Washington State Health Care Authority	PROFESSIONAL SERVICES CONTRACT for IT Services	HCA Contract Number: K6020
		Resulting from Solicitation Number (If applicable: NA
		Contractor/Vendor Contract Number:

THIS CONTRACT is made by and between Washington State Health Care Authority, (HCA) and RCR Technology Corporation, Inc., (Contractor).

CONTRACTOR NAME RCR Technology Corporation, Inc.		CONTRACTOR DOING BUSINESS AS (DBA)			
CONTRACTOR ADDRESS Street 9450 N. Meridian, Suite 300		City Indianapolis		State IN	Zip Code 46260
CONTRACTOR CONTACT Robert Reed	CONTRACTOR TELEPHONE (317) 642-9500	CONTRACTOR E-MAIL ADDRESS rreed@rcrtechnology.com			
Is Contractor a Subrecipient under this Contract? ☐YES ☒NO		CFDA NUMBER(S):		FFATA Form Required ☐YES ☒NO	

HCA PROGRAM Children, Youth, and Family Behavioral Health	HCA DIVISION/SECTION Division of Behavioral Health and Recovery
HCA CONTACT NAME AND TITLE Paul Davis, Project Director & Contract Manager	HCA CONTACT ADDRESS Health Care Authority 626 8th Avenue SE Olympia, WA 98504
HCA CONTACT TELEPHONE (360) 725-1632	HCA CONTACT E-MAIL ADDRESS Paul.davis@hca.wa.gov

CONTRACT START DATE July 1, 2022	CONTRACT END DATE June 30, 2023	TOTAL MAXIMUM CONTRACT AMOUNT $423,264.00
PURPOSE OF CONTRACT: Enable HCA to maintain and utilize a web-based application to support the use of the Child and Adolescent Needs and Strengths (CANS) tool.		

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 both parties.

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

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Attachments

Attachment 1: Confidential Information Security Requirements

Attachment 2: BHAS User Manual v2 May 2019 (attached separately)

Schedules

Schedule A: Statement of Work (SOW)

RECITALS

The Washington State Health Care Authority (HCA) posted a Notice of Intent to award a Sole Source Contract to RCR Technology Corporation, Inc. 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 RCR Technology Corporation, Inc. enter into this Contract, the terms and conditions of which will govern Contractor's providing to HCA the IT Services necessary to enable HCA to maintain and utilize a web-based application to support the use of CANS.

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**

    "Acceptance" means the notice from HCA that a deliverable has satisfied Acceptance Test or review.

    "Acceptance Letter" is a letter providing notice from HCA that the deliverable has satisfied Acceptance Test or review.

    "Acceptance Period" is the timeframe during which the Acceptance Test is performed.

    "Acceptance Test Plan" is the Acceptance Test Plan provided by the Vendor and agreed to by HCA that describes at a minimum, the specific acceptance process, criteria, and schedule for deliverables.

    "Acceptance Test and Review" means the tests performed to determine that no defects exist in the application software or the system.

    "Access Control" means the supports the management of permissions for logging onto a computer or network.

    "Audit Trail Capture and Analysis" is the supports the identification and monitoring of activities within an application or system

"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.

"BHAS" means Behavioral Health Assessment Solution.

"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 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.

"CANS" means Child and Adolescent Needs and Strengths.

"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.

"Certification" is the Contractor's writted declaration with full supporting and written documentation (including without limitation test results as applicable) that the Contractor has completed development of the deliverable and certified its readiness for applicable Acceptance Testing or Review.

"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.

"Change Control" is the formal process for initiating changes to the proposed change in the specifications.

"Change Order" is the formal documentation prepared for a proposed change in the specifications.

"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 or regulations. Confidential Information includes, but is not limited to, any information identifiable to an individual that relates to a natural person's health, (see also Protected Health Information); 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 and all schedules, exhibits, attachments, incorporated documents and amendments.

"**Contractor**" means RCR Technology Corporation, Inc., its employees and agents. Contractor includes any firm, provider, organization, individual or other entity performing services under this Contract. It also includes any Subcontractor retained by 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, as defined in 45 CFR 160.103.

"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.

"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.

"Overpayment" means any payment or benefit to the Contractor in excess of that to which the Contractor is entitled by law, rule, or this Contract, including amounts in dispute.

"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 individually identifiable 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, as defined in 45 CFR 160.103. Individually identifiable information is information that identifies the individual or about which there is a reasonable basis to believe it can be used to identify the individual, and includes demographic information. 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 Rights and Privacy Act, as amended, 20 USC 1232g(a)(4)(b)(iv).

"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/.

"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 a person or entity that is not in the employment of the Contractor, who is performing all or part of the business activities under this Contract under a separate

"USC" means the United States Code. All references in this Contract to USC chapters or sections will 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/.

"WISe" means Washington State's Wraparound with Intensive Services.

"Work Plan" means the overall plan of activities for the project created in accordance with the Contract. The Work Plan shall include a detailed description of the schedule, tasks/activities, deliverables, critical events, task dependencies, and the resources that would lead and/or participate on each task.

3.   SPECIAL TERMS AND CONDITIONS

3.1   PERFORMANCE EXPECTATIONS

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

3.1.1   Knowledge of applicable state and federal laws and regulations pertaining to subject of contract;

3.1.2   Use of professional judgment;

3.1.3   Collaboration with HCA staff in Contractor's conduct of the services;

3.1.4   Conformance with HCA directions regarding the delivery of the services;

3.1.5   Timely, accurate and informed communications;

3.1.6   Regular completion and updating of project plans, reports, documentation and communications;

3.1.7   Regular, punctual attendance at all meetings; and

3.1.8   Provision of high-quality services.

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 July 1, 2022, and continue through June 30, 2023, unless terminated sooner as provided herein.

3.2.2   This Contract may be extended by five (5) additional one (1) year terms, by mutually agreed amendment. 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

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 sole source contract or amendment is effective, nor will work commence under it, unless and until it is approved by DES.

3.4   COMPENSATION

3.4.1   The parties have determined the cost of accomplishing the work herein will not exceed **$423,264.00** inclusive of all fees, taxes, and expenses. Compensation for satisfactory performance of the work will not exceed this amount unless the parties agree to a higher amount through an amendment.

3.4.2   Contractor's compensation for services rendered will be based on the following rates or in accordance with the following terms set forth in the Schedule A: Statement of Work.

3.4.3   Contractor travel reimbursement, if any, is included in the total compensation. Contractor travel reimbursement is limited to the then-current rules, regulations, and guidelines for State employees published by the Washington State Office of

Financial Management in the Washington State Administrative and Accounting Manual (http://www.ofm.wa.gov/policy/10.htm); reimbursement will not exceed expenses actually incurred.

3.5 INVOICE AND PAYMENT

3.5.1 In order to receive payment for services or products provided to a state agency, Contractor must register with the Statewide Payee Desk at https://ofm.wa.gov/it-systems/statewide-vendorpayee-services/receiving-payment-state.

3.5.2 Invoices must describe and document to the HCA Contract Manager's satisfaction a description of the work performed, the progress of the project, and fees. All invoices and deliverables will be approved by the HCA Contract Manager prior to payment. Approval will not be unreasonably withheld or delayed.

3.5.3 If expenses are invoiced, invoices must provide a detailed breakdown of each type. Expenses of $50 or more must be accompanied by a receipt.

3.5.4 Invoices must be submitted to HCAAdminAccountsPayable@hca.wa.gov with the HCA Contract number in the subject line of the email. Invoices must include the following information, as applicable:

a.   The HCA Contract number K6020;

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. Any available prompt payment discount.

HCA will return incorrect or incomplete invoices for correction and reissue.

3.5.5 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) calendar days after the Contract expiration date. HCA is under no obligation to pay any claims that are submitted sixty-one (61) or more calendar days after the Contract expiration date ("Belated Claims"). HCA will pay Belated Claims at its sole discretion, and any such potential payment is contingent upon the availability of funds.

3.6 CONTRACTOR AND HCA CONTRACT MANAGERS

3.6.1 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.

3.6.2 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.

3.6.3 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:	Robert Reed	Name:	Paul Davis
Title:	President	Title:	Project Director & Contract Manager
Address:	9450 N. Meridian Street, Suite 300 Indianapolis, IN 46260	Address:	626 8th Ave SE Olympia, WA 98504
Phone:	(317) 642-9500	Phone:	(360) 725-1632
Email:	rreed@crctechnology.com	Email:	Paul.davis@hca.wa.gov

3.7 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 delivered in person, via email, 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.

3.7.1 In the case of notice to the Contractor:

Robert Reed
President
9450 N. Meridian Street, Suite 300
Indianapolis, IN 46260
rreed@crctechnology.com

3.7.2   In the case of notice to HCA:

Attention: Contracts Administrator
Health Care Authority
Division of Legal Services
Post Office Box 42702
Olympia, WA 98504-2702
contracts@hca.wa.gov

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

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

3.8   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:

3.8.1   Applicable Federal and State of Washington statutes and regulations;

3.8.2   Business Associate Agreement and Data Share Agreement, HCA Contract Number K3771;

3.8.3   Recitals;

3.8.4   Special Terms and Conditions;

3.8.5   General Terms and Conditions;

3.8.6   Attachment 1: Confidential Information Security Requirements;

3.8.7   Attachment 2: BHAS User Manual v2.0 (May 2019);

3.8.8   Schedule A: Statement(s) of Work; and

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

3.9   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:

3.9.1   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.

3.9.2   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.

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

3.9.4   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 insureds under any Commercial General and/or Business Automobile Liability 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.

3.9.5   Privacy Breach Response Coverage. Contractor must maintain insurance to cover costs incurred in connection with a Breach, or potential Breach, including:

      3.9.5.1   Computer forensics assistance to assess the impact of the Breach or potential Breach, determine root cause, and help determine whether and

the extent to which notification must be provided to comply with Breach notification laws.

    3.9.5.2   Notification and call center services for individuals affected by a Breach.

    3.9.5.3   Breach resolution and mitigation services for individuals affected by a Breach, including fraud prevention, credit monitoring and identity theft assistance.

    3.9.5.4   Regulatory defense, fines, and penalties from any claim in the form of a regulatory proceeding resulting from a violation of any applicable privacy or security law(s) or regulation(s).

The policy must be maintained for the term of this Agreement and three (3) years following its termination.

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 ACCESSIBILITY

4.2.1   REQUIREMENTS AND STANDARDS. Each Information and Communication Technology (ICT) product or service furnished under this Contract shall be accessible to and usable by individuals with disabilities in accordance with the Americans with Disabilities Act (ADA) and other applicable Federal and State laws and policies, including OCIO Policy 188, *et seq*. For purposes of this clause, Contractor shall be considered in compliance with the ADA and other applicable Federal and State laws if it satisfies the requirements (including exceptions) specified in the regulations implementing Section 508 of the Rehabilitation Act, including the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA Success Criteria and Conformance Requirements (2008), which are incorporated by reference, and the functional performance criteria.

4.2.2   DOCUMENTATION. Contractor shall maintain and retain, subject to review by HCA, full documentation of the measures taken to ensure compliance with the applicable requirements and functional performance criteria, including records of any testing or simulations conducted.

4.2.3   REMEDIATION. If Contractor claims that its products or services satisfy the applicable requirements and standards specified in Section 4.2.1 and it is later

determined by HCA that any furnished product or service is not in compliance with such requirements and standards, HCA will promptly inform Contractor in writing of noncompliance. Contractor shall, at no additional cost to HCA, repair or replace the non-compliant products or services within the period specified by HCA. If the repair or replacement is not completed within the specified time, HCA may cancel the Contract, delivery, task order, or work order, or purchase line item without termination liabilities or have any necessary changes made or repairs performed by employees of HCA or by another contractor, and Contractor shall reimburse HCA for any expenses incurred thereby.

4.2.4   DEFINITION. Information and Communication Technology (ICT) means information technology and other equipment, systems, technologies, or processes, for which the principal function is the creation, manipulation, storage, display, receipt, or transmission of electronic data and information, as well as any associated content. Examples include computers and peripheral equipment; information kiosks and transaction machines; telecommunications equipment; customer premises equipment; multifunction office machines; software; applications; websites; videos; and electronic documents.

4.2.5   INDEMNIFICATION. Contractor agrees to indemnify and hold harmless HCA from any claim arising out of failure to comply with the aforesaid requirements.

4.3   ADVANCE PAYMENT PROHIBITED

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

4.4   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.

4.5   ASSIGNMENT

4.5.1   Contractor may not assign or transfer all or any portion of this Contract or any of its rights hereunder, or delegate any of its duties hereunder, except delegations as set forth in Section 4.37, *Subcontracting*, without the prior written consent of HCA. 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. Any attempted assignment, transfer or delegation in contravention of this Subsection 4.5.1 of the Contract will be null and void.

4.5.2   HCA may assign this Contract to any public agency, commission, board, or the like, within the political boundaries of the State of Washington, with written notice of thirty (30) calendar days to Contractor.

4.5.3   This Contract will inure to the benefit of and be binding on the parties hereto and their permitted successors and assigns.

4.6   ATTORNEYS' FEES

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

4.7   CHANGE IN STATUS

In the event of any substantive change in its legal status, organizational structure, or fiscal reporting responsibility, Contractor will notify HCA of the change. Contractor must provide notice as soon as practicable, but no later than thirty (30) calendar days after such a change takes effect.

4.8   CONFIDENTIAL INFORMATION PROTECTION

4.8.1   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*).

4.8.2   Contractors that come into contact with Protected Health Information may 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).

4.8.3   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.

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

4.9   CONFIDENTIAL INFORMATION SECURITY

The federal government, including 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).

4.10   CONFIDENTIAL INFORMATION BREACH – REQUIRED NOTIFICATION

4.10.1   Contractor must notify the HCA Privacy Officer (PrivacyOfficer@hca.wa.gov) within five Business Days of discovery of any Breach or suspected Breach of Confidential Information.

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

4.10.3   If notification of the Breach or possible Breach must (in the judgment of HCA) be made under the HIPAA Breach Notification Rule, or RCW 42.56.590 or RCW 19.255.010, or other law or rule, then:

4.10.3.1   HCA may choose to make any required notifications to the individuals, to the U.S. Department of Health and Human Services Secretary (DHHS) Secretary, and to the media, or direct Contractor to make them or any of them.

4.10.3.2   In any case, Contractor will pay the reasonable costs of notification to individuals, media, and governmental agencies and of other actions HCA reasonably considers appropriate to protect HCA clients (such as paying for regular credit watches in some cases).

4.10.3.3   Contractor will compensate HCA clients for harms caused to them by any Breach or possible Breach.

4.10.4   Any breach of this clause may result in termination of the Contract and the demand for return or disposition (Attachment 1, Section 6) of all Confidential Information.

4.10.5 Contractor's obligations regarding Breach notification survive the termination of this Contract and continue for as long as Contractor maintains the Confidential Information and for any breach or possible breach at any time.

4.11 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.

4.12 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.

4.13 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.

4.14 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.

4.14.1 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 the initiating party is not satisfied with the response of the responding party, then the initiating party may request that the HCA Director review the dispute. Any such request from the initiating party must be submitted in writing to the HCA Director within five (5) Business Days after receiving the response of the responding party. The HCA Director will have sole discretion in determining the procedural manner in which he or she will review the dispute. The HCA Director will inform the parties in writing within five (5) Business Days of the procedural manner in which he or she will review the dispute, including a timeframe in which he or she will issue a written decision.

4.14.2 A party's request for a dispute resolution must:

4.14.2.1 Be in writing;

4.14.2.2 Include a written description of the dispute;

4.14.2.3 State the relative positions of the parties and the remedy sought; and

4.14.2.4 State the Contract Number and the names and contact information for the parties.

4.14.3 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.

4.15 ENTIRE AGREEMENT

HCA and Contractor agree that the Contract is the complete and exclusive statement of the agreement between the parties relating to the subject matter of the Contract and supersedes all letters of intent or prior contracts, oral or written, between the parties relating to the subject matter of the Contract, except as provided in Section 4.44, *Warranties*.

4.16 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.

4.17 FUNDING WITHDRAWN, REDUCED, OR LIMITED

If HCA determines in its sole discretion that the funds it relied upon to establish this Contract have been 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, then HCA, at its sole discretion, may:

4.17.1 Terminate this Contract pursuant to Section 4.40.3, *Termination for Non-Allocation of Funds*;

4.17.2 Renegotiate the Contract under the revised funding conditions; or

4.17.3 Suspend Contractor's performance under the Contract upon five (5) Business Days' advance 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.

4.17.3.1 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.

4.17.3.2 When HCA determines in its sole discretion 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.

4.17.3.3 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.

4.18 GOVERNING LAW

This Contract is governed in all respects by the laws 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. Nothing in this Contract will be construed as a waiver by HCA of the State's immunity under the 11th Amendment to the United States Constitution.

4.19 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.

4.20 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 4.8, *Confidential Information Protection* and Section 4.9 *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.

4.21 INDEPENDENT CAPACITY OF THE CONTRACTOR

The parties intend that an independent contractor relationship will be created by this Contract. Contractor and its employees or agents performing under this Contract are not employees or agents of HCA. Contractor will not hold itself 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.

4.22 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.

4.23 LEGAL AND REGULATORY COMPLIANCE

4.23.1 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.

4.23.2 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.

4.23.3 Pursuant to Proclamation 21-14 – COVID-19 Vaccination Requirement (dated August 9, 2021) as amended by Proclamation 21-14.1 – COVID-19 Vaccination Requirement (dated August 20, 2021) ("Proclamation") all contractors and any of their employees and/or subcontractors who provide contracted services on-site at HCA facilities must certify that they are fully vaccinated against the COVID-19 virus, unless properly excepted or exempted for disability or sincerely held religious beliefs as set forth in the Proclamation. Contractors who cannot so certify are prohibited from contracting with the state.

4.23.4 Contractor represents and warrants that should their responsibilities to the HCA involve on-site services as of October 18, 2021, Contractor's personnel (including subcontractors) providing such services will be fully vaccinated against the COVID-19 virus unless properly excepted or exempted for disability or sincerely held religious beliefs as set forth in the Proclamation. Contractor further understands that, upon request, Contractor personnel must provide to HCA proof of vaccination, in a manner established by the HCA. Failure to meet these requirements may result in the immediate termination of this Contract.

4.23.5 Failure to comply with any provisions of this section may result in Contract termination.

4.24 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.

4.25 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.

4.26 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.

4.27 OVERPAYMENTS TO THE 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 will refund the full amount to HCA within thirty (30) calendar 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. If the Contractor disagrees with HCA's actions under this section, then it may invoke the dispute resolution provisions of Section 4.14, *Disputes*.

4.28 PAY EQUITY

4.28.1 Contractor represents and warrants that, as required by Washington state law (Engrossed House Bill 1109, Sec. 211), during the term of this Contract, it agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals. For purposes of this provision, employees are similarly employed if (i) the individuals work for Contractor, (ii) the performance of the job requires comparable skill, effort, and responsibility, and (iii) the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed.

4.28.2 Contractor may allow differentials in compensation for its workers based in good faith on any of the following: (i) a seniority system; (ii) a merit system; (iii) a system that measures earnings by quantity or quality of production; (iv) bona fide job-related factor(s); or (v) a bona fide regional difference in compensation levels.

4.28.3 Bona fide job-related factor(s)" may include, but not be limited to, education, training, or experience, that is: (i) consistent with business necessity; (ii) not based on or derived from a gender-based differential; and (iii) accounts for the entire differential.

4.28.4 A "bona fide regional difference in compensation level" must be (i) consistent with business necessity; (ii) not based on or derived from a gender-based differential; and (iii) account for the entire differential.

4.28.5 Notwithstanding any provision to the contrary, upon breach of warranty and Contractor's failure to provide satisfactory evidence of compliance within thirty (30) Days of HCA's request for such evidence, HCA may suspend or terminate this Contract.

4.29 PUBLICITY

4.29.1 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.

4.29.2 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.

4.30 RECORDS AND DOCUMENT REVIEW

4.30.1 The Contractor must maintain books, records, documents, magnetic media, receipts, invoices or 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 [See 42 USC 1396a(a)(27)(B); 42 USC 1396a(a)(37)(B); 42 USC 1396a(a)(42(A); 42 CFR 431, Subpart Q; and 42 CFR 447.202].

4.30.2 The Contractor must retain such records for a period of six (6) years after the date of final payment under this Contract.

4.30.3 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.

4.31 REMEDIES NON-EXCLUSIVE

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

4.32 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.

4.33 RIGHTS IN DATA/OWNERSHIP

4.33.1 HCA and Contractor agree that all data and work products (collectively "Work Product") produced pursuant to this Contract will be considered a *work 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.

4.33.2 If for any reason the Work Product would not be considered a *work 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.

4.33.3 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.

4.33.4 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 will 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.

4.33.5 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.

4.33.6 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.

4.34 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.

4.35 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.

4.36 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.

4.37 SUBCONTRACTING

4.37.1 Neither Contractor, nor any Subcontractors, may enter into subcontracts for any of the work contemplated under this Contract without prior written approval of HCA. HCA has sole discretion to determine whether or not to approve any such subcontract. 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.

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

4.37.3 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.

4.37.4 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.

4.37.5 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.

4.38 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. The right of HCA to recover any overpayments will also survive the termination of this Contract.

4.39 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.

4.40 TERMINATION

4.40.1 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 by both parties, 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."

4.40.2 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 ten (10) calendar days' written 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.

4.40.3 Termination for Non-allocation 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.

4.40.4 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.

4.40.5 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.

4.41 TERMINATION PROCEDURES

4.41.1 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.

4.41.2 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 4.14, *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.

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

4.41.3.1 Stop work under the Contract on the date of, and to the extent specified in, the notice;

4.41.3.2 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;

4.41.3.3 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;

4.41.3.4 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;

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

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

4.41.3.7 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.

4.42 TREATMENT OF ASSETS

4.42.1 Ownership

HCA shall retain title to all property furnished by HCA to Contractor under this Contract. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to reimbursement as a direct item of cost under this Contract, excluding intellectual property provided by the Contractor, shall pass to and vest in HCA upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this Contract, shall pass to and vest in HCA upon (i) issuance for use of such property in the performance of this Contract, (ii) commencement of use of such property in the performance of this Contract, or (iii) reimbursement of the cost thereof by HCA, in whole or in part, whichever occurs first.

4.42.2 Use of Property

Any property furnished to Contractor shall, unless otherwise provided herein, or approved in writing by the HCA Contract Manager, be used only for the performance of and subject to the terms of this Contract. Contractor's use of the equipment shall be subject to HCA's security, administrative and other requirements.

4.42.3 Damage to Property

Contractor shall continuously protect and be responsible for any loss, destruction, or damage to property which results from or is caused by Contractor's acts or omissions. Contractor shall be liable to HCA for costs of repair or replacement for property or equipment that has been lost, destroyed or damaged by Contractor or Contractor's employees, agents or subcontractors. Cost of replacement shall be the current market value of the property and equipment on the date of the loss as determined by HCA.

4.42.4 Notice of Damage

Upon the loss of, destruction of, or damage to any of the property, Contractor shall notify the HCA Contract Manager thereof within one (1) Business Day and shall take all reasonable steps to protect that property from further damage.

4.42.5 Surrender of Property

Contractor will ensure that the property will be returned to HCA in like condition to that in which it was furnished to Contractor, reasonable wear and tear expected. Contractor shall surrender to HCA all property upon the earlier of expiration or termination of this Contract.

4.43 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.

4.44 WARRANTIES

4.44.1 Contractor represents and warrants that it will perform all services pursuant to this Contract in a professional manner and with high quality and will immediately re-perform any services that are not in compliance with this representation and warranty at no cost to HCA.

4.44.2 Contractor represents and warrants that it will comply with all applicable local, State, and federal licensing, accreditation and registration requirements and standards necessary in the performance of the Services.

4.44.3 Any written commitment by Contractor within the scope of this Contract will be binding upon Contractor. Failure of Contractor to fulfill such a commitment may constitute breach and will render Contractor liable for damages under the terms of this Contract. For purposes of this section, a commitment by Contractor includes: (i) Prices, discounts, and options committed to remain in force over a specified period of time; and (ii) any warranty or representation made by Contractor to HCA or contained in any Contractor publications, or descriptions of services in written or other communication medium, used to influence HCA to enter into this Contract.

Attachment 1

Confidential Information Security Requirements

1.   DEFINITIONS

In addition to the definitions set out in Section 2 of this Contract K6020 for IT Services, the definitions below apply to this Attachment.

a.   "Hardened Password" means a string of 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.

   i.   Passwords for external authentication must be a minimum of 10 characters long.

   ii.   Passwords for internal authentication must be a minimum of 8 characters long.

   iii. Passwords used for system service or service accounts must be a minimum of 20 characters long.

b.   "Portable/Removable 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); USB drives; or flash media (e.g., CompactFlash, SD, MMC).

c.   "Portable/Removable Devices" means any small computing device that can be transported, including but not limited to: handhelds/PDAs/Smartphones; Ultramobile PC's, flash memory devices (e.g., USB flash drives, personal media players); and laptops/notebook/tablet computers. If used to store Confidential Information, devices should be Federal Information Processing Standards (FIPS) Level 2 compliant.

d.   "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.

e.   "Transmitting" means the transferring of data electronically, such as via email, SFTP, webservices, AWS Snowball, etc.

f.   "Trusted System(s)" 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) 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.

g. "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.

2. CONFIDENTIAL INFORMATION TRANSMITTING

a. When transmitting HCA's Confidential Information electronically, including via email, the Data must be encrypted using NIST 800-series approved algorithms (http://csrc.nist.gov/publications/PubsSPs.html). This includes transmission over the public internet.

b. When transmitting HCA's Confidential Information via paper documents, the Receiving Party must use a Trusted System.

3. PROTECTION OF CONFIDENTIAL INFORMATION

The Contractor agrees to store Confidential Information as described:

a. Data at Rest:

   i. Data will be encrypted with NIST 800-series approved algorithms. Encryption keys will be stored and protected independently of the data. Access to the Data will be restricted to Authorized Users through the use of access control lists, a Unique User ID, and a Hardened Password, or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Systems which contain or provide access to Confidential Information 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.

   ii. Data stored on Portable/Removable Media or Devices:

   - Confidential Information provided by HCA on Removable Media will be encrypted with NIST 800-series approved algorithms. Encryption keys will be stored and protected independently of the Data.

   - 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 by:

     1. Encrypting with NIST 800-series approved algorithms. Encryption keys will be stored and protected independently of the data;

     2. Control access to the devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics;

     3. Keeping devices in locked storage when not in use;

     4. Using check-in/check-out procedures when devices are shared;

5. Maintain an inventory of devices; and

6. Ensure that when being transported outside of a Secured Area, all devices with Data are under the physical control of an Authorized User.

b. Paper documents. Any paper records containing Confidential Information must be protected by storing the records in a Secured 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.

4. 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:

i. on media (e.g., hard disk, optical disc, tape, etc.) which will contain only HCA Data; or

ii. in a logical container on electronic media, such as a partition or folder dedicated to HCA's Data; or

iii. in a database that will contain only 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.

5. 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.

6. CONFIDENTIAL INFORMATION DISPOSITION

When the Confidential Information is no longer needed, except as noted below, the Confidential Information must be returned to HCA or destroyed. Media are to be destroyed using a method documented within NIST 800-88 (http://csrc.nist.gov/publications/PubsSPs.html).

a. For HCA's 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 Section 3, above. Destruction of the Confidential Information as outlined in this section of this Attachment may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.

SCHEDULE A:

Statement of Work

1. **Purpose**. The purpose of this Contract is to enable HCA, specifically, the Division of Behavioral Health and Recovery, to implement a web-based application to support use of the Child and Adolescent Needs and Strengths (CANS) tool CANS. The application will provide a database to collect and store the assessment data, calculate level of care using custom algorithms, and create quality management reports for providers, Prepaid Inpatient Health Plans, and HCA. Data will be able to be entered into the database either directly via the web or through uploads of CANS data collected separately through local data systems to accommodate the preferences and resources of local systems.

   The CANS instrument will provide numerous data points that rate the child's needs within the domains of behavior/emotions, risk behaviors, and functioning as well as the child's/family's strengths and cultural considerations. Using these data points to make a determination of the level of care needed by the child and family and to design an appropriate treatment plan and a responsive system of care requires a rigid process that analyzes the data and provides this decision support.

2. **Compensation.** Compensation payable to the Contractor for satisfactory work detailed and any change request orders herein will not exceed the Maximum Compensation total of $423,264.00. Contractor shall submit monthly invoices for Server Maintenance, Help Desk, Support and Maintenance, Software Maintenance, and approved change request orders based on the below table..

Task	Deliverable	Payment
1. Monthly web upkeep and help desk (Server Maintenance, Help Desk, Support and Maintenance and Software Maintenance)	Monthly report	$10,916.67 per month for a maximum of $131,000.00
2. Change orders	Report detailing change order completion as approved by contract manager	Maximum of $292,264.00

3. **KEY STAFF.**

   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 listed below without the prior written approval of HCA until completion of their assigned tasks. Key staff include:

   - Project Coordinator: Roy Dorsey

   - Project Coordinator: Rajarajeseari Nithyanadndan

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.

4. **Deliverables.** 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. Implement the CANS web-based application service provider (ASP) for the web-based CANS Assessment tool, specified reports, and ongoing technical support and hosting as specified in this Contract and as documented in the Requirements & Deliverables Table.

    (1) Provide administration, oversight, supervision, and consultation to HCA for the implementation, upgrades, and use of the information system.HCA will have direct contact with staff at RCR for purpose of design and implementation of the system.

    (2) All discussions regarding the ongoing shared understanding of the scope of the work will be handled between HCA and the Contractor. The Praed Foundation, the CANS tool proprietor, may be consulted in these consultations.

    b. Provide detailed weekly status reports on the progress of the deliverables under this SOW, which will include expenses incurred year to date.

    c. Provide weekly updates on all user, technical, and system documentation as well as deliverable update schedules, plans, status reports, and correspondence related to help desk

5. **FUNCTIONAL REQUIREMENTS.**

    a. The Contractor shall ensure the system is designed to meet the functional requirements shown in the BHAS user's manual that was updated in May 2019. This includes, but is not limited to ensuring:

    (1) Access to BHAS through multi-factor authentication via Secure Access Washington.

    (2) Ability to store multiple versions of the CANS for individual clients.

    (3) Ability to generate clinician level reports on the CANS that summarize information longitudinally at both the item- and domain levels

    (4) Ability to generate reports on the CANS that summarize information longitudinally at both the item and domain levels including but not limited to:

        (a) Summarize aggregate data on clients.

        (b) Sort by clinician.

        (c) Sort by program.

(d) Sort by other variables captured in the CANS to be identified in the development of the work plan.

(5) Ability to generate HCA level reports on the CANS that summarize information longitudinally at both the item and domain levels including but not limited to:

(a) Summarize aggregate data on clients.

(b) Sort by clinician.

(c) Sort by program.

(d) Sort by other variables captured in the CANS to be identified in the development of the work plan.

(6) Ability to generate HCA level reports on the CANS that summarize information longitudinally at both the item and domain levels including but not limited to:

(a) Numeric formats.

(b) Graphical formats.

(7) Ability to gather information included in the HCA version of the CANS and demographic information including modification to the existing system to meet the needs of HCA.

(8) Ability to enable clinicians to edit/update a CANS assessment for a client.

b. The Contractor shall design the online application with the capacity to:

(1) Enable clinicians to edit/update a CANS assessment for a client.

(2) Create a completed CANS evaluation for the client that can be printed.

(3) Allow clinicians to import/export client-level information to/from an electronic medical record system using open-source file type such as XML including any modifications needed to meet HCA requirements.

c. The Contractor shall ensure the development of the web-based system to have:

(1) The capacity to determine eligibility for state services using formulas provided by HCA that include data related to demographics and ratings on the CANS.

(2) The security function to ensure limited access to data for reporting purposes that complies with HIPAA regulations.

(3) The export capability to allow data to be exported from electronic medical records into the web-based data collection system. Data must be able to be submitted in XML format.

d. Provide a Project Manager to act as the designated liaison for content issues and for technical issues.

6. **TECHNICAL REQUIREMENTS**

The Contractor shall ensure the final product meets the following requirements:

a. Appropriate Secure Sockets Layer (SSL) to encrypt protected data in a way that complies with HIPAA regulations.

b. Compliance with Open Standards as specified in RSA 21-R:10 and 21-R:13, including but not limited to Open Data Formats.

7. **HOSTING REQUIREMENTS – NETWORK ARCHITECTURE**

The Contractor shall ensure the final product meets the hosting requirements for network architecture:

a. RCR shall operate hosting services on a network offering adequate performance of 99.9% uptime to meet the business requirements for the HCA application. In the event RCR fails to maintain a 99,9% uptime, HCA will create a corrective action plan to remedy the situation. If a corrective action plan is not resolved by the agreed upon timeline, HCA will receive a credit of 5% of the monthly fee and applied to the next month's invoice.

b. RCR shall provide network redundancy deemed adequate by HCA through review and approval by the HCA, with the assurance of redundant connections provided by multiple Internet vendors. The failure of one Internet connection will not interrupt access to HCA application.

c. Where redundant connections cannot and therefor are not provided, RCR shall ensure the internet vendor who provides the Internet service has their service supplied by one or more providers that have multiple feeds to ensure that a failure in one of the larger carriers will not cause a failure of HCA Service.

d. The RCR's network architecture shall include redundancy of routers and switches in the data Center.

e. RCR will provide secure remote access customized to meet HCA''s business application needs.

8. **HOSTING REQUIREMENTS – SERVICE LEVEL AGREEMENT**

The Contractor shall ensure the final product meets the hosting requirements for network architecture:

a. RCR's System support and maintenance shall continue under the Subcontract with Amazon to host the server and extend through the end of the Contract term, and any extensions thereof.

b. RCR shall maintain the hardware and software in accordance with the specifications, terms, and requirements of the Contract, including providing, upgrades and fixes as required.

c. RCR shall repair or replace the hardware or software, or any portion thereof, so that the system operates in accordance with the specifications, terms, and requirements of the Contract.

d. RCR shall provide unlimited access, via phone or Email, to RCR's technical support staff between the hours of 8:00 a.m. to 5:00 p.m. - Monday thru Friday, Pacific Time.

e. RCR's hosting server for HCA shall be available twenty-four (24) hours a day, 7 days a week except for during scheduled maintenance.

f. RCR shall submit regular weekly reports on the performance of the hosted system to HCA in email.

g. RCR has a methodology that includes the helpdesk for reporting and defect log for tracking. RCR shall provide reports on the performance of the hosted system to HCA by email prior to a weekly check in call.

h. RCR shall identify scheduled maintenance windows to HCA, at which time all relevant server patches and application upgrades shall be applied.

i. RCR shall provide two business days notification to the HCA Program Manager of all changes/updates and provide HCA with training due to the upgrades and changes.

j. RCR will guarantee 99.9 % uptime, exclusive of the regularly scheduled maintenance window.

9. **INTERFACE STANDARDS AND DATA EXPORTS**

a. The original and primary goal of CANS and the RCR BHAS application is to provide the organization and service providers utilizing the RCR BHAS application with real-time feedback and recommendations based upon a child's assessment scores through the various decision support algorithms being developed and included into the RCR BHAS application. The Import process when used in conjunction with certain elements of the export process provides a high level of this functionality without creating the additional burden for some service providers of performing dual entry of consumer assessment data into separate systems.

b. There are two datasets that can be imported into the RCR BHAS application. The first set is the consumer demographics data, and the second is the actual assessment scores data.

c. The system meets industry interface standards.

d. Types of exports available in the RCR BHAS application are:

Types of Exports	
Consumer Information Export	An export of consumer demographic information. This list will include only consumers who have had assessment between the supplied start and ending dates.
Summary Assessment Information Export	An export of the assessment and resulting algorithm recommendations for consumers who have received an assessment between the supplied start and ending dates.
Detail Assessment Information Export	An export of consumer assessments and the corresponding answers to each of the questions for consumers who have received an assessment between the supplied start and ending dates.

Consumer Info and Detailed Assessment Export	An export of both consumer demographic and associated assessment answers combined into a second extract file. This export is based upon consumers who have received an assessment between the supplied start and ending dates.
Assessment Tool Export	An export of the individual assessment tools including all related answers and their IDs.

10. MAJOR RISKS & MITIGATION STRATEGIES

The contractor shall consult with HCA to address mitigation of risks expected with business process changes brought about by updates of BHAS. Examples:

a. **RISK** Coincident with deploying BHAS updates, there will be significant changes to business processes for most, if not all affected, mental health staff and agencies. While business process changes are not uncommon for these programs, the combination of system and business changes – and the degree of change of each - represents a challenge

MITIGATION STRATEGY: The RCR team will mitigate the risk through frequent and targeted two-way user communications throughout BHAS design work, communication for impacted organizations, and the availability of user guides and quick reference job aids. We also will have available project staff as part of change order deployment and subsequent regional training, so they are easily accessible to address issues and support state staff.

11. RISK AND ISSUE MANAGEMENT

a. Risk Management

(1) Project risks will be monitored throughout the project life cycle. The risk management plan will be constructed to comply with the risk reporting requirements for HCA. Risk will be tracked using the RCR risk tracking matrix.

(2) Each identified risk must have at least one mitigation and a contingency plan (even if the contingency plan is to accept the risk), assessment of impact and probability, trigger event / timing, and a risk owner. The RCR and HCA Project Managers will ensure risk owners are monitoring the risks for which they have responsibility and should require that risk owners report risk status at frequent intervals to allow the team sufficient time to address risks that may be triggering soon. The RCR Project Manager will indicate if the risk event will affect quality, schedule or cost or some combination of each. An acceptable mitigation strategy and contingency plan must be approved by HCA. The RCR Project Manager will be responsible for updating the risk matrix.

b. Issue Management

(1) Project issues will be managed via the RCR issues management process. An issue will be defined as an event or obstacle that will either affect cost, schedule, or quality of project deliverables if not effectively rectified. Each issue affecting the project will be assigned an owner. That owner will be responsible for rectifying the issue or ensuring that the issue will not affect the quality, cost, or timeline of the project. The issue owner will be responsible for providing status and contingency

actions to the RCR and HCA Project Managers until the issues is resolved.

12. CONTINGENCY PLANNING

a. Project issues will be managed via the RCR issues management process. An issue will be defined as an event or obstacle that will either affect cost, schedule or quality of project deliverables if not effectively rectified. Each issue affecting the project will be assigned an owner. That owner will be responsible for rectifying the issue or ensuring that the issue will not affect the quality, cost, or timeline of the project. The issue owner will be responsible for providing status and contingency actions to the RCR and HCA Project Managers until the issues is resolved.

13. IMPLEMENTATION DECISION PROCESS

a. As with any code deployment to production, the decision process and criteria will be documented and agreed to by all relevant stakeholders, including State program management, user acceptance testing (UAT) testers, program staff specified by HCA, and RCR team management. The cutover decision process will be a culmination of the following steps:

(1) Requirements sign-off by program staff.

(2) Systems Integration Testing.

(3) User Acceptance Testing.

(4) Production-level data integration dry runs and subsequent testing

At each stage of implementation, HCA and program staff and management will have opportunities to affirm that the evolving BHAS and CANS certification solution meets HCA requirements. Where questions and concerns are identified, the RCR team will address each and verify that program documentation captures the issue and its resolution. As noted in the following discussion, these activities will provide the information necessary to support cutover decisions.

b. Cutover Criteria

(1) Prior to each cutover, a cutover readiness document will be developed and submitted to HCA for consideration. This document will summarize the outcome of the above activities and present the basis for an affirmative cutover decision.

(2) The RCR team will rely on the following cutover criteria to determine if the solution is ready to be deployed into production:

    (a) All critical defects have been addressed.

    (b) 100% test cases have been executed.

    (c) At least 95% of test cases have passed.

(3) These criteria have been used consistently on projects and have been demonstrated to be a viable indicator of a solution's readiness for production and have also provided a definitive tool for HCA to assess readiness. With submittal of a cutover readiness document, the RCR team will facilitate a Go / No Go meeting with HCA. Questions, concerns, or open items identified in this meeting must be resolved prior to a go decision.

14. **USER CONTROL SECURITY**

The BHAS administration panels will be used to configure the roles and positions of BHAS users statewide. In setting up the users, will identify the permissions and profiles to be used to establish the aspects of the BHAS that can be accessed and executed for each individual.

15. **STAKEHOLDER COMMUNICATION**

RCR will work with HCA in organizational change management (OCM) throughout the project to engage stakeholders to promote realistic expectations for the new system, gain buy-in and support, and prepare future BHAS users to take full advantage of the new opportunities presented for web-based assessments, improved customer service and effective outcome management.

16. **POST IMPLEMENTATION SUPPORT**

Post-implementation support will be comprised of the following: The RCR team will provide help desk support; analysis, triage, and resolution services for corrective maintenance; and operational services.

17. **SYSTEM INCIDENT REPORTS**

Users will be directed to notify the RCR Help Desk of system incidents. The Help Desk will review the incident reports and assign application-related tickets to the RCR team. The team will take responsibility for addressing application-related issues that are associated with corrective maintenance.

18. **END USER SUPPORT**

The RCR team will provide end-user support after system updates. Pending additional guidance from HCA, relative to the end-user support required the team will deliver the following:

a. The RCR training staff will be responsible for delivering training to end users appropriate for their job position and responsibilities.

b. The Help Desk referenced in the previous section will be supported by an RCR analyst that will be responsible for addressing issues, questions and potential application problems referred to the RCR team. This individual will work directly with the users that submit trouble tickets so their concerns can be addressed in a timely manner.

c. The RCR training staff will be available on a limited basis to provide additional assistance to users needing training.

19. **TESTING**

a. Testing Approach: The RCR team will develop a comprehensive BHAS solution test plan that will follow the service development life cycle process that is utilized on our other projects and is consistent with industry -best practices. The proposed test plan will encompass:

(1) Unit Testing

(2) Systems Integration and Regression Testing

(3) Performance Testing

(4) User Acceptance Testing

(5) Smoke Testing

b. Unit Testing: As an integral part of the development of extensions and BHAS-specific workflows to the OOTB functionality, developers will test the code to ensure it satisfies the requirements documentation, business use cases and supplemental functional specifications. This testing is performed by the developer(s) responsible for the code enhancements and will be completed prior to migrating the code to the Systems Integration Testing environment.

At the conclusion of Unit Testing of each code functionality, the RCR team will notify HCA of the satisfactory conclusion of Unit Testing and its readiness for One System Integration Testing (SIT).

c. System characteristics will ensure that the final solution not only delivers the functionality desired, but also the speed and responsiveness that is needed for staff efficiencies.

d. User Acceptance Testing: The RCR team will facilitate HCA's user acceptance testing of the RCR BHAS solution. The RCR team will manage the UAT test environment to ensure the most current code is delivered to the environment and as code updates are implemented, code builds will merge the updated code in this environment. Release notes will be provided to the UAT testers with each build to ensure they are fully aware of the changes and can modify and conduct their tests as appropriate. The RCR team will also make all SIT test cases, plans, and results available to the UAT team to guide their development of test scenarios.

e. Integration and Regression Testing: The RCR test team will be an integral part of the system requirements and design activities. Similar to the development team, the test team will be involved in requirements discussions with HCA, the review of uses cases, and discussions with developers on expected system performance and outcomes.

f. Performance Testing: The RCR BHAS solution will have many users, interfaces with other system, and internal processes that must perform in real-time. To ensure that these can support the day-to-day operations of program staff, the RCR team will consistently monitor the system's performance as design evolves and functionality and modules are added.

g. Readiness Certification: The RCR team will rely on the following Release criteria to determine if the code is ready to be migrated from the UAT environment to production:

(1) All critical defects have been addressed.

(2) 100% test cases have been executed.

(3) At least 95% of test cases have passed.

At the conclusion of UAT, the RCR team will facilitate a Go/No Go meeting with HCA. For each Go/No Go discussion, an implementation readiness assessment is generated that is used to evaluate the readiness of HCA and partners to implement the delivery into production.

h. Smoke Testing: The final element of the RCR test process is the smoke testing that is conducted following deployment of code into the production environment. The intent of Smoke Testing is to confirm that all schema changes, code changes, and related upgrades to system modules and software have been effectively and correctly deployed. The RCR team will conduct Smoke Testing following the completion of deployment to production and prior to making the production

environment available to system users. The Smoke Testing scripts and validation activities are customized to the changes inherent in each delivery, but rely on a common outline to ensure all relevant aspects of the system are considered as the Smoke Testing plans are developed. Smoke Testing is managed by RCR and conducted by HCA staff, or other HCA-designated resources.

i. Testing Environments: RCR's application development lifecycle proposed plan for the BHAS project includes the following environments:

(1) One Development.

(2) One System Integration Testing (SIT).

(3) One User Acceptance Testing.

20. HELP DESK SUPPORT

a. Coordination of help desk with change management and training activities: The RCR BHAS solution Help Desk works closely with trainers and developers to be aware of possible workload spikes and issues related to application changes and updates.

b. Suggested escalation procedures: All tickets are placed in the RCR support system to be handled by an RCR Help Desk support staff Tier 1 Support. If a ticket is not responded to in 2 hours, it is automatically escalated to Tier 2 Support. Tier 2 Support responds to HCA and RCR program office and either escalates it to the PMO or closes out the ticket. RCR support staff will provide a timeframe for response and resolution.

c. Interim staffing for peak help desk demand periods and transition to a permanent arrangement: RCR periodically checks for workloads for the RCR Helpdesk staff.   During peak periods, additional staff from the RCR operations team is utilized to augment the Help Desk staff. If additional help desk support for a period of more than 4 weeks, temporary staffing will be acquired to handle the extra workload. If the staff is required for more than six months, RCR will bring on full time Help Desk support to meet our client needs.

d. Development of a help desk knowledgebase: The RCR Help Desk software will be used to generate a knowledgebase for the BHAS solution. This knowledgebase will be available via the internet.

e. Metrics based on help desk inquiries: RCR provides four metric reports on a monthly basis (activity report, peak times, response rimes, and active user summary).

21. SCOPE CONTROL AND CHANGE MANAGEMENT

a. RCR will produce a scope statement which lists all of the requirements. The scope statement represents an agreement between the project team, HCA, and RCR Technology Corporation.

b. Scope will be monitored at least monthly. Typically, any change request that requires 4 hours of labor, $200 in cost or changes in system functionality, or a change that will require 4 hours or more of testing will be considered above the threshold of a "minor change" in scope. In addition, any related activities in combination that cross on the minor change in scope threshold, will also be considered Scope Changes. All Scope Changes need to be approved by HCA. The RCR Project Manager will provide the requested Scope Change impact to Cost, Timeline or Quality, positive or negative, to HCA prior to approval. All Change Requests will be tracked on the RCR Change Control Log.

c. The RCR team will also establish review and approval protocols with HCA for project documents. RCRs will ensure that all business documents will be reviewed and approved by HCA project personnel. The appropriate protocols will be established per class of deliverable to ensure that work is reviewed and approved as necessary throughout the project's lifetime.

d. To ensure that a full inventory of expected and required documents is clearly identified and agreed to early in the project, the RCR team will develop and submit to HCA, a requirements document for each project deliverable. They will identify the purpose, content, and scope of each deliverable. The project plan will identify the expected submittal date of each project document.

22.   PREPARATION OF STATE STAFF ON THE PROJECT TEAM

a. The RCR team will fully incorporate HCA in the project plan. In order to ensure this happens, a communication plan will be created by the RCR Project Manager with help from the HCA team. This plan displays how the team will distribute information within the team on an ongoing basis. The RCR team will make a solution SME available throughout the development and implementation phases.

b. A subject matter expert (SME) from HCA will be required to approve the original functionality of any BHAS updates. This SME will be tasked with approval of all functionalities.

23.   QUALITY ASSURANCE APPROACH

The project team will follow the four-step approach described below, to add the additional functionality that is required to update BHAS system functionality. This approach is designed to incorporate quality assurance into the process.

a. Step 1- Description Phase: This phase includes developing a complete understanding of the business needs to be addressed to analyze, develop, and document the business and functional requirements necessary to complete the technical design for the solution. Included in this phase will be:

(1) User Interface Specification(s).

(2) Business Use Case(s).

(3) Process Flow Document(s).

(4) Develop and document technical design and architectural specifications for the solution.

(5) Review documented requirements, functional specifications, business use cases and other supporting documentation.

(6) Participate in requirements handoff via the requirements walkthrough held by the business analysts.

(7) Conduct design review meetings with the business analysts and partners in order to clarify and confirm solution requirements.

(8) Other related documentation, as available

b. Step 2- Construction (Build and Unit Test): The purpose of this phase is to utilize the requirements, functional specifications and technical design developed in the prior phases to complete the development of the software changes required to implement the solution. This phase also includes the unit testing associated with the software changes.

c. Step 3 - System Integration Test: The emphasis of this testing is on the functional changes to the system. Testing occurs in a separate environment from code development and subsequent User Acceptance Testing. Testing is conducted by the RCR Testing team and the HCA SME. Testing includes manual testing of specific functions, automated testing using scripts that execute selected processes and regression testing of the original system functionality.

(1) The SIT process is an iterative process wherein testers ensure that new functionality performs as specified in the requirements documents. This test stage also validates that existing functionality was not affected by enhancements and defect fixes incorporated into the code.

(2) The output of this phase is a fully tested system that is ready for UAT. Defects identified during SIT will be documented in CQ and resolved unless agreement is reached with the stakeholders to move forward without a resolution to the defect.

d. Step 4 - User Acceptance Test: UAT is conducted by state staff and includes manual testing of specific functions, automated testing using scripts that execute selected processes and regression testing.

24. WORK PLAN

Project change orders will be created and used throughout the project including: risk management plan, issues log, communications plan, change control plan, project status report, meeting templates and lessons learned plan.

25. SUPPORT AND MAINTENANCE

RCR uses iSupport helpdesk software to track and manage all client issues. Tickets can be opened via email, submitted through a web interface or via toll-free number with helpdesk staff. The knowledge base is searchable by clients.

a. Support and Maintenance: RCR will provide support of all of the hardware and software in our hosted environment that encompasses the HCA BHAS system. RCR will provide a secure Class A Data Center providing equipment (including dedicated servers), an on-site 24/7 system operator, managed firewall services, and managed backup services.

b. Software Maintenance: The RCR team understands that the software life cycle does not end after the go-live. BHAS will be a business-critical application that will experience change. All change needs to be identified and classified as a maintenance type to ensure the proper change management process is started. The following lists the software maintenance modifications:

MAINTENANCE TYPE And (Definition)	EXAMPLE ACTIVITIES
Perfective **(**Change the functional and non-functional requirements)	• Changes in policy due to Federal rules changes • Form changes • Enhancements to application • Creation of new electronic form
Perfective Adaptive (Change to the system for a changed or changing environment)	• Upgrade software • Apply fix pack to major software component • Add new web page instance to environment
Corrective (Change to the system to fix defects/bugs)	• Fixing defects • Adding functionality for missed requirement • Fix poor performing SQL
Preventive (Change to documentation and making the system more maintainable)	• Create scheduled job to automate manual functions • Database maintenance and backup • Implement data archival • Changing interface documentation • Monitoring system and logs

Daily Maintenance Operations: RCR performs preventative maintenance for all projects. Team members perform daily, weekly, and monthly activities.