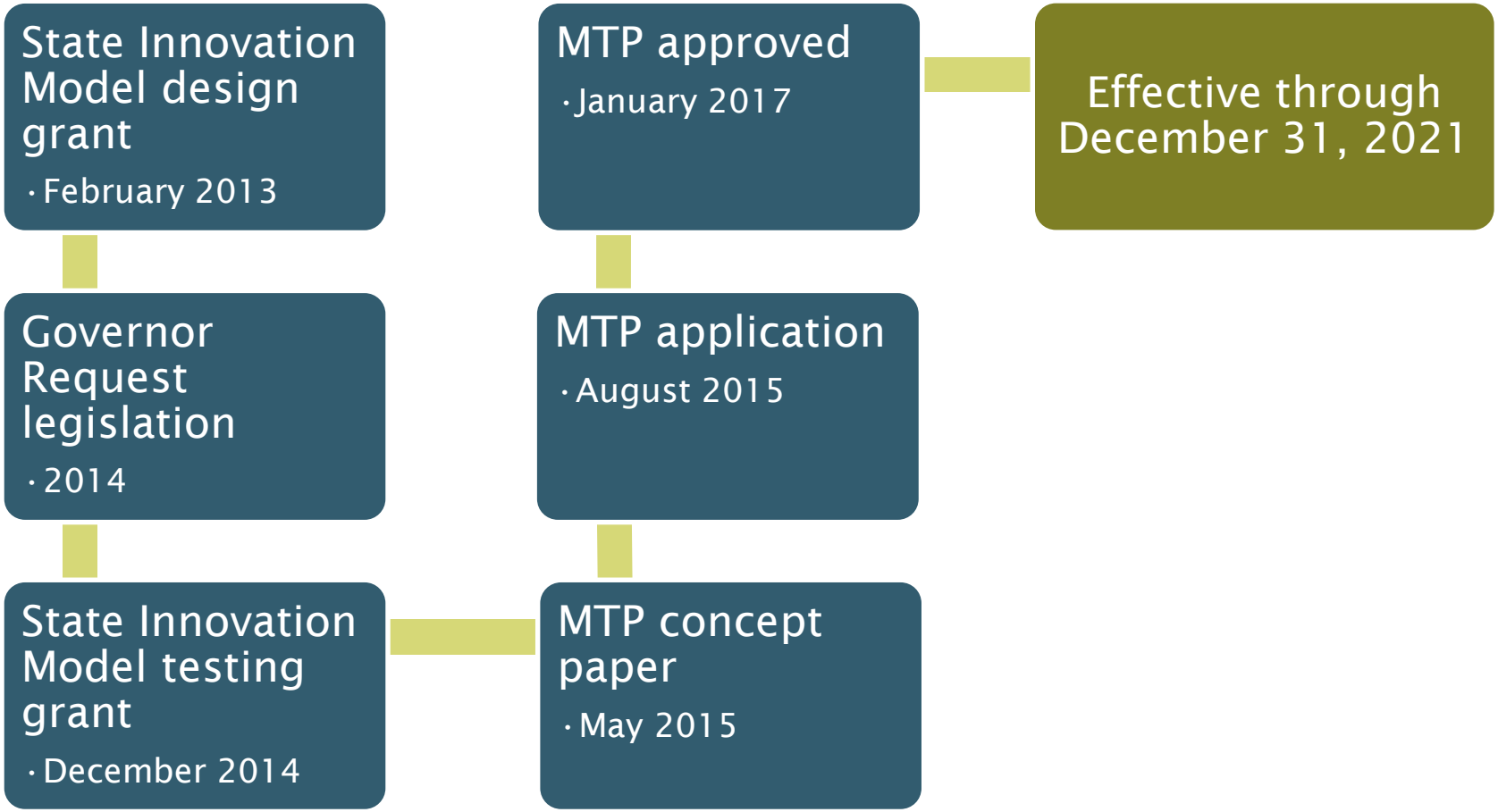
- Medicaid demonstration
  - How we got here
  - Goals & long-term vision
- Initiative 1 – Transformation through Accountable Communities of Health
- Initiative 2 – Long-term services & supports
- Initiative 3 – Foundational community supports
- What's next
- Q&A

Healthier WASHINGTON

Healthier Washington

Healthier WASHINGTON

How we got here



Healthier WASHINGTON

Legislation supporting transformation

Washington enacted legislation furthering delivery system reform:

- **HB 2572 (2014):** Value-based purchasing reform; increasing transparency; empowering communities, standardized performance measures
- **SB 6312 (2014):** Whole-person integrated managed care by 2020
- **2ESHB 2376 / Subsections 213 (1)(d-g) (2016):** Appropriation for Medicaid transformation demonstration waiver initiatives

Healthier WASHINGTON

Special Terms and Conditions (STCs)

- The contract between the state and the Centers for Medicare and Medicaid Services (CMS)
- Enables Washington to operate this demonstration
- The information contained in the STCs outlines the conditions and limitations of the demonstration

Healthier WASHINGTON

Medicaid Transformation demonstration

Who Medicaid serves

- Apple Health covers 1.9 million individuals
- 600,000 newly eligible adults under Medicaid expansion
- Populations served include children, pregnant women, disabled adults, elderly persons, and former foster care adults

Healthier WASHINGTON

Medicaid transformation goals

Over the five-year demonstration, Washington will:

- Integrate physical and behavioral health purchasing and service delivery
- Convert 90% of Medicaid provider payments to reward outcomes
- Support provider capacity to adopt new payment and care models
- Implement population health strategies that improve health equity
- Provide targeted services that address the needs of our aging populations and address the key determinants of health

Healthier WASHINGTON

5 years from now

Current system

- Fragmented care delivery
- Disjointed care transitions
- Disengaged clients
- Capacity limits
- Impoverishment
- Inconsistent measurement
- Volume-based payment

Transformed System

- Integrated, whole-person care
- Coordinated care
- Activated clients
- Access to appropriate services
- Timely supports
- Standardized measurement
- Value-based payment

Healthier WASHINGTON

Elements of the demonstration

The demonstration has 3 key initiatives:

1. Transformation through Accountable Communities of Health
2. Long-term Services and Supports
3. Foundational Community Supports and Services

Healthier WASHINGTON

Delivery System Reform Program

A regional approach

- ACHs play a critical role:
  - **Coordinate** and **oversee** regional projects aimed at improving care for Medicaid beneficiaries.
  - **Apply** for transformation projects, and incentive payments, on behalf of partnering providers within the region.
  - **Solicit** community feedback in development of Project Plan applications.
  - **Decide** on distribution of incentive funds to providers for achievement of defined milestones.

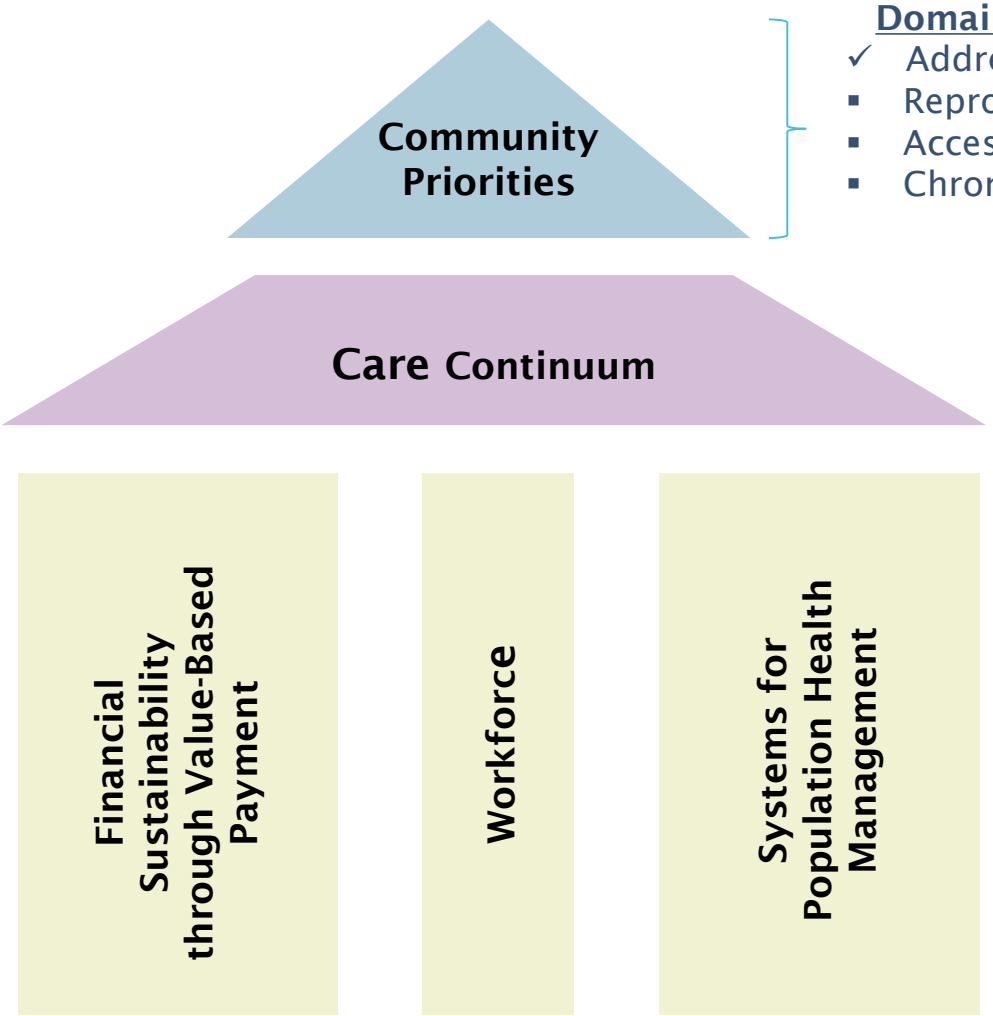
Healthier WASHINGTON

Statewide snapshot

- 27% of the state covered by Medicaid
  - 54% Adults
  - 46% children
- 31.6% with identified mental health need
- 11% with identified substance use disorder treatment need
- 61% well-child visits (ages 3-6)

Healthier WASHINGTON

The Project Toolkit



Domain 3: Prevention and Health Promotion

- ✓ Addressing the opioid use public health crisis
- Reproductive and maternal/child health
- Access to oral health services
- Chronic disease prevention and control

Domain 2: Care Delivery Redesign

- ✓ Bi-directional integration of physical & behavioral health through care transformation
- Community-based care coordination
- Transitional care
- Diversion interventions

Domain 1: Health Systems and Community Capacity Building

- Financial sustainability through value-based payment
- Workforce
- Systems for population health management

Healthier WASHINGTON

Resources and relationships

- Domains and projects *should not* be implemented in isolation from one another.
  - Projects will be highly interrelated and interdependent
- Transformation projects must:
  - Be based on community-specific needs for the Medicaid population
  - Avoid redundancy and duplication
- Regional projects will be assessed based on achievement of defined milestones and metrics.

Healthier WASHINGTON

Project milestones

Project planning progress milestones – *"Pay for Planning"*

- Initial planning activities and partnerships that establish foundational structure and capacity for transformation project goals

Project implementation planning – *"Pay for Reporting"*

- Action steps taken by participating providers specified in the project's initial planning activities

Scale and Sustain – *"Pay for Outcomes"*

- Demonstrable progress towards project outcomes made by participating providers due to the implementation of the project plan

Healthier WASHINGTON

Independent assessor

State-contracted vendor

- Will serve as independent assessor for delivery system reform activities under the demonstration
- The state will develop the tool that the vendor will use in evaluating project plans.
- Cannot have an affiliation with Accountable Communities of Health or their partnering providers

Independent assessor responsibilities

- Reviewing Accountable Communities of Health Project Plan applications
- Providing recommendations to state regarding approval, denial, or recommended changes to ACH Project Plans
- Assessing project performance throughout the demonstration

Healthier WASHINGTON

What to expect in Year One

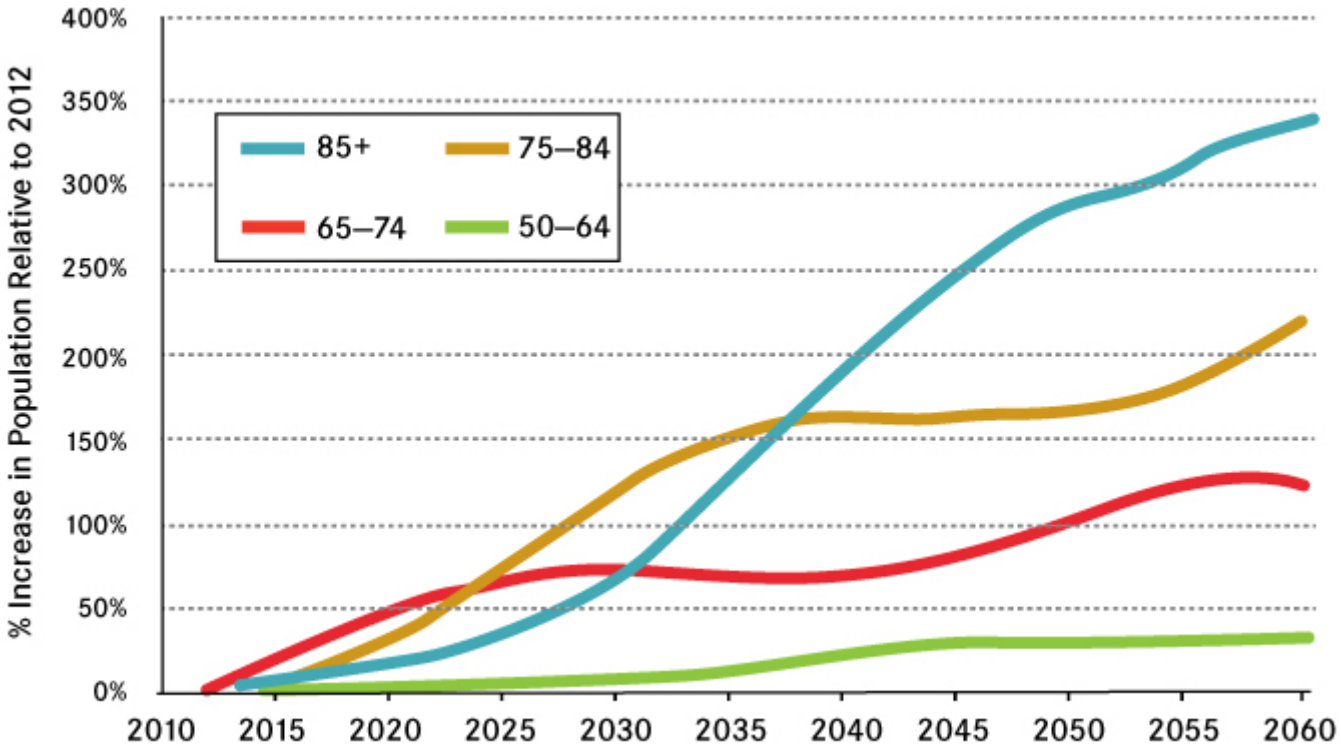
- Protocol development
- ACH certification process
  - Phase 1
  - Phase 2
- ACH project plan development and submission
- Independent assessor review/approval of project plans
- State procurements for vendors

Healthier WASHINGTON

Long-term Services and Supports

Unprecedented demand for LTSS

Projected Growth of Older Population in WA State as % of 2012 Population



Healthier WASHINGTON

Caregiving: Impacts on family

- In Washington State, approximately 80% of the care statewide is provided by family members and other unpaid caregivers
- Unpaid caregiving has an economic impact on families:
  - Loss of earning potential
  - Decreased savings for retirement
  - Impacts on ability to provide for their own children's needs
  - Increased health care costs due to stress and burden
- If just one-fifth of unpaid caregivers stopped providing care, it would double the cost of long-term services and supports in Washington

Healthier WASHINGTON

Services designed to delay & divert need for more intensive interventions

- Medicaid Alternative Care (MAC)
  - A new choice designed to support unpaid caregivers in continuing to provide quality care
- Tailored Supports for Older Adults (TSOA)
  - A new eligibility group to support individuals who need Long-term Services and Supports and are at risk of spending down to impoverishment

Healthier WASHINGTON

Medicaid Alternative Care (MAC)

A new benefit package that will:

- Provide support for unpaid family caregivers who support individuals eligible for Medicaid but not currently accessing Medicaid-funded LTSS
- Provide necessary supports to unpaid caregivers to enable them to continue to provide high-quality care and focus on their own health and well-being

Healthier WASHINGTON

Tailored Supports for Older Adults (TSOA)

A new eligibility group that will:

- Provide a benefit package for individuals at risk of future Medicaid LTSS use
- Help individuals and their families avoid or delay impoverishment and the future need for Medicaid-funded services while providing support to individuals and unpaid family caregivers

Healthier WASHINGTON

Implementation

Currently we are engaged in:

- Ramp up work including preparing eligibility, assessment, and payment systems
- Financial WAC – Public comment March 2017
- Development of client materials – April 2017
- Program WAC – Public review May 2017

Implementation July 1, 2017

Healthier WASHINGTON

Foundational Community Supports (FCS)

Foundational Community Supports

What it is

- Targeted Medicaid benefits that help eligible clients with complex health needs obtain and maintain housing and employment stability.
  - Supportive housing services
  - Supported employment services

What it isn't

- Ongoing payments for housing, rent, or room & board costs
- Wages or wage enhancements for clients
- Entitlement

Healthier WASHINGTON

Supportive housing

- *Community Transition Services (NEW)*
  - One-time supports for individuals transitioning out of institutions or at imminent risk of becoming institutionalized
  - Includes rental deposit, move-in costs, necessary furnishings and other necessary supports
- *Community Support Services*
  - Housing assessment and development of a plan to address barriers
  - Assistance with applications, community resources, and outreach to landlords
  - Education, training, coaching, resolving disputes, and advocacy

*Supportive housing services **do not** include funds for room and board or the development of housing.*

Healthier WASHINGTON

Supported employment

Individual Placement and Support (IPS) model

- Principles of supported employment:
  - Open to anyone who wants to work
  - Focus on competitive employment
  - Rapid job search
  - Client preferences guide decisions
  - Individualized long-term supports
  - Integrated with treatment
  - Benefits counseling included

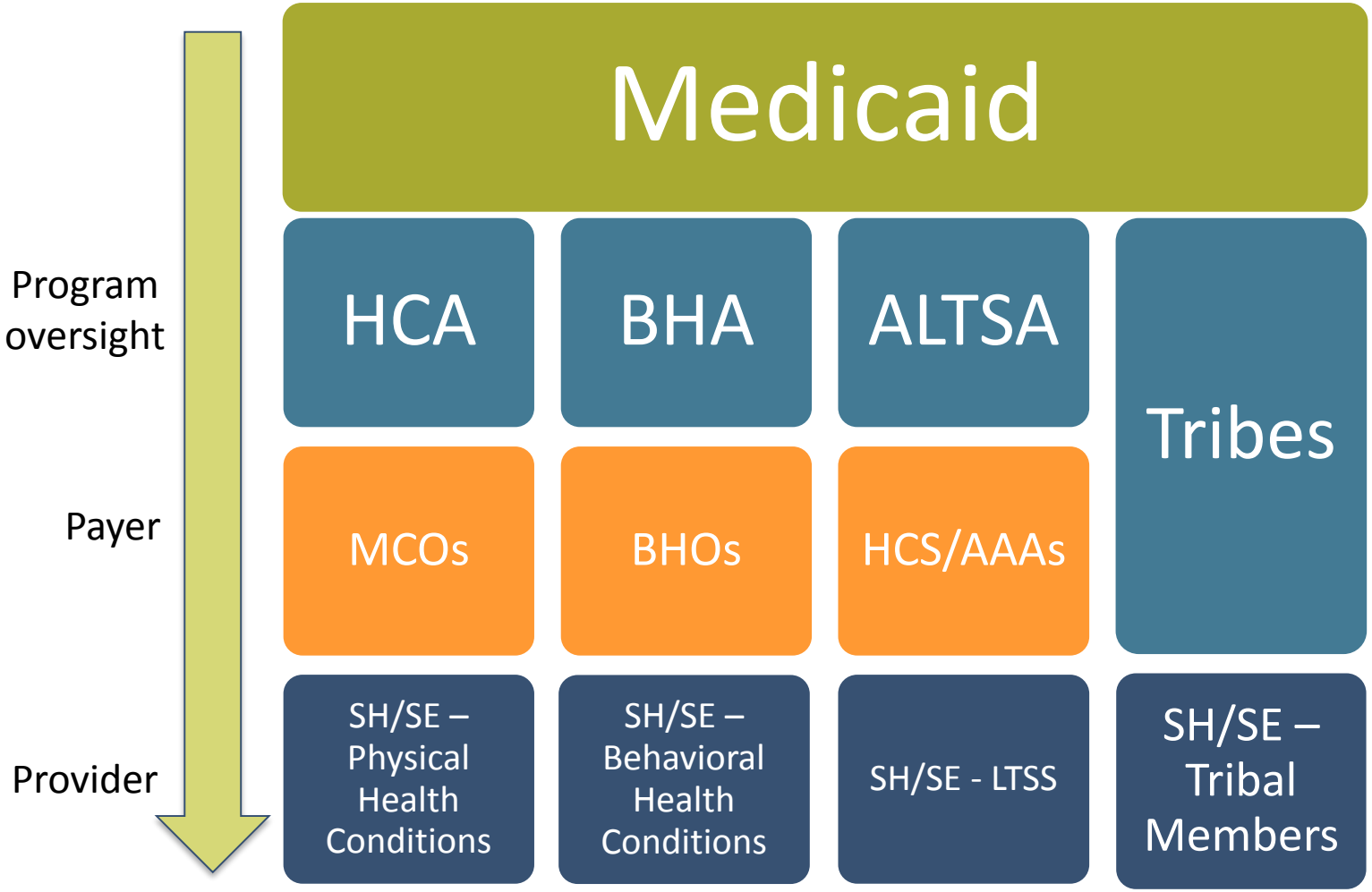
Healthier WASHINGTON

What's new? – Third Party Administrator

- Single administrative entity for supportive housing & supported employment
- What is a Third Party Administrator (TPA)?
  - A single, statewide entity responsible for contracting with providers and authorizing and distributing service payments
- What does it mean?
  - Services will no longer be administered by multiple systems
  - Services and target populations remain the same

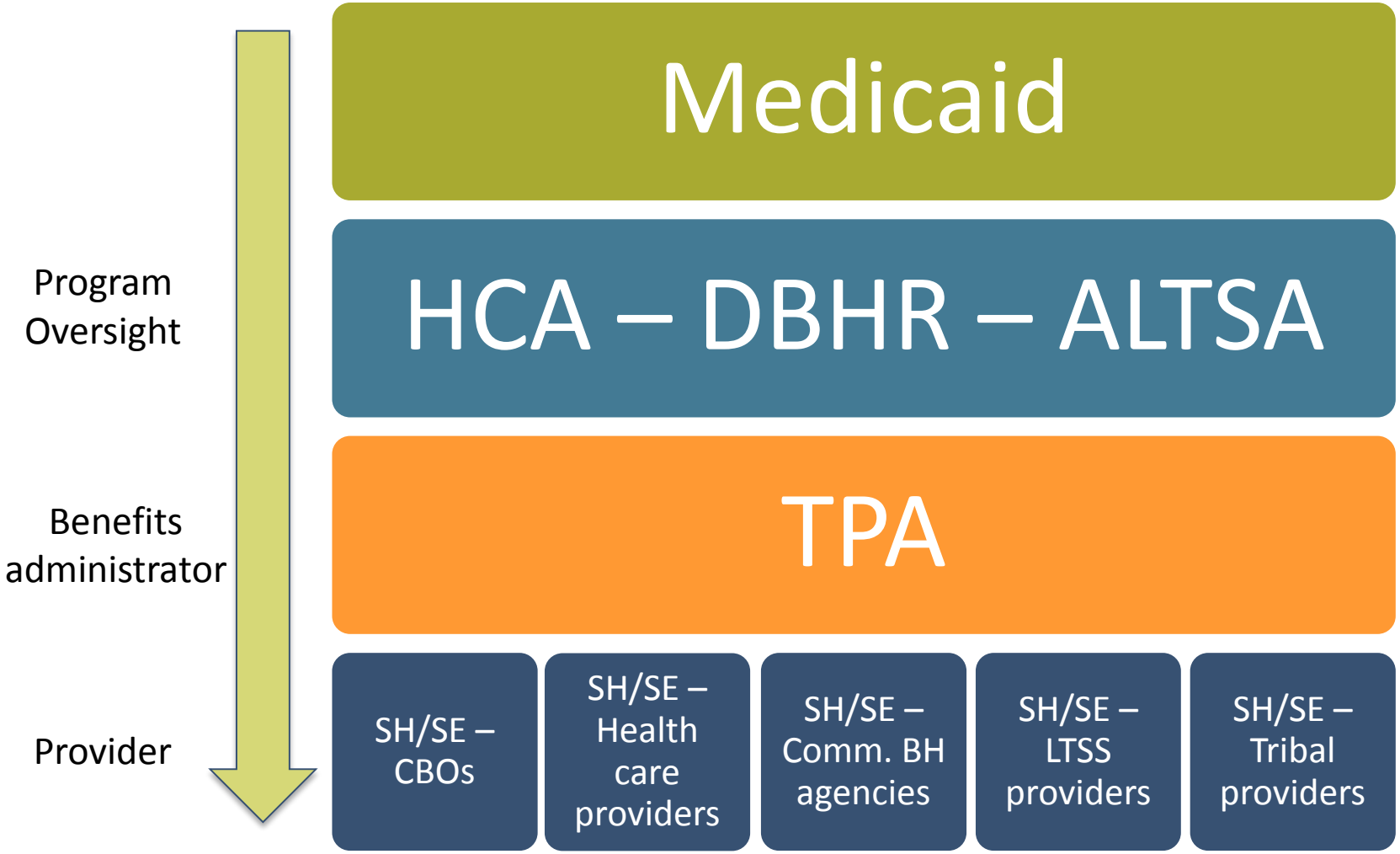
Healthier WASHINGTON

Initiative 3: Medicaid funds flow – previous model



Healthier WASHINGTON

Initiative 3: Medicaid funds flow – current model



Healthier WASHINGTON

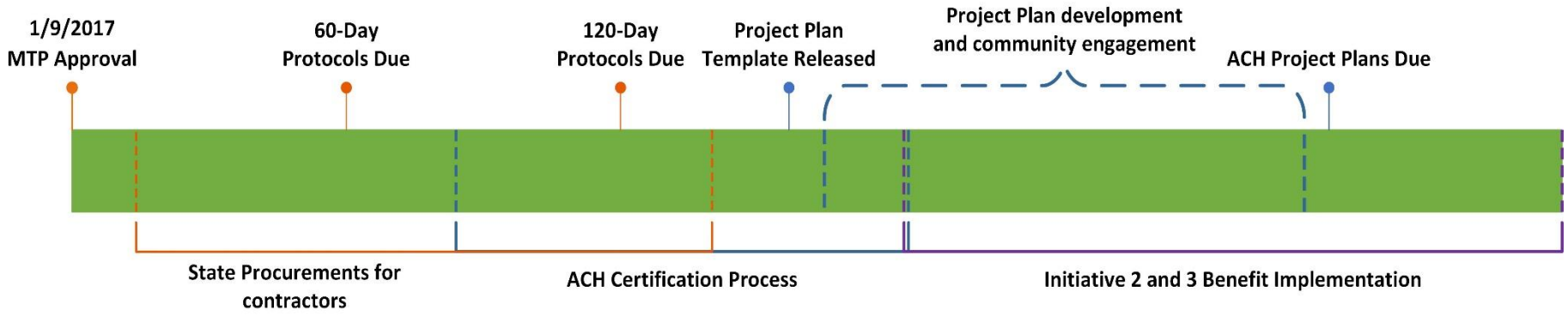
Foundational Community Supports
Next steps

- Foundational Community Supports protocol
  - Protocol must be approved before services can be provided
- TPA
  - Procurement will begin shortly
- State rules
  - Will be sent out for external review soon

Healthier WASHINGTON

What's Next?

Implementation timeline



Healthier WASHINGTON

Learn more at www.hca.wa.gov/hw

Features:

- Demonstration videos
- Fact sheets
- Timeline

Healthier WASHINGTON

BETTER HEALTH. BETTER CARE. LOWER COSTS.

THE FACTS

Washington State's Medicaid Transformation

Medicaid—Challenge and Opportunity

Apple Health (Medicaid) now covers 1 in 4 people in Washington. Before the Affordable Care Act, it covered mostly children, disabled and elderly individuals, and low-income parents. Now the largest group is adults, whose needs include more mental health and substance use disorder treatment, and a higher number of chronic health issues. The state's population is also aging: Soon, 1 in 5 Washingtonians will be over the age of 65—and, as they age, their need for health care and long term services and supports will grow.

Washington State Medicaid Transformation

On September 30, 2016, Washington State and the Centers for Medicare and Medicaid Services (CMS) reached an agreement in principle on a five-year Medicaid demonstration project. This is an opportunity to accelerate changes in our state's Medicaid program that support the goals of Healthier Washington—better health, better care, and lower costs.

Through the principled agreement, CMS and Washington State have agreed on the core facets of the project, including the structure and role of Accountable Communities of Health (ACHs) and financing. Final approval by CMS is subject to the special terms and conditions (STCs), the actual contract for the demonstration. This agreement will "waive" certain federal Medicaid requirements, allowing the state to use Medicaid funds for innovative projects, activities, and services that otherwise would not be eligible for funding. This is not a grant; the state must demonstrate that it will not spend more federal dollars on its Medicaid program than it would have spent without the waiver.

Medicaid transformation goals

- **Reduce avoidable use of intensive services and settings**—*such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional long-term services and supports, and jails.*
- **Improve population health**—*focusing on prevention and management of diabetes, cardiovascular disease, pediatric obesity, smoking, mental illness, substance use disorders, and oral health.*
- **Accelerate the transition to value-based payment**—*using payment methods that take the quality of services and other measures of value into account.*
- **Ensure that Medicaid per-capita cost growth is below national trends**—*through projects and services that improve health outcomes and reduce the rate of growth in the overall cost of care for Medicaid clients.*

Paying for Value—Instead of Volume

Value is where affordable, transparent costs meet appropriate high-quality care. The federal government and states across the nation are recognizing that new health care delivery models that reward providers and health plans for value are key to controlling costs and fostering health.

The waiver's Medicaid transformation investments will help us spend our Medicaid dollars more wisely by rewarding providers and health plans based on the quality of care people receive and its effect on their health, instead of the number of procedures and services provided.

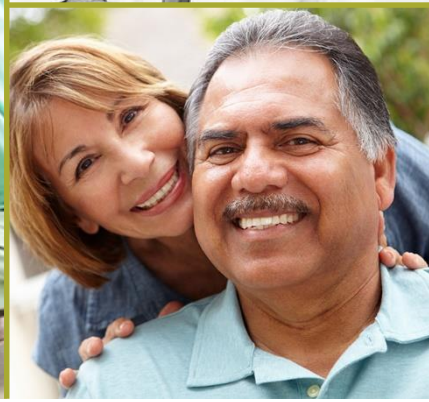
We know these changes can be challenging. That's why much of the waiver's focus will be on supporting providers and plans as they build their capacity to transition to these new delivery and payment systems.

Fact sheet revised by the Washington State Health Care Authority, October 2016

Healthier WASHINGTON

Questions?

Healthier WASHINGTON

Join the Healthier Washington Feedback Network. Sign up at: hca.wa.gov/hw

Send questions to: medicaidtransformation@hca.wa.gov