

STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES

CONTRACT AMENDMENT

**Contractor:** XEROX STATE HEALTH CARE, LLC  
**Contractor Address:** 9040 ROSWELL ROAD, SUITE 700, ATLANTA, GA 30350  
**Contract Number:** 999ACS-HUS-02 / 07DSS1101AF  
**Amendment Number:** A5  
**Amount as Amended:** \$61,720,963.00  
**Contract Term as Amended:** 02/01/07 - 12/31/13

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The contract between **Xerox State Health Care, LLC** (Xerox or the Contractor) and the Department of Social Services (the Department), which was last executed by the parties and approved by the Office of the Attorney General on 9/0/2010, is hereby further amended as follows:

- A. On April 1, 2012 the Contractor's name changed from ACS Healthcare, LLC to "Xerox State Healthcare, LLC". Wherever the words "ACS State Healthcare, LLC" or "ACS" appear in the Contract or any amendments, it shall be deemed replaced by the term "Xerox State Healthcare, LLC" or "Xerox", as applicable. Except as expressly set forth herein, this Amendment shall not by implication or otherwise alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Contract and any amendments, all of which are ratified and affirmed in all respects and shall continue and remain in full force and effect and binding upon the parties thereto.
- B. The total maximum amount payable under this Contract is increased by \$84,529.00 from \$61,636,434.00 to \$61,720,963.00 (\$500.00 shall not be subject to a mark-up as it is allocated for postage).
- C. Contractor shall modify the ConneXion System to accommodate the Presumptive Eligibility (PE) Program in HUSKY B. Contractor shall provide a dedicated fax line to receive PE application packages, the W-1HUS "HUSKY Application and Renewal Form" and relevant PE forms, from Qualified Entities (QE) that grant PE coverage. Contractor's Eligibility Workers shall enter the presumptive eligibility determination for the HUSKY B program in the ConneXion eligibility system by the close of business the business day following receipt of the PE application by Contractor. Contractor will notify the QE of the presumptive eligibility grant. Contractor shall designate liaisons to the QE sites. Contractor shall provide ongoing training to the QE sites on the PE program as necessary. Contractor shall continue to process the W-1HUS "HUSKY Application and Renewal Form" for a final determination of ongoing HUSKY B eligibility utilizing the regular application process. This work shall cost no more than \$84,529.00 and payments shall be made in accordance with the terms of the Contract and its amendments.
- D. The following reductions shall be taken from the Contract, effective January 1, 2012, unless otherwise specified.
  1. Administrative Services Organization (ASO) Conversion Scope Reduction: Tasks relating to the support of enrollment broker and capitation management services as outlined in the Contract are removed from the scope of the Contract effective 1/1/2012. This change in the overall scope of the Contract is driven by the

restructuring of the Medicaid, CHIP and Charter Oak programs from a risk based, managed care organization (MCO) structure to a fee-for-service Administrative Services Organization structure effective 1/1/2012. An analysis of the projected savings due to the reduction of scope, an analysis of current operations to bring about additional savings, as well as an analysis for a short term call center initiative to support the transition (documented to the Department on 9-1-2011) is detailed below.

2. The Contractor shall also:

- a. Eliminate eight FTEs supporting both the Enrollment Broker (EB) and Passive Billing (Capitation) function and a blend of Quality support for EB & Passive Billing activities. Net annual savings for this are \$329,647.
- b. Reduce system costs as a result of the elimination of the above programs along with any HUSKY A reporting support, including mainframe, telecom, local network support and the elimination of the Vantive System. Net annual savings for this are \$181,591.
- c. Eliminate pass through postage expenses related to the EB function to realize an additional \$3,000 per year annual savings.
- d. Eliminate the Process Consultant positions for a savings of \$98,000 per year, or \$196,000 for the remainder of the Contract term.
- e. Eliminate the ABC Coordinator/Project Consultant as of August for a savings of \$29,166.67 in 2012 and \$70,000 in 2013.
- f. Eliminate two Call Center staff and one Document Control staff person for a total savings of \$166,000 for the remaining Contract term.

The above reductions result in a savings to the Department of \$1,530,476.00 of the existing maximum Contract value.

E. The following additions shall be made to the Contract to accommodate new, required tasks:

The Contractor shall:

1. Effective January 1, 2012, make necessary changes to the daily file format including a change to a flat file configuration and the addition of the TPL and LTC file fields for hospice. Provide a temporary call line to respond to client inquiries about the transition, including additional temporary staff, telephones and personal computers.

Based on two Contract years, the total scope reduction savings for all of the above changes (Sections D.2.a through f and Section E.1), less the one time ASO transition support charge, totals **\$1,475,476**.

F. The following tasks shall be added to the scope of the Contract so that Contractor may provide Medical Spenddown support to the Department:

1. Contractor shall make further modifications to the FileNET Imaging and ConneXion Systems to accommodate the collection and screening of medical spenddown documentation for the purposes of supporting the spenddown eligibility determination process which is performed by the Department. Contractor staff will support this process by serving as the point of entry for all spenddown related documentation.
2. The Department shall provide a daily file of cases referred to Contractor for spenddown follow-up via the secure FTP file exchange process. Contractor shall notify clients of their potential eligibility through the spenddown process, and provide direction on where to send related correspondence.
3. Contractor shall scan incoming spenddown documents into its system and set up case specific workflows for follow up. Contractor staff will evaluate spenddown documents for potential use in accordance with policies



established by the Department, screen cases for potential spenddown eligibility, notify clients whether documented spenddown expenses qualify for use, advise clients on case status and respond to client inquiries.

4. Contractor will enter allowable spenddown expenses into the Department's Eligibility Management System and notify designated Department staff accordingly for review, including when cases appear to qualify for Medicaid eligibility based on spenddown.
  5. Contractor will prepare inventory reports describing the volume of cases screened and timeframes in which reviews are completed and referred to the Department regional offices as appropriate, or returned to the client advising the status of the case. Contractor will work with the Department with the goal of evaluating and issuing decisions on the use of submitted medical spenddown documents within four (4) business days.
- G. Below is the pricing structure for these services as presented to the Department in July of 2012 and accepted via a letter of intent from the Department on 7-13-12. The total price for these services is \$2,620,045 as outlined below, which will be absorbed in the Contract maximum value with no additional dollars added to the maximum value of the Contract. The price for these services is set forth as follows:

***Initial Implementation - 6/1/12 – 8/31/12***

Item	Price
Staffing- 3 CSR's, 2 mailroom, 7 ESR, 1 supervisor	\$59,037
Telecommunication Charges	\$7,500
ConneXion Development	\$297,476
Computer Equipment	\$12,030
Siemens Phone System Development and Equipment	\$12,500
Infrastructure	\$28,060
Licenses	\$8,114
Mailing/Postage (no markup)	\$12,000
Total	\$436,717

***Ongoing Support- 9/1/12 – 12/31/13***

Item	Price
Staffing	\$1,150,592
Telecommunication Charges	\$120,000
Licenses & Seat Charge	\$180,876
Office Supplies	\$14,500
Mailing/Postage (no markup)	\$192,000
Total	\$1,657,968

***ConneXion Upgrade***

Item	Price
Software & Hardware	\$259,900
Resources	\$216,960
Total	\$476,860

***Mailing for Transition of Spenddown***

Item	Price
Postage and Materials	\$18,000
Potential BRE related mail expenses	\$9,000
Programming to Accept File	\$1,500
Temporary Staffing (as needed based on call volumes and client document volumes)	\$20,000
Total	\$48,500

**Total Cost of Project through 12/31/13**

<b>Item</b>	<b>Price</b>
Implementation Period Total	\$436,717
Ongoing Support Total	\$1,657,968
ConneXion Upgrade	\$476,860
Mailing for Transition of Spenddown	\$48,500
<b>Total</b>	<b>\$2,620,045</b>

H. The following tasks shall be added to the scope of the Contract so that Contractor may provide ConneCT support to the Department:

- Contractor shall leverage its existing Call Center infrastructure to support this initiative and shall also implement a dedicated toll free line to support incoming live calls only. The total price for these services is \$5,000, not including any initiatives requiring dedicated outbound live calls as the primary focus. Should actual call volumes increase by 10% over the current volumes, Contractor and the Department will review the resource requirements necessary to support the project which may result in staffing and pricing adjustments.

**Total Price of Project through 12/31/13**

<b>Item</b>	<b>Price</b>
Call Queue Set Up, Telephony and Dedicated Toll Free Line	\$4,000
Reporting and Management	\$1,000
<b>Total</b>	<b>\$5,000</b>

I. The following tasks shall be added to the scope of the Contract so that Contractor may provide Client Retention support to the Department:

- Contractor will support a Department initiative to improve client retention in Medicaid through the development of a client database/retention follow up tool using client data provided by the Department for Medicaid clients. At the direction of the Department, Contractor will initiate outreach efforts to advise clients who are due for redetermination through outbound mail, automated calls via Contractor's Predictive Dialer tool or live outbound calls. Contractor will hire a part time resource that will maintain the database, develop appropriate follow up and report on the results of this effort. The Price for this initiative is as follows:

**Total Price of Project through 12/31/13**

<b>Item</b>	<b>Price</b>
Development of Database/Tool	\$10,000
Ongoing Data Management/Reporting Support Total	\$40,000
Predictive Dialer, other outreach	\$15,000
<b>Total</b>	<b>\$65,000</b>

J. All changes contained herein will remain in full force and effect through 12-31-2013. The following represents a summary of the financial impact of the Contract scope adjustments itemized above:

Scope Reduction, ASO Conversion	<b>(\$1,475,476)</b>
Scope Adjustment, Spenddown Support	<b>\$2,620,045</b>
Scope Adjustment, ConneCT Support	<b>\$ 5,000</b>
Scope Adjustment, Client Retention Support:	<b>\$ 65,000</b>



Net Contract Value Adjustment:

**\$1,214,569**

**K. The Mandatory Terms and Conditions set forth in Amendment #2 of the Contract shall be amended as follows:**

1. **The Health Insurance Portability and Accountability Act of 1996 provisions on pages 38 through 47 of Amendment 4 are deleted and replaced by the following provisions:**

**Health Insurance Portability and Accountability Act of 1996**

- (a) If the Contactor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract ("Agency") is a "covered entity" as that term is defined in 45 C.F.R. § 160.103; and
- (d) The Contractor, on behalf of the Agency, performs functions that involve the use or disclosure of "individually identifiable health information," as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor is a "business associate" of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (f) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), (Pub. L. 111-5, §§ 13400 to 13423), and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
  - (1) "Breach" shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. § 17921(1)).
  - (2) "Business Associate" shall mean the Contractor.
  - (3) "Covered Entity" shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
  - (4) "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.
  - (5) "Electronic Health Record" shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. § 17921(5)).
  - (6) "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
  - (7) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.



- (8) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
  - (9) "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
  - (10) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
  - (11) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
  - (12) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
  - (13) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
  - (14) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
  - (15) "Unsecured protected health information" shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HITECH. Act. (42 U.S.C. §17932(h)(1)(A)).
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
  - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
  - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
  - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
  - (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
  - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
  - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
  - (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.

- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with subsection (h)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
- (A) restrict disclosures of PHI;
  - (B) provide an accounting of disclosures of the individual's PHI; or
  - (C) provide a copy of the individual's PHI in an electronic health record,
  - (D) the Business Associate agrees to notify the covered entity, in writing, within five (5) business days of the request.
- (15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without
- (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and
  - (B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations
- (16) Obligations in the Event of a Breach.
- (A) The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. § 17932(b)) and this Section of the Contract.



- (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402(g) of HITECH (42 U.S.C. § 17932(g)). A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.
- (C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
  2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
  3. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.
  4. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
  5. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.
- (D) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site or a postal address. For breaches involving ten or more individuals whose contact information is insufficient or out of date to allow written notification under 45 C.F.R. § 164.404(d)(1)(i), the Business Associate shall notify the Covered Entity of such persons and maintain a toll-free telephone number for ninety (90) days after said notification is sent to the Covered Entity. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.
- (E) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.
- (i) Permitted Uses and Disclosure by Business Associate.
- (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.



- (2) Specific Use and Disclosure Provisions
- (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
- (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(c)(2)(i)(B).
- (j) Obligations of Covered Entity.
- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (l) Term and Termination.
- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (h)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
- (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
- (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or

- (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
- (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(3) Effect of Termination.

- (A) Except as provided in (l)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (h)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
- (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Sections.

- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
- (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
- (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
- (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
- (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.



- (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.
2. **The Encryption of Data provisions on pages 32 and 33 of Amendment 4 are deleted and replaced by the following provisions:**

**Protection of Confidential Information.**

- a. For the purposes of this Section, the following terms are defined as follows:
- i. "Confidential Information" shall mean any name, number or other information that may be used, alone or in conjunction with any other information, to identify a specific individual including, but not limited to, such individual's name, date of birth, mother's maiden name, motor vehicle operator's license number, Social Security number, employee identification number, employer or taxpayer identification number, alien registration number, government passport number, health insurance identification number, demand deposit account number, savings account number, credit card number, debit card number or unique biometric data such as fingerprint, voice print, retina or iris image, or other unique physical representation. Without limiting the foregoing, Confidential Information shall also include any information that the Department classifies as "confidential" or "restricted." Confidential Information shall not include information that may be lawfully obtained from publicly available sources or from federal, state, or local government records which are lawfully made available to the general public; and
  - ii. "Confidential Information Breach" shall mean, generally, an instance where an unauthorized person or entity accesses Confidential Information in any manner, including but not limited to the following occurrences: (1) any Confidential Information that is not encrypted or protected is misplaced, lost, stolen or in any way compromised; (2) one or more third parties have had access to or taken control or possession of any Confidential Information that is not encrypted or protected without prior written authorization from the State; (3) the unauthorized acquisition of encrypted or protected Confidential Information together with the confidential process or key that is capable of compromising the integrity of the Confidential Information; or (4) if there is a substantial risk of identity theft or fraud to the client, the Contractor, the Department or State.
- b. Contractor and Contractor Parties, at their own expense, have a duty to and shall protect from a Confidential Information Breach any and all Confidential Information which they come to possess or control, wherever and however stored or maintained, in a commercially reasonable manner in accordance with current industry standards.
- c. Each Contractor or Contractor Party shall develop, implement and maintain a comprehensive data - security program for the protection of Confidential Information. The safeguards contained in such program shall be consistent with and comply with the safeguards for protection of Confidential Information, and information of a similar character, as set forth in all applicable federal and state law and written policy of the Department or State concerning the confidentiality of Confidential Information. Such data-security program shall include, but not be limited to, the following:
- i. A security policy for employees related to the storage, access and transportation of data containing Confidential Information;
  - ii. Reasonable restrictions on access to records containing Confidential Information, including access to any locked storage where such records are kept;
  - iii. A process for reviewing policies and security measures at least annually;



- iv. Creating secure access controls to Confidential Information, including but not limited to passwords; and
  - v. Encrypting of Confidential Information that is stored on laptops, portable devices or being transmitted electronically.
- d. The Contractor and Contractor Parties shall notify the Department and the Connecticut Office of the Attorney General as soon as practical, but no later than twenty-four (24) hours, after they become aware of or suspect that any Confidential Information which Contractor or Contractor Parties have come to possess or control has been subject to a Confidential Information Breach. If a Confidential Information Breach has occurred, the Contractor shall, within three (3) business days after the notification, present a credit monitoring and protection plan to the Commissioner of Administrative Services, the Department and the Connecticut Office of the Attorney General, for review and approval. Such credit monitoring or protection plan shall be made available by the Contractor at its own cost and expense to all individuals affected by the Confidential Information Breach. Such credit monitoring or protection plan shall include, but is not limited to reimbursement for the cost of placing and lifting one (1) security freeze per credit file pursuant to Connecticut General Statutes § 36a-701a. Such credit monitoring or protection plans shall be approved by the State in accordance with this Section and shall cover a length of time commensurate with the circumstances of the Confidential Information Breach. The Contractors' costs and expenses for the credit monitoring and protection plan shall not be recoverable from the Department, any State of Connecticut entity or any affected individuals.
- e. The Contractor shall incorporate the requirements of this Section in all subcontracts requiring each Contractor Party to safeguard Confidential Information in the same manner as provided for in this Section.
- f. Nothing in this Section shall supersede in any manner Contractor's or Contractor Party's obligations pursuant to HIPAA or the provisions of this Contract concerning the obligations of the Contractor as a Business Associate of the Department.
3. **The Non-discrimination provisions on pages 47 through 50 of Amendment 4 are deleted and replaced by the following provisions:**

**Non-discrimination.**

- (a) For purposes of this Section, the following terms are defined as follows:
- (1) "Commission" means the Commission on Human Rights and Opportunities;
  - (2) "Contract" and "contract" include any extension or modification of the Contract or contract;
  - (3) "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
  - (4) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
  - (5) "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
  - (6) "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
  - (7) "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
  - (8) "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;



- (9) "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and
- (10) "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

- (b)
  - (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved;
  - (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission;
  - (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and
  - (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.
- (c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices;



affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
- (e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes §46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.
- (f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.
- (g)
- (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
  - (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and
  - (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.
- (h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.
4. **The Governmental Function provisions on page 51 of Amendment 4 are deleted and replaced with the following provisions:**

**Disclosure of Records.** This Contract may be subject to the provisions of section 1-218 of the Connecticut General Statutes. In accordance with this statute, each contract in excess of two million five



hundred thousand dollars between a public agency and a person for the performance of a governmental function shall (a) provide that the public agency is entitled to receive a copy of records and files related to the performance of the governmental function, and (b) indicate that such records and files are subject to FOIA and may be disclosed by the public agency pursuant to FOIA. No request to inspect or copy such records or files shall be valid unless the request is made to the public agency in accordance with FOIA. Any complaint by a person who is denied the right to inspect or copy such records or files shall be brought to the Freedom of Information Commission in accordance with the provisions of sections 1-205 and 1-206 of the Connecticut General Statutes.

5. **Summary of State Ethics Laws.** Pursuant to the requirements of section 1-101qq of the Connecticut General Statutes, the summary of State ethics laws developed by the State Ethics Commission pursuant to section 1-81b of the Connecticut General Statutes is incorporated by reference into and made a part of the Contract as if the summary had been fully set forth in the Contract.
6. **Campaign Contribution Restrictions.** For all State contracts as defined in C.G.S. § 9-612(g) the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission's ("SEEC") notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11 reproduced below:  
[http://www.ct.gov/seec/lib/seec/forms/contractor\\_reporting\\_/seec\\_form\\_11\\_notice\\_only.pdf](http://www.ct.gov/seec/lib/seec/forms/contractor_reporting_/seec_form_11_notice_only.pdf)



## Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

This notice is provided under the authority of Connecticut General Statutes §9-612(g)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on the reverse side of this page).

### CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall knowingly *solicit* contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor or principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

### DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

### PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

**Civil penalties**—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

**Criminal penalties**—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

### CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seec](http://www.ct.gov/seec). Click on the link to "Lobbyist/Contractor Limitations."





## DEFINITIONS

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

"Subcontractor" means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty first of the year in which the subcontract terminates. "Subcontractor" does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a subcontractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

L. All other terms and conditions not specifically amended herein shall remain in full force and effect.

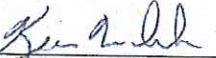
**SIGNATURES AND APPROVALS**

999ACS-HUS-02 / 07DSS1101AF A5

The Contractor IS a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended.

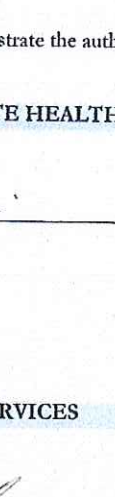
Documentation necessary to demonstrate the authorization to sign must be attached.

**CONTRACTOR - XEROX STATE HEALTH CARE, LLC**

  
\_\_\_\_\_  
Kevin Walsh, *Vice President*

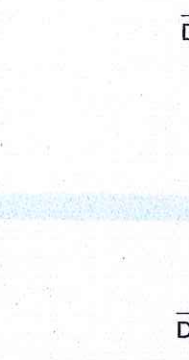
3/28/13  
Date

**DEPARTMENT OF SOCIAL SERVICES**

  
\_\_\_\_\_  
Roderick L. Bremby *Commissioner*

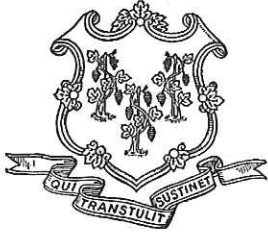
3/28/2013  
Date

**OFFICE OF THE ATTORNEY GENERAL**

  
\_\_\_\_\_  
ASST. / Assoc. Attorney General (Approved as to form & legal sufficiency)  
*Joseph Rubin* **ASSOC. ATTY. GENERAL**

4/3/13  
Date





STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES

## CONTRACT AMENDMENT

**Contractor:** ACS State Healthcare, LLC

**Contractor Address:** 9040 Roswell Road, Suite 700 Atlanta, GA 30350

**Contract Number:** 07DSS1101AF/999-ACS-HUS-02

**Amendment Number:** 4

**AMOUNT AS AMENDED:** \$61,636,434.00

**CONTRACT TERM AS AMENDED:** 02/01/07-12/31/13

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The contract between ACS State Healthcare, LLC and the Department of Social Services, which was last executed by the parties and signed by the Commissioner of the Department on 03/16/09, is hereby amended as follows:

- 1) The term of the contract is extended for an additional thirty-six months and the end date of the contract is changed from 12/31/10 to 12/31/13.
- 2) The total maximum amount payable under this contract is increased by \$30,755,000.00 from \$30,881,434 to \$ \$61,636,434.00. This includes a contract cap adjustment of \$1,700,000.00 for the period of 10/01/2010 through 12/31/2010 for increased HUSKY and Charter Oak activity not anticipated with prior Amendments 2 and 3.
- 3) The mark-up percentage is reduced on direct cost (labor) from 23% to 17% and on all other direct costs from 19% to 13%, effective 10/01/10 through 12/31/13.
- 4) There will no longer be a mark-up on postage and printed program materials effective 10/01/10 through the duration of this contractual relationship.
- 5) No mark-up will be paid on the \$1.7 million allotment. Procedurally, ACS will bill DSS per usual on a monthly basis from 10/1-12/31/10, including mark-up at 17%/13% in accordance with the provision above. From 1/1-12/31/11, ACS will bill DSS per usual, including mark-up, but will then deduct \$24,083.00 each month to ensure the Department receives back any mark-up it has paid on the \$1.7 million. In total, ACS will credit DSS a total of \$289,000 over the course of 12 months.

- 6) ACS exempt staff shall receive 4% restoration of pay increases effective 1/1/11.
- 7) Each year between the months of July and September, ACS and the Department will determine whether a COLA for ACS' staff will be funded by the Department. If the Department agrees to fund this cost, it will be derived in one of the following ways, or in a combination thereof:
  - a. The Department will agree to add money through an amendment; or
  - b. The Contractor will seek approval from the Department to shift money in the budget from line item to line item.
- 8) Within the contract maximum, the contractor will be allotted \$283,000 for updated/enhanced technology, including computer and server equipment and licenses.
- 9) The contract staffing and dollar cap assumes a HUSKY A and B and Charter Oak compounded growth rate of 0% beginning on 1/1/11, with an expected 0% increase in corresponding production environment work effort. This flat line approach will create a monthly budget that will yield a contract-to-date cap that is consistently staffed over the remaining term of 10/1/2010-12/31/2013 as documented in the budget attachment to this amendment. Should application or call volumes deviate from this assumed flat line growth, the following adjustment activities will need to occur:
  - a. If and when ACS identifies increased volume or receives directed program changes based on volume increases, there will be communication in writing, email sufficient, to the Department regarding estimated financial impact, alternatives for handling the impact, and impacts on service levels and service level agreements (SLAs) if no resources are approved to address the impact. No action that would result in unauthorized expenditures above the contract maximum will be made until Departmental approvals or directions are received from the Department in writing, email sufficient.
  - b. If the Department approves spending to address volume increases, they can choose either to fund it by increasing the maximum contract value or fund it by borrowing against the current maximum contract value, thus shortening the term of the contract. After approval from the Department is received by ACS, ACS will adjust Staffing accordingly and document the resulting impact.
  - c. Should the Department choose not to fund the incremental work effort with either option articulated above, ACS and the Department will work together to adjust service levels, reallocate staffing and document the resulting impact on service and relief required from SLAs.



- d. If and when ACS or the Department identifies a decrease in scope as a result of volume or directed program changes, there will be communication in writing, email sufficient, between the parties regarding estimated financial impact for reducing staffing or services, alternatives for handling the impact, and ways to reduce resources. No action will be taken by ACS until Department approval or direction is received in writing, email sufficient.

10) The new Connecticut Pre-Existing Condition Insurance Plan (CT PCIP) is a program designed to provide an alternative health care plan to clients with pre-existing conditions. The Contractor shall support this program by providing program information to clients, screening for eligibility and coordinating potential enrollee information with the Health Reinsurance Association (HRA) and providing application activity reporting. To implement the program, ACS will perform the following tasks:

- a. Design the eligibility and pre-enrollment processes for CT PCIP as an overlay to existing systems and infrastructure used to handle the HUSKY and Charter Oak programs;
- b. Ensure that the design will be compatible with the actual enrollment for services coordinated by the HRA;
- c. Utilize the same staff administering HUSKY and Charter Oak to administer CT PCIP to ensure an efficient and streamlined process; and
- d. Modify ConneXion to support the CT PCIP as it does HUSKY and Charter Oak.

11) Part 1 Scope of Work, 2. shall be deleted and replaced in its entirety with the following:

2. General Description of the HUSKY, Charter Oak, Connecticut Pre-Existing Condition Insurance Plan (CT PCIP) and HUSKY Primary Care Application/Enrollment Broker Contract

The Department through this contract with ACS State Healthcare, LLC, hereinafter referred to as the "Contractor," will perform the functions of:

- A. Enrollment broker to an appropriate health plan or HUSKY Primary Care provider for eligible individuals enrolled in the HUSKY A and B programs, as well as any eligible individuals enrolled in the Charter Oak Health Plan (Charter Oak);
- B. Providing information to assist the client with a pre-existing condition in selecting Charter Oak/HUSKY B Band 3 or the Pre-Existing Condition Insurance Plan;
- C. Single Point of Entry, education and application screening for individuals applying for the HUSKY, Charter Oak; and CT PCIP programs.

- D. Eligibility determination for the HUSKY B, Charter Oak and CT PCIP programs;
- E. Passive billing and health plan fee calculation for the HUSKY and Charter Oak programs;
- F. Premium billing and collection for HUSKY B and Charter Oak Programs;
- G. Tracking cost-share accumulation in the HUSKY B and Charter Oak Programs.
- H. Related activities as more fully described in the Scope of Work below, including, but not limited to counseling potential enrollees regarding their managed care organization (MCO) or HUSKY Primary Care provider choices prior to the selection of their health care option; enrolling individuals in an MCO; assisting enrollees with the initial selection of Primary Care providers for each eligible individual in the family; maintaining a sufficiently trained and professional staff to competently perform its activities, managing its performance quality; maintaining sufficient data management capacity to manage such decisions; and integrating data applications with the Department's data systems.

12) Part 1 Scope of Work, 5. B. shall read as follows:

B. The Department shall:

1. Provide to the contractor and interpret regulations, law, legislative intent and practice standards as may be required from time to time. Provide updated drafts of all regulations which affect the Contractor's scope of work.
2. Issue interpretations through policy or procedure memoranda or clarifications identified by number, date, contract section or some other appropriate reference identification and the effective date and authorizing official.
3. Provide the Contractor the memoranda or clarifications through regular mail to the Contractor's designated recipient.
4. Review, for approval, all proposed policies and procedures from the Contractor.

13) Part 1 Scope of Work, 6 B shall read as follows:

The Contractor shall:

1. Maintain a comprehensive, fully functional, inbound and outbound telephone call system that includes the use of both staffed lines and an ACD system to monitor and distribute call volume to staff during regular business hours, defined as Monday through Friday, 8:30am-



5pm, with the exception of six State holidays, and transfer calls to an automated recording device during non-business hours in its Connecticut location with the following functional capabilities:

- a. The ACD system shall provide:
  - 1) Menu Options;
  - 2) Sufficient lines to support the volume of calls within the performance standard defined in this Contract; and
  - 3) ACD equipment must have the functional capacities to manage telephone communication as more fully described below;
- b. The Call Center capabilities shall include:
  - 1) Limited menu ACD;
  - 2) Translator service connection;
  - 3) Ability to receive direct and transferred calls including other Voice Audio Response Systems;
  - 4) Ability to transfer calls internally and to the Department;
  - 5) Conferencing;
  - 6) TDD line for hearing-impaired;
  - 7) Ability to leave a message in a voicemail box, access pre-recorded information, or opt out to a customer service representative;
  - 8) Overflow capacity to accommodate all calls within the call performance standards outlined in the original contract and subsequent amendments;
  - 9) Call back capability;
  - 10) Data collection and analysis including:
    - a) Recording all telephone conversations including a method to retrieve such recorded conversations by date, time and employee and a method to store such recordings; and
    - b) Tabulating and reporting data on telephone calls and surveys for both day-to-day operational management and ongoing service quality monitoring; and
    - c) Recorded telephone conversations shall remain available for retrieval for six months after the recording unless the Department requests an extended retention prior to the expiration of the retention period of such recorded calls for audits, investigations or other purposes the Department shall specify.
  - 11) After business hours recorded messages: the ACD shall provide sufficient and appropriate information regarding regular business hours;

- 12) Recorded messages when a staff person is not available for routine calls: the ACD shall respond with a recording every thirty (30) seconds from the ACD call activation during business hours. When calls are not answered within the first fifteen (15) seconds, the ACD shall initiate a recorded message encouraging a caller to remain on the line and assuring a caller that a qualified staff person will answer the call momentarily;
  - 13) The call reporting system shall have recording and statistical tabulating capability in real time by ACD line, including: at a minimum:
    - a). Number of incoming calls;
    - b). Number of answered calls by Contractor staff;
    - c). Average number of calls answered by Contractor staff;
    - d). Average call wait time;
    - e). Average talk time;
    - f). Percent of routine services calls answered by staff less than sixty (60) seconds after the selection of a menu option;
    - g). Number of calls placed on hold and length of time on hold; and
    - h). Number and percent of abandoned calls. (For purposes of this subsection abandoned calls refers to those calls abandoned after the entire menu selection has been played, the caller selects a menu option, is placed in queue, and then decides to abandon the call prior to it being answered by a customer service representative). The call abandonment rate shall be measured by each hour of call center business operations and averaged for each month.
2. Record all inbound and outbound phone calls except those phone calls for or from employees or classes of employees the Department exempts in writing from the recording requirement upon request by the Contractor. Notwithstanding the forgoing, the Department at its option may reverse any granted exemption upon written notice to the Contractor.
  3. Provide a toll-free number for callers to obtain HUSKY, Charter Oak, and CT PCIP applications, plan enrollment information, HUSKY Primary Care provider enrollment information, and customer survey information. Additionally, the number will support clients and providers and MCO related functions within the Contractor's scope of work outlined in this Contract;
  4. Provide a seamless transition from the ACD to a Customer Service Representative (CSR) for the functions described in this contract;
  5. Utilize the ACD and the AT & T Language Line (or similar service), when and if necessary, to respond to callers who do not speak English and a TDD line for the hearing impaired;



6. Provide sufficient and appropriate staff during normal business hours to:
  - a. Answer 85% of calls within sixty (60) seconds or less and 90% of all calls within 90 seconds with a call center staff as determined on a monthly basis; and
  - b. Maintain an abandonment rate of less than 10% as determined on a monthly basis.
7. Maintain ACD statistics on a daily basis and report them to the Department in accordance with the reporting schedule and format outlined in Section 14 of this Scope of Work "Report Requirements";
8. Develop operational procedures, manuals, forms, and reports necessary for the smooth operation of the Call Center in accordance with Section 3 of this Scope of Work "Task Related Policies and Procedures";
9. Staff the Call Center with professional, and diverse staff that demonstrate competence in their assigned tasks, multilingual skills, customer service knowledge and courtesy; and greet the caller by having staff identify themselves by their own first name when answering calls; and
10. Provide call center staff with adequate training and demonstrated competence to respond to calls and inquiries from enrollees, the Department, agents of the Department and other stakeholders;

14) Part I Scope of Work 7. shall read as follows:

The Contractor's enrollment broker staff will provide non-clinical health plan enrollment information to enrollees in the HUSKY A, HUSKY B and Charter Oak programs. Additionally, under HUSKY A, the enrollment broker staff will provide information about the HUSKY Primary Care option as it becomes available based on the Department's rollout plan. The enrollment broker staff will also provide information to individuals with pre-existing conditions who are potentially eligible for CT PCIP regarding the costs and services available under that program, as well as the others, so that they can make an informed choice of which program to select. All staff shall communicate with enrollees professionally, respecting cultural sensitivities, by telephone and through other media as necessary.

A. The Contractor shall:

1. Provide to the Department the Contractor's policies and procedures supporting enrollment services, which shall at a minimum;
  - a. Require enrollee service representatives to identify themselves to callers;

- b. Describe its procedures for enrolling and disenrolling individuals from health plan options; changing individuals from enrollment in one healthcare option to another; and exempting individuals from managed care participation in accordance with Section 3, Task Related Policies and Procedures, above;
  - c. Describe monitoring and reporting methodologies for enrollee services including, but not limited to an appropriate methodology to track and record action on enrollment inquiries and requests for changes to enrollment.
3. Propose enrollee materials to the Department for its review, comment and approval within 30 days from the date the Department requests such materials. Such materials shall utilize culturally sensitive expressions in both English and Spanish languages and require a reading competency of no greater than seventh grade;
  4. Employ sufficient enrollment brokerage services staff to respond to enrollees' requests for information and healthcare option selection guidance who demonstrate:
    - a. Enrollment competencies;
    - b. Healthcare option specific knowledge by program;
    - c. Telephone communication competencies; and
    - d. Knowledge and competencies as agreed to by the parties to assist special populations and persons with special health care needs in selecting appropriate healthcare options and providers based on their medical needs.
  5. Identify a "Key Person" responsible for the performance of the enrollee services staff;
  6. Employ bilingual staff (Spanish and English) or otherwise obtain translation services for non-English speaking enrollees;
  7. Develop policies and procedures for tracking, recording, resolving and responding to the following enrollee inquiries in accordance with Section 3. Task Related Policies and Procedures, above:
    - a. Enrollment process;
    - b. Review of basic benefits associated with each healthcare option;
    - c. Premium amounts and paid status (HUSKY B and Charter Oak);
    - d. Service providers available in each healthcare option;
    - e. Material about healthcare options for individuals with pre-existing conditions; and
    - f. Other inquiries.



8. Provide enrollment brokerage services training and performance-based staff evaluation as more fully described below in Section 9 Staff Training and Credentialing;
9. Track enrollees' requests to disenroll from or transfer between health plans, including the HUSKY Primary Care and record the reasons;
10. Track enrollees' exemption requests from enrollment into managed care and record the reasons;
11. Report enrollee's requests consistent with reporting requirements approved by the Department;
12. Coordinate with the Department enrollment exemption requests for HUSKY A on a case-by-case temporary basis or for as long as the condition that necessitates the exemption exists from otherwise mandated beneficiaries who:
  - a. Are in advanced stages of terminal illness;
  - b. Are in the last trimester of pregnancy and have an established relationship with an obstetrician who is not participating in HUSKY A;
  - c. Would experience a disruption of treatment if enrolled;
  - d. Are hospitalized on the first day of enrollment;
  - e. Live out-of-State;
  - f. Are receiving targeted case management from either the Department of Mental Health and Addiction Services or the Department of Developmental Services; or
  - g. Other reasons as determined by the Department from time to time.
13. Manage enrollment files as follows:
  - a. Transmit to the Department and its contractors an end of the month an enrollment file that lists enrollees who will be eligible for services for the following month;
  - b. Transmit to the Department and its contractors daily file updates (adds/deletes) for enrollees; and
  - c. Place daily and monthly eligibility files on an FTP secure site from which appropriate users may download the files.

#### B. Performance Sanction

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may, at its option:

1. In accordance with Section 17 E 1 of this Scope of Work, "Performance Standards and Sanctions", issue a strike toward a Class A Performance Sanction when it determines that the Contractor has

not performed the enrollment brokerage requirements as identified above and/or has distributed or communicated inaccurate information that prevents enrollees from selecting the managed care plan or other administrative services that best serves their needs.

2. Issue a Class B Sanction in the amount of monetary harm sustained by the Department or the individual applying for benefits when the Department:
  - a. Determines that the Contractor has failed to comply with policies and procedures related to enrollment, disenrollment, exemptions, or Plan changes, and
  - b. Demonstrate that such failure has harmed the Department or the individual applying for benefits in excess of \$1,000.
  - c. Determines that the Contractor has failed to enroll an otherwise eligible HUSKY B client who requested enrollment

15) Part I Scope of Work, 8. shall read as follows:

A. HUSKY A

The Department shall determine the initial, ongoing and loss of HUSKY A eligibility for individuals enrolled under this contract in accordance with the Department' eligibility policies.

B. HUSKY, Charter Oak and CT PCIP Application Processing

The Contractor shall:

1. Function as the Single Point of Entry for applications;
2. Screen all applications for Medicaid eligibility and refer individuals potentially eligible to the appropriate Department office or RPU;
3. Determine the eligibility for HUSKY B, Charter Oak and CT PCIP benefits for applicants in compliance with applicable Federal and State laws, regulations, policies and procedures;
4. Propose procedures and related script for the Department's approval (in accordance with Section 3. Task Related Policies and Procedures, above), for use by the Contractor's staff when they respond to caller requests, screen applications, and determine eligibility for benefits and when they refer applications for individuals potentially eligible for Medicaid to the Department;
5. Determine the initial, ongoing and loss of eligibility, including, but not limited to, obtaining self-declaration and/or verification from applicants regarding information required to establish eligibility, including but not limited to:
  - a. Other health insurance;



- b. Income;
  - c. Household size;
  - d. Pre-existing condition;
  - e. Choice of CT PCIP or Charter Oak/HUSKY B Band 3; and
  - f. Income disregards.
6. Determine accurate cost sharing for all HUSKY B and Charter Oak enrollees;
  7. Advise and counsel enrollees of HUSKY B and Charter Oak regarding their premium obligations;
  8. Propose a method to track applications for benefits from the date of receipt to the date of its final decision in accordance with Section 3. Task Related Policies and Procedures, above;
  9. Track those applications that the Contractor refers to the Department's Regional Offices and subsequently, the Regional Offices refer back to the Contractor.
  10. Verify all application and renewal information by querying the Department of Labor and Social Security files and other data files the Department may from time to time provide the Contractor;
  11. Verify employer health insurance information for all eligible family members through direct contact with the employer for at least twenty percent of approved applications each month chosen through a random selection process;
  12. Transmit to the Department the applications of individuals potentially eligible for Medicaid;
  13. Report monthly on the Contractor's application processing performance in a form and format as required by the Department including the topics below. The Department and the Contractor will meet to define and agree upon the content of the required reports which shall include:
    - a. The timeliness and accuracy of application processing,
    - b. The timeliness and accuracy of the Contractor's screening for Medicaid eligibility; and
    - c. The timeliness and accuracy of referring potential Medicaid eligible applications to the Department;
  14. Verify citizenship and identity for United States citizens found eligible for HUSKY B Bands 1 or 2 by submitting their Social Security Numbers through an EMS match with the Social Security Administration:
    - a. If the match is successful and affirms U.S. citizenship, update the HUSKY processing system with DSS approved codes;

- b. If the match is not successful, attempt to resolve any inconsistencies in data by checking records and/or contacting the client;
  - c. Resubmit the SSA match for any individuals for whom the inconsistency is resolved;
  - d. For individuals not verified through the EMS match, including any second match attempted, send a notice to the client providing a period of ninety (90) days to resolve the inconsistency or provide specific documentation proving United States citizenship;
  - e. When acceptable verification is received, update the HUSKY processing system with DSS approved codes;
  - f. If acceptable verification is not received, terminate eligibility and disenroll the individual no later than thirty (30) days of the end of the ninety (90)-day period;
15. Verify citizenship and identity for United States citizens with pre-existing conditions who are potentially eligible for CT PCIP by submitting their Social Security Numbers through an EMS match with the Social Security Administration:
- a. If the match is successful and affirms U.S. citizenship, update the eligibility processing system with DSS approved codes;
  - b. If the match is not successful, attempt to resolve any inconsistencies in data by checking records and/or contacting the client;
  - c. Resubmit the SSA match for any individuals for whom the inconsistency is resolved;
  - d. For individuals not verified through the EMS match, including any second match attempted, send a notice to the client providing the remainder of the 45-day application processing period to resolve the inconsistency or provide specific documentation proving United States citizenship;
  - e. When acceptable verification is received, update the application processing system with DSS approved codes;
  - f. If acceptable verification is not received, deny eligibility at the end of the 45-day application processing period;

The Department shall:

1. Assist with the verification of citizenship and identity by:
  - a. Training contractor staff on the current DSS citizenship and identity process;
  - b. Utilizing the existing Social Security Administration (SSA) interface with EMS in order to confirm the citizenship of its clients;
  - c. Working with the various community agencies to ensure that the existing citizenship and identity verification process is extended to the HUSKY B and CT PCIP contractor.



### C. Performance Standards and Measures

These performance standards and measures apply to applications for the HUSKY, Charter Oak and CT PCIP programs. This section replaces eligibility performance standards and measures language in the original contract and its amendments.

The Contractor shall:

1. Date stamp all applications or additional application information on the day (Day 1) the Contractor receives the applications or additional information;
2. Review each application within five (5) days from the date the Contractor receives the application (Day 1) and determine whether the application is:
  - a. Complete, in which case the Contractor shall:
    - 1) Complete the screening the same day (Day 6)
    - 2) Refer "likely Medicaid" applications to the Department by the next business day (Day 7).
  - b. Incomplete, in which case, the Contractor shall:
    - 1) Mail (by the next business day - Day 7) an "incomplete" letter to the client requesting additional information;
    - 2) Review new information provided by the client within three (3) days from the date the Contractor receives the new information and if:
      - a. Complete, refer to the process steps under "a" above, or
      - b. Incomplete, mail (by the next business day-Day 4 from the date the Contractor receives the new information from the Client) an "incomplete" letter to the client requesting additional information.
    - 3) Refer all potentially eligible Medicaid applications to the Department no later than twelve (12) business days from the date that the Contractor mails the first "incomplete letter" to the client as described in b. 1) above.
3. Perform all necessary action on all complete applications to determine whether or not the applicant is eligible for HUSKY B, Charter Oak or CT PCIP benefits within seven (7) days from the day the Contractor receives the application.
4. Deny all incomplete applications within forty-five (45) days from the day the Contractor receives the initial application (when the applicant fails to provide additional information as requested by the Contractor) except that the forty-five day requirement may be extended when the Department provides the Contractor additional time to complete its processing and the

Contractor requests additional time in advance of the forty-five (45) day expiration date.

5. Reopen cases denied due to non-receipt of requested information when the applicant provides the outstanding information within sixty (60) days from the original received date.
6. All of the above provisions shall apply, except as to newborn applicants whose applications have been received from a Connecticut or Border hospital, or the parent or guardian of the newborn, within 30 days of the child's birth. For newborn applications received, the Contractor shall:
  - a. Process the application within one business day. One business day shall be defined as by the end of business the next business day. For example, if an application is received at 4pm on Monday, it must be forwarded or granted no later than by the close of business on Tuesday. If however, the application is received at 8am on Monday, it is still not due until the close of business on Tuesday;
  - b. If the newborn is eligible for HUSKY A, refer the application to the Department of Social Services Regional Processing Unit (RPU);
  - c. If the newborn is eligible for HUSKY B, enroll the child in the selected MCO and, if applicable, issue a letter to the parent or guardian notifying them of the four month waiver of premium;
  - d. Notify the MCO, via the next daily file, of the waiver requirement;
  - e. Follow up with said parent or guardian through eligibility outcome, reminder, and premium billing notices over the next four months, to be sure they are aware of the date the premium becomes due.

The Department shall:

1. Review the results of the Contractor's quality assurance reporting, described at 11.C.16, with the Contractor and, when appropriate, require corrective action with a specified, reasonable period of time for the Contractor to comply.
2. Provide the contractor with a reasonable period of time to respond to the results of this review.

#### D. Performance Sanction

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may, at its option:

1. In accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions", issue a strike toward a Class A Application Processing Sanction when the Contractor's quality assurance reporting, as described at 11.C.16, for a period of 2 consecutive months or any 3 months within a 6 month period demonstrates an application performance error rate of more than five percent of the applications reviewed.



- a. The Department will notify the Contractor each time it imposes a strike;
  - b. The Department may impose an Application Processing sanction no more than \$2,500 after the third strike in any consecutive two quarters;
  - c. The Department may impose an Application Processing sanction of no more than \$5,000 after a fourth strike in any eighteen month period; and
  - d. The Department shall notify the Contractor in writing at least thirty (30) days in advance of any sanction the Department intends to impose and shall provide an opportunity to meet with the Department to present its position regarding the Department's determination of an Application Processing Sanction.
2. Issue a strike toward a Class A Performance Sanction when it determines that the Contractor has failed to perform HUSKY B, Charter Oak, or CT PCIP eligibility determinations or enrollment determinations for accuracy or timeliness as identified above; and
  3. Issue a Class B Sanction in the amount of monetary harm sustained by the Department or the individual applying for benefits when the Department determines that:
    - a. The Contractor caused the harm by erroneous application screenings, eligibility determinations or enrollment determinations and
    - b. The harm may be quantified in excess of \$1,000; or
  4. Issue a Class B sanction not to exceed \$10,000 after the Department has:
    - a. Determined that the Contractor has demonstrated a pattern of failure to perform the application screenings or eligibility determinations or enrollment determinations requirements for accuracy or timeliness as identified above despite the imposition of corrective action plans, and
    - b. Provided the Contractor at least thirty (30) days notice, and
    - c. Provided the Contractor an opportunity to meet with the Department to present the Contractor's position regarding the Department's determination of a violation warranting a Class B sanction.

16) Part I Scope of Work, 11 C shall be modified to add the following at the end:

16. Develop a plan for reporting on the accuracy of eligibility decisions and the timeliness of eligibility processing to be used for the purpose of contract monitoring. A draft plan will be delivered to DSS for review and approval by June 30, 2011. The plan will be implemented within 60 days following DSS approval. Reporting for this purpose will include:
  - a. Accuracy of the eligibility decision with respect to referral, denial, closure and approval; and
  - b. Timeliness of:
    - i. Initial review of application or renewal;
    - ii. Referral to DSS;
    - iii. Request for information;
    - iv. Review of new information;
    - v. Final eligibility decision;
    - vi. Newborn processing.

17) Part I Scope of Work, 12 shall read as follows:

A. The Contractor shall:

1. Produce notices as directed by the Department. The production and distribution of such notices shall be in accordance with the policies and procedures set forth in the Procedures Guide;
2. Supply postage and any required shipping charges at the request of the Department (including any special mailings required and authorized by the Department). The Department shall reimburse the Contractor for incurred postage costs or shall require the Contractor to “drop-ship” the special mailing notices at the Department’s mailroom for mailing from the Department. No mark-up shall be taken on the cost of postage, printing or shipping;
3. Produce and mail Department approved multi-page notices to enrollees as required by the Department;
4. Maintain the capacity to produce, fold, stuff and mail additional documents, including using a mail inserter machine and contracting with a pre-sort mail house in order to achieve administrative and postage savings;
5. Maintain mailroom activities to receive, date-stamp, sort and properly manage mailed documents to the Contractor from enrollees and others.

18) Part 1 Scope of Work, 13 shall read as follows:

A. Introduction

The success of the Department’s managed health service system depends on an integrated data system. The Contractor will perform a pivotal role by transmitting enrollment data to the Department’s vendors for various



services. The Contractor may from time to time be required to produce extracts for the Department.

B. The Contractor shall:

1. Maintain an Eligibility and Enrollment Processing platform that includes the following functionality:
  - a. HUSKY and Charter Oak
    - i. Management of contact with customers;
    - ii. Application processing and tracking;
    - iii. Program management and reporting;
    - iv. Passive Billing services including capitation processing, calculations for all enrolled clients, and a monthly check file with detailed remittance advice for each health plan that the Contractor must submit to the Department by the 8th of each month
    - v. Monthly detail remittance files provided to the health plans in HIPAA 820 TXN format, which includes the check files.
  - b. HUSKY A
    - i. Screening and referral process;
    - ii. Enrollment processing and enrollment verifications;
  - c. HUSKY B and Charter Oak
    - i. Eligibility and enrollment processes that include:
      1. The capacity to Lock-Out clients for non-payment of premiums, and
      2. The capacity to capture client reasons for disenrollment.
    - ii. Daily and monthly enrollment files;
  - d. CT PCIP
    - i. Contact Management;
    - ii. Application processing and tracking
    - iii. Enrollment processing and tracking for the purpose of sending a file to HRA for the actual enrollment;
    - iv. Receiving and handling incoming disenrollment files from HRA;
    - v. Program management and reporting;

- e. Archive client data for a minimum of seven years from the date of its creation or for the duration of any audit requiring the preservation of such data or as otherwise required by Federal or State regulations.
  2. Develop and maintain a cost share tracking system to calculate cumulative costs paid by members, track the totals against limits and notify appropriate parties.
    - a. Develop the file specifications, record layout and business rules for the implementation of this program and coordinate the implementation with DSS and other entities.
    - b. Collect cost share (co-payment) information based on claims data received from MCOs, HP and the CT Dental Health Partnership on a set schedule.
    - c. Aggregate cost share data from all payers and maintain a permanent repository of cost share accumulation at the member level.
    - d. Provide regularly scheduled outbound files to all payers that include notifications at agreed upon pre-set points to advise health plans and other payers of members reaching an annual out of pocket maximum. Also note members whose annual enrollment period triggers the accumulation to start over for the year.
    - e. Handle appeals of cost-sharing calculations when the appeal relates to Contractor's scope of work.
  3. Maintain an imaging and workflow system that is integrated with the eligibility and enrollment processing system to route and store documents electronically. The electronic case record replaces paper records and makes more case information readily available to ACS staff.

C. The Department shall:

1. Create and update HUSKY A medical eligibility files on the mainframe at the state data center;
2. Assure the Contractor that the eligibility of any individual whose eligibility is terminated during the month functionally ends on the last day of the month;
3. Provide information regarding program changes that would affect system modifications as the need arises.
4. Work with the Contractor on cost share tracking to coordinate the participation, detailed requirements gathering, and testing of file layout and data exchange with the various trading partners.
5. Work with the Contractor to define and finalize cost share tracking reports.



#### D. Performance Sanctions

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may, at its option and in accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions," issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed the Information System Functionality as identified above including, but not limited to incorrect application screening, or inaccurate eligibility determinations.

19) Part 1 Scope of Work, 14 shall read as follows:

##### A. The Contractor shall:

1. Report on activities and measures as listed below on a regularly scheduled basis or as otherwise required by the Department, in the format as may be required or modified by the Department from time to time;
2. Adhere to all revised reporting requirements unless the Contractor demonstrates that to meet such requirements, it must modify the functional design of its information systems or increased staffing resulting in additional costs to the Contractor in which case it shall immediately report this finding to the Department;
3. Submit all reports outlined below in accordance with the due dates and, where applicable, in the prescribed format and medium (i.e. electronic and/or hardcopy) mutually agreed upon;
4. Advise the Department when the Contractor identifies a reporting error within one (1) business day of becoming aware of an error that impacts a line item within a report period and resubmit the corrected report within five (5) business days or at a mutually agreed upon timeframe;
5. Identify a key person who will be responsible for the coordination of the transmission of reports and the correction of errors associated with the reports;
6. Provide Ad Hoc or special reports at the request of the Department;
7. Respond to requests for special or ad-hoc reports within five (5) business days or a mutually agreed upon timeframe including reporting specifications, report development, cost and the expected delivery date of information;
8. Provide data from its databases to agency systems and data warehouses as required by the Department; and
9. Transmit no later than the 15<sup>th</sup> of the month following the report period to the Department or other location certain data, files and

reports as the Department may require, including but not limited to the following:

a. HUSKY A

- 1). Connecticut BESST Summary Activity Report
- 2). HUSKY A Data Sheet - Enrollment Data
- 3). Gross Plan Changes by Reason
- 4). Gross Plan Changes by Reason Chart
- 5). Cumulative Net Enrollment by Coverage Group by County
- 6). Net Enrollment Report (by Plan by County)
- 7). Monthly Enrollment Activity Report
- 8). Children Net Enrollment Report
  - a). EPSDT Age Group Under 1
  - b). EPSDT Age Group 1 to 5
  - c). EPSDT Age Group 6 to 14
  - d). EPSDT Age Group 15 to 18
  - e). EPSDT Age Group 19 to 21
  - f). EPSDT Age Group Over 21 Years
- 9). Net Enrollment by County by Age
- 10). Blue Care Net Enrollment by County by Age
- 11). CHN Net Enrollment by County by Age
- 12). PHS Net Enrollment by County by Age
- 13). Preferred One Net Enrollment by County by Age
- 14). All Plans Net Enrollment by County by Age
- 15). DCF Net Enrollment
- 16). Unduplicated Count of Individuals Plan Changes Chart
- 17). HUSKY A Enrollment Report by Town
- 18). HUSKY A Under 19 Enrollment by Town Report
- 19). HUSKY A Enrollment Growth by Month (chart)
- 20). HUSKY A Under 19 Enrollment Growth by Month (chart)
- 21). Count of Enrollees by Race by Plan
- 22). Count of Enrollees by County by Race
- 23). Count of Enrollees by County by Plan
- 24). HUSKY A Capitation Reports, Monthly
- 25). Referred to DSS (E-2) Report, monthly (via diskette)

b. HUSKY B and Charter Oak

- 1). RPT108 Enrollment by Town
- 2). Enrollment by County
- 3). Enrollment by Plan
- 4). Enrollment by Age
- 5). Enrollment by Race
- 6). RPT113 Enrollment Activity Summary
- 7). RPT109 Application Activity
- 8). RPT110 Activity Summary
- 9). RPT111 Signed Applications Received
- 10). RPT112 Approved by Band and Race
- 11). RPT115 Requests for Applications



- 12). Complaints
  - 13). HUSKY B Weekly Report of Application Activities
  - 14). HUSKY B Capitation Reports (quarterly)
  - 15). CMS/HCFA Quarterly Reports, Non-duplicated Enrollment Counts by band
  - 16). Plan Changes by Reason
  - 17). Renewals by Time Since Received
- c. Call Center Reports
- 1). Call Center Activity Report
  - 2). Total HUSKY Call Volume by Month
  - 3). Call Center Monthly Abandonment Rate
  - 4). HUSKY A and B Material Inventory
- d. HUSKY and Charter Oak Data - Protocol Reports - (CCHI):
- 1). Number of Application Requests By town
  - 2). Number of Applications Approved By town
  - 3). Number of Applications Submitted By town
  - 4). Pending Applications by Time Since Received
  - 5). Applications Referred by Time Since Received
- e. Other
- 1). Reports required for CT PCIP of the type described in this section which are consistent with the contractor's function with respect to this program,
  - 2). The timeliness and accuracy of application processing,
  - 3). The timeliness and accuracy of the Contractor's assessment of potential eligibility for Medicaid,
  - 4). The timeliness and accuracy of referring potentially eligible Medicaid applications to the Department.

B. The Department shall:

1. Review and approve report formats and submitted reports; and
2. Approve or deny report submission extension requests.

C. Performance Standards and Measures

The Contractor shall:

1. Produce accurate reports according to the schedule described above; and
2. Attest to the accuracy of the reports through a certifying signature on the reports by an officer of the Contractor or an authorized representative of the Contractor.

D. Performance Sanction

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option and in accordance with Section 17 E1 of this Scope of Work "Performance Standards and Sanctions" issue a strike toward a Class A Performance

Sanction when it determines that the Contractor has not submitted accurate reports within the time standards as defined above.

20) Part 1, Scope of Work, 17.E shall be amended to add the following:

7. If a force majeure event occurs, the Contractor shall not be liable for meeting the performance standards described in this contract during the force majeure event and any recovery period from that event. The parties will work together to recover from any force majeure event as efficiently as possible.

21) The cost and budget provisions for this amendment, for additional expenditures during the period of 10/1/10 to 12/31/13, are attached hereto and are incorporated fully as part of this amendment.

22) The Mandatory Terms and Conditions section of the contract is deleted and replaced in its entirety with the following:



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## PART II. TERMS AND CONDITIONS

The Contractor shall comply with the following terms and conditions.

- A. Definitions. Unless otherwise indicated, the following terms shall have the following corresponding definitions:
1. "Bid" shall mean a bid submitted in response to a solicitation.
  2. "Breach" shall mean a party's failure to perform some contracted-for or agreed-upon act, or his failure to comply with a duty imposed by law which is owed to another or to society.
  3. "Cancellation" shall mean an end to the Contract affected pursuant to a right which the Contract creates due to a Breach.
  4. "Claims" shall mean all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
  5. "Client" shall mean a recipient of the Contractor's services.
  6. "Contract" shall mean this agreement, as of its effective date, between the Contractor and the State for Services.
  7. "Contractor Parties" shall mean a Contractor's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract (e.g. subcontractor) and the Contractor intends for such other person or entity to perform under the Contract in any capacity. For the purpose of this contract, vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program.
  8. "Data" shall mean all results, technical information and materials developed and/or obtained in the performance of the Services hereunder, including but not limited to all reports, survey and evaluation tools, surveys and evaluations, plans, charts, recordings (video and/or sound), pictures, curricula, electronically prepared presentations, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the Services performed hereunder.
  9. "Day" shall mean all calendar days, other than Saturdays, Sundays and days designated as national or State of Connecticut holidays upon which banks in Connecticut are closed.
  10. "Expiration" shall mean an end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract's term being completed.



11. "Force Majeure" shall mean events that materially affect the Services or the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.
12. "Records" shall mean all working papers and such other information and materials as may have been accumulated and/or produced by the Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.
13. "Services" shall mean the performance of Services as stated in Part I of this Contract.
14. "State" shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.
15. "Termination" shall mean an end to the Contract affected pursuant to a right which the Contract creates, other than for a Breach.

B. Client-Related Safeguards.

1. **Inspection of Work Performed.** The Agency or its authorized representative shall at all times have the right to enter into the Contractor's premises, or such other places where duties under the Contract are being performed, to inspect, to monitor or to evaluate the work being performed. The Contractor and all subcontractors must provide all reasonable facilities and assistance to Agency representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this Section shall be made available to the Contractor.
2. **Safeguarding Client Information.** The Agency and the Contractor shall safeguard the use, publication and disclosure of information on all applicants for and all Clients who receive Services under this Contract with all applicable federal and state law concerning confidentiality and as may be further provided under the Contract.
3. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to Client abuse and neglect, including but not limited to requirements as specified in C.G.S. §§ 17a-101 through 103, 19a-216, 46b-120 (related to children); C.G.S. § 46a-11b (relative to persons with mental retardation); and C.G.S. § 17b-407 (relative to elderly persons).
4. **Background Checks.** The State may require that the Contractor and Contractor Parties undergo criminal background checks as provided for in the State of Connecticut Department of Public Safety Administration and Operations Manual or such other State document as governs procedures for background checks. The Contractor and Contractor Parties shall cooperate fully as necessary or reasonably requested with the State and its agents in connection with such background checks.

C. Contractor Obligations.

1. Cost Standards. Effective January 1, 2007, the Contractor and funding state Agency shall comply with the Cost Standards issued by OPM, as may be amended from time to time. The Cost Standards are published by OPM on the Web at [http://ct.gov/opm/fin/cost\\_standards](http://ct.gov/opm/fin/cost_standards). Such Cost Standards shall apply to:
  - (a) all new contracts effective on or after January 1, 2007;
  - (b) all contract amendments modifying funding, effective on or after January 1, 2007;
  - (c) all contracts in effect on or after July 1, 2007.
2. Credits and Rights in Data. Unless expressly waived in writing by the Agency, all Records and publications intended for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the State and the Agency and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify and hold harmless the Agency, unless the Agency or its agents co-authored said publication and said release is done with the prior written approval of the Agency Head. All publications shall contain the following statement: "This publication does not express the views of the [insert Agency name] or the State of Connecticut. The views and opinions expressed are those of the authors." Neither the Contractor nor any of its agents shall copyright Data and information obtained under this Contract, unless expressly previously authorized in writing by the Agency. The Agency shall have the right to publish, duplicate, use and disclose all such Data in any manner, and may authorize others to do so. The Agency may copyright any Data without prior Notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Agency of such Data.
3. Organizational Information, Conflict of Interest, IRS Form 990. During the term of the Contract and the 180 days following its date of Termination and/or Cancellation, the Contractor shall submit to the Agency copies of the following within thirty (30) days after having filed them:
  - (a) its most recent IRS Form 990 submitted to the federal Internal Revenue Service, and
  - (b) its most recent Annual Report filed with the Connecticut Secretary of the State's Office or such other information that the Agency deems appropriate with respect to the organization and affiliation of the Contractor and related entities.
4. Federal Funds.
  - (a) The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Agency shall specify all such requirements in Part I of this Contract.



- (b) The Contractor acknowledges that the Agency has established a policy, as mandated by section 6032 of the Deficit Reduction Act (DRA) of 2005, P.L. 109-171, that provides detailed information about the Federal False Claims Act, 31 U.S.C. §§ 3729-3733, and other laws supporting the detection and prevention of fraud and abuse.
  - (1) Contractor acknowledges that is has received a copy of said policy and shall comply with its terms, as amended, and with all applicable state and federal laws, regulations and rules. Contractor shall provide said policy to subcontractors and shall require compliance with the terms of the policy. Failure to abide by the terms of the policy, as determined by the Agency, shall constitute a Breach of this Contract and may result in termination of this Contract.
- (c) This section applies if, under this Contract, the Contractor or Contractor Parties furnishes, or otherwise authorizes the furnishing of health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by the Agency.
- (d) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
- (e) Contractor shall not, for purposes of performing the Contract with the Agency, knowingly employ or contract with, with or without compensation: (A) any individual or entity listed by a federal agency as excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs; or (B) any person or entity who is excluded from contracting with the State of Connecticut or the federal government (as reflected in the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, Department of Health and Human Services, Office of Inspector General (HHS/OIG) Excluded Parties list and the Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked Persons List). Contractor shall immediately notify the Agency should it become subject to an investigation or inquiry involving items or services reimbursable under a federal health care program or be listed as ineligible for participation in or to perform services in connection with such program. The Agency may terminate this Contract immediately if at any point the Contractor, subcontractor or any of their employees are sanctioned, suspended, excluded from or otherwise become ineligible to participate in federal health care programs.

5. Audit Requirements.

- (a) The State Auditors of Public Accounts shall have access to all Records for the fiscal year(s) in which the award was made. The Contractor shall provide for an annual financial audit acceptable to the Agency for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The Contractor shall comply with federal and state single audit standards as applicable.
- (b) The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State,

including, but not limited to, the Agency, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents. Requests for any audit or inspection shall be in writing, at least ten (10) days prior to the requested date. All audits and inspections shall be at the requester's expense. The State may request an audit or inspection at any time during the Contract term and for three (3) years after Termination, Cancellation or Expiration of the Contract. The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.

(c) For purposes of this subsection as it relates to State grants, the word "Contractor" shall be read to mean "nonstate entity," as that term is defined in C.G.S. § 4-230.

6. Related Party Transactions. The Contractor shall report all related party transactions, as defined in this section, to the Agency on an annual basis in the appropriate fiscal report as specified in Part I of this Contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor or Contractor Party and a related party include, but are not limited to:

(a) real estate sales or leases;

(b) leases for equipment, vehicles or household furnishings;

(c) mortgages, loans and working capital loans; and

(d) contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor or Contractor Party.

7. Suspension or Debarment. In addition to the representations and requirements set forth in Section D.4:

(a) The Contractor certifies for itself and Contractor Parties involved in the administration of federal or state funds that they:

(1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental agency (federal, state or local);

(2) within a three year period preceding the effective date of this Contract, have not been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; for violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification



or destruction of records, making false statements or receiving stolen property;

- (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the above offenses; (4) have not within a three year period preceding the effective date of this Contract had one or more public transactions terminated for cause or fault.

(b) Any change in the above status shall be immediately reported to the Agency.

- 8. Liaison. Each Party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Agency in the performance and administration of this Contract.
- 9. Subcontracts. Each Contractor Party's identity, services to be rendered and costs shall be detailed in Part I of this Contract. Absent compliance with this requirement, no Contractor Party may be used or expense paid under this Contract unless expressly otherwise provided in Part I of this Contract. No Contractor Party shall acquire any direct right of payment from the Agency by virtue of this section or any other section of this Contract. The use of Contractor Parties shall not relieve the Contractor of any responsibility or liability under this Contract. The Contractor shall make available copies of all subcontracts to the Agency upon request.
- 10. Independent Capacity of Contractor. The Contractor and Contractor Parties shall act in an independent capacity and not as officers or employees of the state of Connecticut or of the Agency.
- 11. Indemnification.
  - (a) The Contractor shall indemnify, defend and hold harmless the state of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:
    - (1) claims arising directly or indirectly, in connection with the Contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties; and
    - (2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its indemnification and hold-harmless obligations under this Contract. The Contractor's obligations under this section to indemnify, defend and hold harmless against claims includes claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the Contract.

- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such claims.
- (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the claims.
- (d) The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any sections survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the Contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a claim against a third party.
- (f) This section shall survive the Termination, Cancellation or Expiration of the Contract, and shall not be limited by reason of any insurance coverage.

12. Insurance. Before commencing performance, the Agency may require the Contractor to obtain and maintain specified insurance coverage. In the absence of specific Agency requirements, the Contractor shall obtain and maintain the following insurance coverage at its own cost and expense for the duration of the Contract:

- (a) Commercial General Liability. \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include, Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability, and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the services to be performed under this Contract or the general aggregate limit shall be twice the occurrence limit;
- (b) Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of this Contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of this Contract then automobile coverage is not required.
- (c) Professional Liability. \$1,000,000 limit of liability, if applicable; and/or



- (d) Workers' Compensation and Employers Liability. Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.

13. Choice of Law/Choice of Forum, Settlement of Disputes, Claims Against the State.

- (a) The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.
- (b) Any dispute concerning the interpretation or application of this Contract shall be decided by the Agency Head or his/her designee whose decision shall be final, subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the Agency Head pursuant to this section, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Agency shall proceed diligently with the performance of the Contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Title 4, Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings, except as authorized by that Chapter, in any state or federal court in addition to or in lieu of said Chapter 53 proceedings.

14. Compliance with Law and Policy, Facility Standards and Licensing.  
Contractor shall comply with all:

- (a) pertinent local, state and federal laws and regulations as well as Agency policies and procedures applicable to contractor's programs as specified in this Contract. The Agency shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures which the Agency has responsibility to promulgate or enforce; and
- (b) applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent

state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

15. Representations and Warranties. Contractor shall:
  - (a) perform fully under the Contract;
  - (b) pay for and/or secure all permits, licenses and fees and give all required or appropriate notices with respect to the provision of Services as described in Part I of this Contract; and
  - (c) adhere to all contractual sections ensuring the confidentiality of all Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law.
16. Reports. The Contractor shall provide the Agency with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the Contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor shall provide the Agency with such reports as the Agency requests as required by this Contract.
17. Delinquent Reports. The Contractor shall submit required reports by the designated due dates as identified in this Contract. After notice to the Contractor and an opportunity for a meeting with an Agency representative, the Agency reserves the right to withhold payments for services performed under this Contract if the Agency has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this Contract or previous contracts for similar or equivalent services the Contractor has entered into with the Agency. This section shall survive any Termination of the Contract or the Expiration of its term.
18. Record Keeping and Access. The Contractor shall maintain books, Records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this Contract. These Records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the State or, where applicable, federal agencies. The Contractor shall retain all such Records concerning this Contract for a period of three (3) years after the completion and submission to the State of the Contractor's annual financial audit.
19. Encryption of Data.
  - (a) The Contractor, at its own expense, shall encrypt any and all electronically stored data now or hereafter in its possession or control located on non-state owned or managed devices that the State, in accordance with its existing state policies classifies as confidential or restricted. The method of encryption shall be compliant with the State of Connecticut Enterprise Wide Technical Architecture ("EWTA") or such other method as deemed acceptable by the Agency. This shall be a continuing obligation for compliance with the EWTA standard as it may change from time to time. The EWTA domain



architecture documents can be found at  
<http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968>.

- (b) In the event of a breach of security or loss of State data, the Contractor shall notify the Agency and the OAG as soon as practical but not later than twenty-four (24) hours after the discovery or suspicion of such breach or loss that such data has been comprised through breach or loss. The requirements of this section are in addition to those that may apply under Part II, Section E.
20. Workforce Analysis. The Contractor shall provide a workforce Analysis Affirmative Action report related to employment practices and procedures.
21. Litigation.
- (a) The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
  - (b) The Contractor shall provide written Notice to the Agency of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990 as revised or amended from time to time, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other requirements of federal or state law concerning equal employment opportunities or nondiscriminatory practices.
22. Sovereign Immunity. The Contractor and Contractor Parties acknowledge and agree that nothing in the Contract, or the solicitation leading up to the Contract, shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent that this Section conflicts with any other Section, this Section shall govern.

Section D. Changes To The Contract, Termination, Cancellation and Expiration.

1. Contract Amendment.
- (a) No amendment to or modification or other alteration of this Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the Connecticut Attorney General.

- (b) The Agency may amend this Contract to reduce the contracted amount of compensation if:
  - (1) the total amount budgeted by the State for the operation of the Agency or Services provided under the program is reduced or made unavailable in any way; or
  - (2) federal funding reduction results in reallocation of funds within the Agency.
- (c) If the Agency decides to reduce the compensation, the Agency shall send written Notice to the Contractor. Within twenty (20) Days of the Contractor's receipt of the Notice, the Contractor and the Agency shall negotiate the implementation of the reduction of compensation unless the parties mutually agree that such negotiations would be futile. If the parties fail to negotiate an implementation schedule, then the Agency may terminate the Contract effective no earlier than sixty (60) Days from the date that the Contractor receives written notification of Termination and the date that work under this Contract shall cease.

2. Contractor Changes and Assignment.

- (a) The Contractor shall notify the Agency in writing:
  - (1) at least ninety (90) days prior to the effective date of any fundamental changes in the Contractor's corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility;
  - (2) no later than ten (10) days from the effective date of any change in:
    - (A) its certificate of incorporation or other organizational document;
    - (B) more than a controlling interest in the ownership of the Contractor; or
    - (C) the individual(s) in charge of the performance.
- (b) No such change shall relieve the Contractor of any responsibility for the accuracy and completeness of the performance. The Agency, after receiving written Notice from the Contractor of any such change, may require such contracts, releases and other instruments evidencing, to the Agency's satisfaction, that any individuals retiring or otherwise separating from the Contractor have been compensated in full or that allowance has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to the Agency in accordance with the terms of the Agency's written request. The Agency may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the surviving Contractor Parties,



as appropriate, must continue to perform under the Contract until performance is fully completed.

- (c) Assignment. The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of the Agency.
  - (1) The Contractor shall comply with requests for documentation deemed to be appropriate by the Agency in considering whether to consent to such assignment.
  - (2) The Agency shall notify the Contractor of its decision no later than forty-five (45) Days from the date the Agency receives all requested documentation.
  - (3) The Agency may void any assignment made without the Agency's consent and deem such assignment to be in violation of this Section and to be in Breach of the Contract. Any cancellation of this Contract by the Agency for a Breach shall be without prejudice to the Agency's or the State's rights or possible claims against the Contractor.

3. Breach.

- (a) If either party Breaches this Contract in any respect, the non-breaching party shall provide written notice of the Breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) Days from the date that the breaching party receives the notice. In the case of a Contractor Breach, the Agency may modify the ten (10) day cure period in the notice of Breach. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure, but the nature of the Breach is such that it cannot be cured within the right to cure period. The Notice may include an effective Contract Termination date if the Breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the Termination date, no further action shall be required of any party to effect the Termination as of the stated date. If the notice does not set forth an effective Contract Termination date, then the non-breaching party may terminate the Contract by giving the breaching party no less than twenty four (24) hours' prior written Notice after the expiration of the cure period.
- (b) If the Agency believes that the Contractor has not performed according to the Contract, the Agency may:
  - (1) withhold payment in whole or in part pending resolution of the performance issue, provided that the Agency notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the budget;
  - (2) temporarily discontinue all or part of the Services to be provided under the Contract;

- (3) permanently discontinue part of the Services to be provided under the Contract;
  - (4) assign appropriate State personnel to provide contracted for Services to assure continued performance under the Contract until such time as the contractual Breach has been corrected to the satisfaction of the Agency;
  - (5) require that contract funding be used to enter into a subcontract with a person or persons designated by the Agency in order to bring the program into contractual compliance;
  - (6) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the State or the program(s) provided under this Contract or both; or
  - (7) any combination of the above actions.
- (c) The Contractor shall return all unexpended funds to the Agency no later than thirty (30) calendar days after the Contractor receives a demand from the Agency.
  - (d) In addition to the rights and remedies granted to the Agency by this Contract, the Agency shall have all other rights and remedies granted to it by law in the event of Breach of or default by the Contractor under the terms of this Contract.
  - (e) The action of the Agency shall be considered final. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the mutually agreed plan of correction, the Agency may proceed with Breach remedies as listed under this section.
4. Non-enforcement Not to Constitute Waiver. No waiver of any Breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent Breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity. A party's failure to insist on strict performance of any section of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or Breach.
5. Suspension. If the Agency determines in its sole discretion that the health and welfare of the clients or public safety is being adversely affected, the Agency may immediately suspend in whole or in part the Contract without prior notice and take any action that it deems to be necessary or appropriate for the benefit of the clients. The Agency shall notify the Contractor of the specific reasons for taking such action in writing within five (5) Days of immediate suspension. Within five (5) Days of receipt of this notice, the Contractor may request in writing a meeting with the Agency Head or designee. Any such meeting shall be held within five (5) Days of the written request, or such later time as is mutually agreeable to the parties. At the meeting, the Contractor shall be given an opportunity to present information on why the Agency's actions should be reversed or modified. Within five (5) Days of such meeting, the Agency shall notify



the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Agency head or designee. This action of the Agency head or designee shall be considered final.

6. Ending the Contractual Relationship.

- (a) This Contract shall remain in full force and effect for the duration of its entire term or until such time as it is terminated earlier by either party. Either party may terminate this contract by providing at least sixty (60) days prior written notice pursuant to the Notice requirements of this Contract.
- (b) The Agency may immediately terminate the Contract in whole or in part whenever the Agency makes a determination that such termination is in the best interest of the State. Notwithstanding Section D.2, the Agency may immediately terminate or cancel this Contract in the event that the Contractor or any subcontractors becomes financially unstable to the point of threatening its ability to conduct the services required under this Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets.
- (c) The Agency shall notify the Contractor in writing of Termination pursuant to subsection (b) above, which shall specify the effective date of termination and the extent to which the Contractor must complete or immediately cease performance. Such Notice of Termination shall be sent in accordance with the Notice provision contained on page 1 of this Contract. Upon receiving the Notice from the Agency, the Contractor shall immediately discontinue all Services affected in accordance with the Notice, undertake all reasonable and necessary efforts to mitigate any losses or damages, and deliver to the Agency all Records as defined in Section A.12, unless otherwise instructed by the Agency in writing, and take all actions that are necessary or appropriate, or that the Agency may reasonably direct, for the protection of Clients and preservation of any and all property. Such Records are deemed to be the property of the Agency and the Contractor shall deliver them to the Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from the Agency for the specified records whichever is less. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to ASCII or .TXT.
- (d) The Agency may terminate the Contract at any time without prior notice when the funding for the Contract is no longer available.
- (e) The Contractor shall deliver to the Agency any deposits, prior payment, advance payment or down payment if the Contract is terminated by either party within thirty (30) days after receiving demand from the Agency. The Contractor shall return to the Agency any funds not expended in accordance with the terms and conditions of the Contract and, if the Contractor fails to do so upon demand, the Agency may recoup said funds from any future payments owing under this Contract or any other contract between the State and the Contractor. Allowable costs, as detailed in audit findings, incurred

until the date of termination for operation or transition of program(s) under this Contract shall not be subject to recoupment.

7. Transition after Termination or Expiration of Contract.

- (a) If this Contract is terminated for any reason or it expires in accordance with its term, the Contractor shall do and perform all things which the Agency determines to be necessary or appropriate to assist in the orderly transfer of Clients served under this Contract and shall assist in the orderly cessation of Services it performs under this Contract. In order to complete such transfer and wind down the performance, and only to the extent necessary or appropriate, if such activities are expected to take place beyond the stated end of the Contract term then the Contract shall be deemed to have been automatically extended by the mutual consent of the parties prior to its expiration without any affirmative act of either party, including executing an amendment to the Contract to extend the term, but only until the transfer and winding down are complete.
- (b) If this Contract is terminated, cancelled or not renewed, the Contractor shall return to the Agency any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract in accordance with the written instructions from the Agency in accordance with the Notice provision of this Contract. Written instructions shall include, but not be limited to, a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. Unless the Agency specifies a shorter time frame in the letter of instructions, the Contractor shall affect the returns to the Agency no later than sixty (60) days from the date that the Contractor receives Notice.

E. Statutory and Regulatory Compliance.

1. Health Insurance Portability and Accountability Act of 1996.

- (a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract ("Agency") is a "covered entity" as that term is defined in 45 C.F.R. § 160.103; and



- (d) The Contractor, on behalf of the Agency, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor is a “business associate” of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (f) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), (Pub. L. 111-5, §§ 13400 to 13423)<sup>1</sup>, and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
  - (1) “Breach” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(1)).
  - (2) “Business Associate” shall mean the Contractor.
  - (3) “Covered Entity” shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
  - (4) “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. § 164.501.
  - (5) “Electronic Health Record” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(5)).
  - (6) “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
  - (7) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
  - (8) “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
  - (9) “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.
  - (10) “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.

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<sup>1</sup> The effective date of the HITECH Act is February 17, 2010.

- (11) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
  - (12) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
  - (13) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
  - (14) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
  - (15) "Unsecured protected health information" shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HI TECH. Act. (42 U.S.C. §17932(h)(1)(A)).
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
  - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
  - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
  - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
  - (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
  - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
  - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or,



as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.

- (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with subsection (h)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
  - (A) restrict disclosures of PHI;
  - (B) provide an accounting of disclosures of the individual's PHI; or

- (C) provide a copy of the individual's PHI in an electronic health record, the Business Associate agrees to notify the covered entity, in writing, within two business days of the request.
- (15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without
- (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and
  - (B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations
- (16) Obligations in the Event of a Breach.
- (A) The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. 17932(b) and this Section of the Contract.
  - (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402(g) of HITECH (42 U.S.C. 17932(g)). A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.
  - (C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
    - 1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.



2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
3. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.
4. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
5. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.

(D) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site and a postal address. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.

(E) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.

(i) Permitted Uses and Disclosure by Business Associate.

(1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if

done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

(2) Specific Use and Disclosure Provisions

(A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.

(B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(j) Obligations of Covered Entity.

(1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

(2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.



- (l) Term and Termination.
  - (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (h)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
  - (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
    - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
    - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
    - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
  - (3) Effect of Termination.
    - (A) Except as provided in (l)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (h)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
    - (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to

those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

- (m) Miscellaneous Sections.
- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
  - (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
  - (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
  - (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
  - (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
  - (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
  - (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded



thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

2. Americans with Disabilities Act. The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 (<http://www.ada.gov/>) as amended from time to time (“Act”) to the extent applicable, during the term of the Contract. The Agency may cancel this Contract if the Contractor fails to comply with the Act. The Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it shall hold the State harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor shall comply with section 504 of the Federal Rehabilitation Act of 1973, as amended from time to time, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
3. Utilization of Minority Business Enterprises. The Contractor shall perform under this contract in accordance with 45 C.F.R. Part 74; and, as applicable, C.G.S. §§ 4a-60 to 4a-60a and 4a-60g to carry out this policy in the award of any subcontracts.
4. Priority Hiring. Subject to the Contractor’s exclusive right to determine the qualifications for all employment positions, the Contractor shall give priority to hiring welfare recipients who are subject to time-limited welfare and must find employment. The Contractor and the Agency shall work cooperatively to determine the number and types of positions to which this Section shall apply.
5. Non-discrimination.
  - (a) The following subsections are set forth here as required by section 4a-60 of the Connecticut General Statutes:
    - (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such

Contractor that such disability prevents performance of the work involved;

- (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission;
  - (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (4) the Contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f;
  - (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and section 46a-56.
- (b) If the Contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (c) "Minority business enterprise" means any small contractor or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons:
- (1) Who are active in the daily affairs of the enterprise,
  - (2) who have the power to direct the management and policies of the enterprise and
  - (3) who are members of a minority, as such term is defined in subsection (a) of section 32-9n; and

"good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.



- (d) Determination of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (e) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- (f) The Contractor shall include the provisions of sections (a) and (b) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (g) The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes:
  - (1) the Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
  - (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and
  - (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of

the Contractor which relate to the provisions of this section and section 46a-56.

- (h) The Contractor shall include the provisions of section (g) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (i) For the purposes of this entire Non-Discrimination section, "Contract" or "contract" includes any extension or modification of the Contract or contract, "Contractor" or "contractor" includes any successors or assigns of the Contractor or contractor, "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced, and "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders. For the purposes of this section, "Contract" does not include a contract where each contractor is
  - (1) a political subdivision of the state, including, but not limited to, a municipality,
  - (2) a quasi-public agency, as defined in C.G.S. § 1-120,
  - (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in C.G.S. § 1-267,
  - (4) the federal government,
  - (5) a foreign government, or
  - (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

6. Freedom of Information.

- (a) Contractor acknowledges that the Agency must comply with the Freedom of Information Act, C.G.S. §§ 1-200 *et seq.* ("FOIA") which requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b).



- (b) Governmental Function. In accordance with C.G.S. § 1-218, if the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contractor is a “person” performing a “governmental function”, as those terms are defined in C.G.S. §§ 1-200(4) and (11), the Agency is entitled to receive a copy of the Records and files related to the Contractor’s performance of the governmental function, which may be disclosed by the Agency pursuant to the FOIA.
7. Whistleblowing. This Contract is subject to C.G.S. § 4-61dd if the amount of this Contract is a “large state contract” as that term is defined in C.G.S. § 4-61dd(h). In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee’s disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) for each offense, up to a maximum of twenty per cent (20%) of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day’s continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the relevant sections of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.
8. Campaign Contribution Restrictions. For all State contracts as defined in C.G.S. § 9-612(g) the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission’s (“SEEC”) notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11 reproduced below:

NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND  
PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN  
CONTRIBUTION AND SOLICITATION BAN

This notice is provided under the authority of Connecticut General Statutes § 9-612(g)(2), as amended by P.A. 07-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined below):

Campaign Contribution and Solicitation Ban

No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State

Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

#### Duty to Inform

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

#### Penalties for Violations

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—\$2000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of \$2000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or \$5000 in fines, or both.

#### Contract Consequences

Contributions made or solicited in violation of the above prohibitions may result, in the case of a state contractor, in the contract being voided.

Contributions made or solicited in violation of the above prohibitions, in the case of a prospective state contractor, shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State will not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information and the entire text of P.A. 07-1 may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seec](http://www.ct.gov/seec). Click on the link to “State Contractor Contribution Ban.”

#### Definitions:



“State contractor” means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. “State contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

“Prospective state contractor” means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100.

“Prospective state contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

“Principal of a state contractor or prospective state contractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has managerial or discretionary responsibilities with respect to a state contract, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

“State contract” means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the

furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan or a loan to an individual for other than commercial purposes.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual. "Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

9. Non-smoking. If the Contractor is an employer subject to C.G.S. § 31-40q, the Contractor shall provide the Agency with a copy of its written rules concerning smoking. Evidence of compliance with C.G.S. § 31-40q must be received prior to Contract approval by the Agency.
10. Executive Orders. This Contract is subject to Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices; Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings; Executive Order No. 16 of Governor John G. Rowland, promulgated August 4, 1999, concerning violence in the workplace. This Contract may also be subject to Executive Order 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions. All of these Executive orders are incorporated into and made a part of the Contract as if they had been fully set forth




in it. At the Contractor's request, the Agency shall provide a copy of these Orders to the Contractor.

23) All other terms and conditions of the original contract and subsequent amendments not specifically amended herein shall remain in full force and effect.

### ACCEPTANCES AND APPROVALS

Documentation necessary to demonstrate the authorization to sign must be attached.

**ACS STATE HEALTHCARE, LLC**

  
Mark L. Boxer, *President*

9-29-10

Date


**DEPARTMENT OF SOCIAL SERVICES**

  
MICHAEL P. STARKOWSKI, *Commissioner*

9/29/10

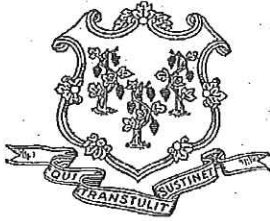
Date

**OFFICE OF THE ATTORNEY GENERAL**

  
*Assoc.* ATTORNEY GENERAL (Approved as to form & legal sufficiency)

9/30/10  
Date

STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES



CONTRACT AMENDMENT

**Contractor:** ACS State Healthcare, LLC  
**Contractor Address:** 9040 Roswell Road, Suite 700, Atlanta, GA 30350  
**Contract Number:** 07DSS1101AF/999-ACS-HUS-02  
**Amendment Number:** 3  
**AMOUNT AS AMENDED:** \$30,881,234.00  
**CONTRACT TERM AS AMENDED:** 02/01/2007-12/31/10

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The contract between ACS State Healthcare, LLC and the Department of Social Services, which was last executed by the parties and signed by the Commissioner of the Department of Social Services on 06/12/08 is hereby amended as follows:

1. ACS' current staffing shall be increased by the addition of 20 full time temporary Eligibility Processing positions.
2. Such ACS temporary staff shall be housed in the DSS EMS Training Room and additional workstations and equipment will be made available at DSS for these individuals for the duration of their temporary assignment.
3. The budget shall be increased by \$235,500.00 to include:
  - a. \$217,500.00 for Eligibility Processing Staff for the period of December 8, 2008 through February 28, 2009, including overtime; and
  - b. \$18,000.00 for the addition of a temporary full time Eligibility Supervisor for this same time period.
4. All other terms and conditions of the original contract and two previous amendments not amended herein shall remain in full force and effect.



ACCEPTANCES AND APPROVALS

Documentation necessary to demonstrate the authorization to sign must be attached.

CONTRACTOR

Daniel A. Dwyer 1/22/2009  
Authorized Official (Signature) Date  
DANIEL A. DWYER, VP Northern US Operations  
Title

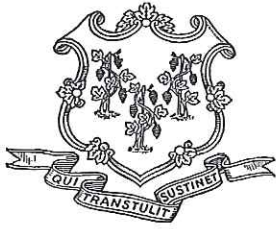
DEPARTMENT OF SOCIAL SERVICES

[Signature] 3/6/09  
Date

OFFICE OF THE ATTORNEY GENERAL

[Signature] 3/12/09  
ATTORNEY GENERAL (Approved as to form & legal sufficiency) Date  
ASSOC. ATTY GENERAL

- This contract does not require the signature of the Attorney General pursuant to an agreement between the Department and the Office of the Attorney General, dated \_\_\_/\_\_\_/\_\_\_



STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES

## CONTRACT AMENDMENT

**Contractor:** ACS State Healthcare, LLC  
**Contractor Address:** 9040 Roswell Road, Suite 700, Atlanta, GA 30350  
**Contract Number:** 07DSS1101AF/999-ACS-HUS-02  
**Amendment Number:** 2  
**AMOUNT AS AMENDED:** \$30,645,934.00  
**CONTRACT TERM AS AMENDED:** 02/01/2007-12/31/10

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The contract between ACS State Healthcare, LLC and the Department of Social Services, which was last executed by the parties and signed by the Commissioner of the Department of Social Services on 02/22/08 is hereby amended as follows:

- 1) The term of the contract is extended for an additional thirty months and the end date of the contract is changed from 06/30/2008 to 12/31/2010.
- 2) The total maximum amount payable under this contract is increased by \$23,353,237.00 from \$7,292,697.00 (\$7,150,197.00 plus an additional \$142,500.00 for the newborn initiative as mandated in a change order letter and amended herein) to \$30,645,934.00.
- 3) The Mandatory Terms and Conditions associated with this contract are replaced in their entirety by the Mandatory Terms and Conditions attached hereto.
- 4) All references to Primary Care Case Management contained herein shall become effective on or about October 1, 2008. Contractor shall not be held responsible for actions related to PCCM until notified by Department that such actions are necessary.
- 5) Part I. Scope of Work. 2. shall now read as follows:

**2. General Description of the HUSKY, Charter Oak, PCCM Application/Enrollment Broker Contract**

The Department through this contract with ACS State Healthcare, LLC, hereinafter referred to as the "Contractor," will perform the functions of:

- A. Enrollment broker to an appropriate MCO or Primary Care Case Management (PCCM) provider for eligible individuals enrolled in the HUSKY A and B programs, as well as any eligible individuals enrolled in the Charter Oak Health Plan (Charter Oak);
- B. Single Point of Entry, education and application screening for individuals applying for the HUSKY Program or Charter Oak;



- C. Eligibility determination for the HUSKY B and Charter Oak Programs;
- D. Passive billing and MCO fee calculation;
- E. Premium billing and collection for HUSKY B and Charter Oak Programs; and
- F. Related activities as more fully described in the Scope of Work below, including, but not limited to counseling potential enrollees regarding their MCO choices prior to the selection of their plan; enrolling individuals in a managed care organization; assisting enrollees with the initial selection of primary care providers for each eligible individual in the family; maintaining a sufficiently trained and professional staff to competently perform its activities; managing its performance quality; maintaining sufficient data management capacity to manage such decisions; and integrating data applications with the Department's data systems.

6) Part I. Scope of Work. 5. shall now read as follows:

**5. Task Related Policies and Procedures**

**B. The Department shall:**

- 1. Provide to the contractor and interpret regulations, law, legislative intent and practice standards as may be required from time to time. Provide a current draft of the Department's Charter Oak regulations as they become available.

7) Part I. Scope of Work. 6. shall now read as follows:

**6. Call Center**

**A. The Department and Contractor acknowledge and agree that the Contractor's:**

- 1. Call center technology referred to in this Contract as an Automated Call Distribution (ACD) system distributes and manages calls, tracks calls, provides automated information and records voice calls and data. ACD is a primary means through which the Contractor shall perform the terms of this Contract including, but not limited to, counseling and enrolling members into a managed care plan or with a PCCM provider, obtaining information to screen the eligibility of HUSKY or Charter Oak applicants, and providing information to other stakeholders;

**B. The Contractor shall:**

- 3. Provide a toll-free number for callers to obtain HUSKY or Charter Oak applications, Plan enrollment information, PCCM provider enrollment information, customer survey information, and to support clients, provider and MCO related functions within the Contractor's scope of work outlined in this Contract;

8) Part I. Scope of Work. 7. shall now read as follows:

**7. Enrollment Brokerage**

The Contractor's Enrollment brokerage staff will provide non-clinical MCO Plan enrollment information and PCCM provider information to enrollees. All staff shall communicate with enrollees professionally, respecting cultural sensitivities, by telephone and through other media as necessary.

**A. The Contractor shall:**

1. Provide to the Department the Contractor's policies and procedures supporting HUSKY A and B and Charter Oak Enrollment Brokerage services (applicable to the predecessor contract);
  10. Track enrollees' requests to disenroll from or transfer between MCOs or PCCMs and record the reasons;
  11. Track enrollees' exemption requests from enrollment into an MCO Plan and PCCM and record the reasons;
  13. Coordinate with the Department MCO and PCCM enrollment exemption requests for HUSKY A on a case-by-case temporary basis or for as long as the condition that necessitates the exemption exists from otherwise mandated beneficiaries who:
    - a. Are in advanced stages of terminal illness;
    - b. Are in the last trimester of pregnancy and have an established relationship with an obstetrician who is not participating in HUSKY A;
    - c. Would experience a disruption of treatment if enrolled;
    - d. Are hospitalized on the first day of enrollment;
    - e. Live out-of-state;
    - f. Are receiving targeted case management from either the Department of Mental Health and Addiction Services or the Department of Mental Retardation, or
    - g. Other reasons as determined by the Department from time to time.
  14. Manage enrollment files as follows:
    - a. Transmit to the Department and its contractors an end of the month HUSKY B and Charter Oak enrollment files that list enrollees who will be eligible for services for the following month;
    - b. Transmit to the Department and its contractors daily file updates (adds/deletes) for HUSKY B and Charter Oak enrollees; and
    - c. Place daily and monthly HUSKY B and Charter Oak eligibility files on an FTP secure site from which appropriate users may download the files;
- 9) Part I. Scope of Work, 8. Eligibility Determination shall now read as follows:

**8. Eligibility Determination**

**C. Performance Standards and Measures**

**The Contractor shall:**

1. Date stamp all applications or additional application information on the day (Day 1) the Contractor receives the applications or additional information;
2. Review each application within two days from the date the Contractor receives the application (Day 1) and determine whether the application is:
  - a. Complete, in which case the Contractor shall:
    - 1). Complete the screening the same day (Day 3)



- 2). Refer “likely HUSKY A” applications to the Department by the next business day (Day 4).
- b. Incomplete, in which case, the Contractor shall:
  - 1). Mail (by the next business day - Day 4) an “incomplete” letter to the client requesting additional information;
  - 2). Review new information provided by the client within three days from the date the Contractor receives the new information and if
    - a). Complete refer to the process steps under “a” above, or if
    - b). Incomplete mail (by the next business day) an “incomplete” letter to the client requesting additional information.
  - 3). Refer all potentially eligible HUSKY A applications to the Department no later than twelve business days from the date that the Contractor mails the first “incomplete letter” to the client as described in b. 1) above.
3. Perform all necessary action on all complete HUSKY B applications to determine whether or not the applicant is eligible for HUSKY B benefits within seven days from the day the Contractor receives the application.
4. Deny all incomplete HUSKY B applications thirty days from the day the Contractor receives the initial application (when the applicant fails to provide additional information as requested by the Contractor) except that the thirty day requirement may be extended when the Department provides the Contractor additional time to complete its processing when the Contractor requests additional time in advance of the thirty day expiration date.
5. Reopen cases denied due to non-receipt of requested information when the applicant provides the outstanding information within sixty (60) days from the received date.
6. All of the above provisions shall apply, except as to newborn applicants whose application has been received from a Connecticut or Border hospital, or the parent or guardian of the newborn, within 30 days of the child’s birth. For newborn applications received, the Contractor shall:
  - a) Process the application within one business day. One business day shall be defined as by the end of business the next business day. For example, if an application is received at 4pm on Monday, it must be forwarded or granted no later than by the close of business on Tuesday. If however, the application is received at 8am on Monday, it is still not due until the close of business on Tuesday;
  - b) If the newborn is eligible for HUSKY A, refer the application to the Department of Social Services Regional Processing Unit (RPU);
  - c) If the newborn is eligible for HUSKY B, enroll the child in the selected MCO and issue a letter to the parent or guardian notifying them of the four month waiver of premium;
  - d) Notify the MCO, via the next daily file, of the waiver requirement;
  - e) Follow up with said parent or guardian through eligibility outcome, reminder, and premium billing notices over the next four months, to be sure they are aware of the date the premium becomes due; and

- f) Share with Allied Community Resources, Inc. the contact information for the children who are on the newborn initiative waiver each month, so that Allied may conduct continued outreach.

**The Department shall:**

1. Examine and review the Contractor's HUSKY application performance on a quarterly schedule within thirty days from the close of the quarter;
2. Select, at its discretion, any number of applications processed by the Contractor during the performance quarter to evaluate;
3. Evaluate the applications utilizing a formal evaluation instrument developed by the Department and mutually agreed upon by the Contractor for this purpose;
4. Assign a "pass" or "fail" score; and
5. Review the results of the analysis with the Contractor and, when appropriate, require corrective action with a specified time for the Contractor to comply.
6. Provide the contractor with a reasonable period of time to respond to the results of the Department's review.

10) Part I. Scope of Work, 9. Passive Billing and MCO Calculation shall now read as follows:

**9.HUSKY and Charter Oak Passive billing and MCO and PCCM fee calculation**

**A. The Contractor shall:**

1. Accurately transfer HUSKY and Charter Oak rates into the Contractor's data system;
2. Maintain a detailed database of premium payments, including but not limited to the following data elements:
  - a. Client name;
  - b. Client identification number;
  - c. Premium amount;
  - d. Payment date;
  - e. Adjustments;
  - f. MCO or PCCM membership;
  - g. Other information as determined by the Department and Contractor to facilitate the appropriate management of premium payments
3. Accurately calculate MCO or PCCM fees;
4. Provide to the Department within thirty (30) days of the execution of this contract its processes (applicable to the predecessor contract) to verify the fee calculations for monthly payments to the MCOs or PCCMs and procedures for maintenance and revisions of those procedures in accordance with Section 3 Task Related Policies and Procedures above. Such processes shall include the certification of the accuracy of the rate and fee calculations by an executive of the Contractor with the authority to attest to the validity of the calculations;



5. Submit appropriate error-free HUSKY, Charter Oak and PCCM “Passive Billing” “check file” and detailed “capitation file” to the Department within the following promptness standards:
  - a. HUSKY A – within six (6) business days from the last business day of the prior month,
  - b. HUSKY B – within fifteen (15) business days from the last business day of the prior month.
  - c. Charter Oak- within fifteen (15) business days from the last business day of the prior month.
6. Promptly revise and recalculate fee and rate calculations at its own expense for incorrect payments resulting from the Contractor’s error(s).
7. Calculate retroactive rate adjustments at the request of the Department;
8. Implement a Department approved method to track premium payment lock-out issues; and
9. Provide MCOs with a HIPAA compliant remittance file.

**B. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option and in accordance with Section 17 E 1 of this Scope of Work “Performance Standards and Sanctions” issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed timely and accurate Passive Billing requirements as identified above.

- 11) Part I. Scope of Work shall be amended further to include new provisions of services, including:

**Charter Oak Health Plan Implementation and Operation**

The Governor’s new Charter Oak Program provides health insurance to uninsured adults age 19 and older who do not qualify for coverage under public programs, such as SAGA Medical and Medicaid (HUSKY). Eligible individuals are covered under five bands, based on household income. Premiums vary by band, starting at \$75 per month and going up to \$250 per month in the highest income bracket. Participants must be residents of Connecticut and either U.S. Citizens or qualified aliens. With certain exceptions, applicants must not have had health insurance for a period of time as defined by the Department.

The Department desires for ACS to provide eligibility, enrollment broker and capitation services for Charter Oak.

The Contractor shall:

1. Design the eligibility and enrollment processes for this program on top of the already existing systems and infrastructure used to handle the HUSKY program;
2. Screen applications for public programs first, and then process for Charter Oak;
3. Utilize the same staff administering HUSKY to administer Charter Oak to ensure an efficient and streamlined process;
4. Modify ConneXion to support the Charter Oak program as it does HUSKY;

5. Record the history of the application and enrollment processes for Charter Oak in Contacts, which contains the notes from all the related calls;
6. Administer Charter Oak as it is provided by the Department, with five Bands for enrollment based on household income;
7. When processing eligibility, determine if a referral should be made to DSS for Medicaid or SAGA Medical based on specific criteria. If no referral is made, the system assigns the eligible applicant into the correct Band based on calculated applied income, and determines the amount of premium payment due;
8. Enroll the applicant in the applicant's selection of MCO and, for Band 5 only, the initial premium payment must be made prior to enrollment;
9. Deny the applicant coverage if they do not meet the residency, citizenship or lack of health insurance requirement;
10. Generate a letter to notify the applicant of the eligibility and enrollment actions taken; and
11. As in HUSKY, create specific batch processes that deny or terminate eligibility under certain defined conditions. Also like HUSKY, files are created to notify the MCO's and vendors overseeing carved-out services of eligibility and enrollment transactions.
12. As to reporting requirements for Charter Oak, please generate reports consistent with the terms found in Part I. Scope of Work, 14. A. 1 through A. 9(b)-(e) on page 21 of the original contract, and as otherwise directed by the Department.

### **Premium Billing**

The Contractor, in the administration of HUSKY B and Charter Oak, shall:

1. Invoice, bill, and collect for all premiums due to the Department;
2. Track lock out of enrollees for failure to pay monthly premiums and maintain a database of enrollees who have "locked out" status, to ensure that after three months, if they are up to date on their payments, they may be reinstated;
3. Notify enrollees of lock out and the procedure for opting back in via written notice;
4. Reconcile payment application at the end of each month to ensure that payments have been properly applied per the protocols provided by the Department;
5. Open and maintain a lock box at a bank to receive the payment of premiums;
6. Issue regular payments (at a mutually agreeable interval) to the Department for all premiums collected during the Departmentally defined period; and
7. Create and maintain financial reports to be shared (at a mutually agreeable interval to be determined) with the Department.



## **Charter Oak Eligibility Determination**

### **A. Charter Oak Health Plan**

The Contractor shall determine the initial, ongoing and loss of Charter Oak eligibility for individuals enrolled under this contract in accordance with the Department's eligibility policies.

### **B. Charter Oak Application Processing**

#### **The Contractor shall:**

1. Function as the Single Point of Entry for Charter Oak applications;
2. Screen all applications for HUSKY, Medicaid or SAGA medical program eligibility and if ineligible, process the application for CHARTER OAK;
3. Determine the eligibility for CHARTER OAK benefits for applicants in compliance with applicable Federal and State laws, regulations, policies and procedures;
4. Propose procedures and related script for the Department's approval (in accordance with Section 3. Task Related Policies and Procedures), for use by the Contractor's CSR and ESR staff when they respond to caller requests, screen applications, and determine eligibility for CHARTER OAK benefits;
5. Determine the initial, ongoing and loss of CHARTER OAK eligibility, including, but not limited to, obtaining self-declaration and/or verification from applicants regarding information required to establish eligibility including but not limited to:
  - a. Other insurance;
  - b. Income;
  - c. Household size; and
  - d. Income disregards.
6. Determine accurate cost sharing for all CHARTER OAK enrollees;
7. Advise and counsel enrollees regarding their premium obligations;
8. Propose a method to track Charter Oak applications for benefits from the date of receipt to the date of its final decision in accordance with Section 3. Task Related Policies and Procedures;
9. Propose a method to track those Charter Oak applications that the Contractor refers to the Department's Regional Offices and subsequently, the Regional Offices refer back to the Contractor;
10. Verify all application and renewal information by querying Department of Labor and Social Security files and other data files the Department may from time to time provide the Contractor;
11. Verify employer health insurance information for all eligible family members through direct contact with the employer for at least twenty percent of CHARTER OAK approved applications each month selected through a random selection process;
12. Report monthly on the Contractor's application processing performance in a form and format as required by the Department including the topics below. The Department and the Contractor will meet to define and agree upon the content of the required reports:

- a. The timeliness and accuracy of application processing,
- b. The timeliness and accuracy of referrals for those applicants ineligible for CHARTER OAK that are subsequently referred to the Department.

### **C. Performance Standards and Measures**

#### **The Contractor shall:**

1. Date stamp all applications or additional application information on the day (Day 1) the Contractor receives the applications or additional information;
2. Review each application within two days from the date the Contractor receives the application (Day 1) and determine whether the application is:
  - a. Complete, in which case the Contractor shall:
    - 1). Complete the screening the same day (Day 3)
    - 2). Refer applications that appear to be eligible for other programs appropriately
    - 3). In the event that the application creates question as to the appropriate program, mail a letter accompanied by a supplemental questionnaire to obtain further necessary information.
  - b. Incomplete, in which case, the Contractor shall:
    - 1). Mail (by the next business day - Day 4) an “incomplete” letter, specifying the reasons for the incomplete status, and if necessary, accompanied by a Charter Oak supplemental questionnaire to the client requesting additional information;
    - 2). Review new information provided by the client within three days from the date the Contractor receives the new information and if
      - a). Complete, refer to the process steps under “a” above, or if
      - b). Incomplete, mail (by the next business day) an “incomplete” letter to the client requesting additional information.
    - 3). Refer ineligible CHARTER OAK applications that may qualify for other programs to the Department no later than twelve business days from the date that the Contractor mails the first “incomplete letter” to the client as described in b. 1) above.
3. Perform all necessary action on all complete CHARTER OAK applications to determine whether or not the applicant is eligible for CHARTER OAK benefits within seven days from the day the Contractor receives the application.
4. Deny all incomplete CHARTER OAK applications thirty days from the day the Contractor receives the initial application (when the applicant fails to provide additional information as requested by the Contractor) except that the thirty day requirement may be extended when the Department provides the Contractor additional time to complete its processing when the Contractor requests additional time in advance of the thirty day expiration date.
5. Reopen cases denied due to non-receipt of requested information when the applicant provides the outstanding information within sixty (60) days from the received date,

#### **The Department shall:**



1. Examine and review the Contractor's Charter Oak application performance on a quarterly schedule within thirty days from the close of the quarter;
2. Select, at its discretion, any number of applications processed by the Contractor during the performance quarter to evaluate;
3. Evaluate the applications utilizing a formal evaluation instrument developed by the Department and mutually agreed upon by the Contractor for this purpose;
4. Assign a "pass" or "fail" score; and
5. Review the results of the analysis with the Contractor and, when appropriate, require corrective action with a specified time for the Contractor to comply.
6. Provide the contractor with a reasonable period of time to respond to the results of the Department's review.

#### **D. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may, at its option:

1. In accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions", issue a strike toward a Class A Application Processing Sanction when the formal quarterly application evaluation demonstrates an application performance failure rate of more than five percent of the applications reviewed.
  - a. The Department will notify the Contractor each time it imposes a strike;
  - b. The Department may impose an Application Processing sanction no more than \$2,500 after the third strike in any consecutive two quarters;
  - c. The Department may impose an Application Processing sanction of no more than \$5000 after a fourth strike in any eighteen month period; and
  - d. The Department shall notify the Contractor in writing at least thirty (30) days in advance of any sanction the Department intends to impose and shall provide an opportunity to meet with the Department to present its position regarding the Department's determination of an Application Processing Sanction.
2. Issue a strike toward a Class A Performance Sanction when it determines that the Contractor has failed to perform CHARTER OAK eligibility determinations or enrollment determinations for accuracy or timeliness as identified above; and
3. Issue a Class B Sanction in the amount of monetary harm sustained by the Department or the individual applying for benefits when the Department determines that:
  - a. The Contractor caused the harm by erroneous application screenings, eligibility determinations or enrollment determinations and
  - b. The harm may be quantified in excess of \$1,000; or
4. Issue a Class B sanction not to exceed \$10,000 after the Department has:
  - a. Determined that the Contractor has demonstrated a pattern of failure to perform the application screenings or eligibility determinations or enrollment determinations requirements for accuracy or timeliness as identified above despite the imposition of corrective action plans, and
  - b. Provided the Contractor at least thirty (30) days notice, and

- c. Provided the Contractor an opportunity to meet with the Department to present the Contractor's position regarding the Department's determination of a violation warranting a Class B sanction.

### **Primary Care Case Management (PCCM)**

On or about October 1, 2008, as a result of legislation passed in the last session (2008), the Department will be piloting a program for HUSKY A eligible applicants that do not wish to participate in an MCO. The program will permit the applicant to enroll with a primary care provider for the management of the individual's health care, much in the way they currently enroll with a chosen MCO. The primary care provider will be paid on a per member per month basis, in addition to the fee-for-service payments they may already receive.

The Contractor shall:

1. Maintain a list of all providers;
2. Counsel and enroll eligible individuals in the appropriate plan, whether MCO or PCCM;
3. Receive a daily file from DSS detailing the number of enrollees;
4. Calculate the total membership per month for each provider; and
5. Modify all reports, as appropriate, to include PCCM data.

### **OPEN ENROLLMENT**

The Contractor shall:

1. Assist the Department in transitioning all Traditional Medicaid clients into an MCO plan or to a PCCM provider over the course of a five month period; and
2. Assist the Department in transitioning all Anthem Blue Care Family Plan members into an MCO plan or to a PCCM provider prior to 1/1/09.

### **COST SHARE LIMITATION TRACKING**

The Contractor shall:

1. Accept data files containing information about deductibles and co-insurance for Charter Oak members from the MCOs and EDS, or the current contractor who processes claims from pharmacy, dental and behavioral providers through the Department's MMIS;
2. Accept data files containing information about co-pays and premium payments for HUSKY B members from MCOs and EDS, or the current contractor who processes claims through the Department's MMIS;
3. At an interval to be determined by the Department, compile the above and determine the amount of annual out of pocket expenses per household to ensure that the member household has not exceeded their annual out of pocket maximum; and



4. If the limit has been reached or exceeded, notify the MCOs, EDS, or the current contractor who processes claims for the Department's MMIS, and Administrative Service Organizations (ASO), who administer behavioral and dental healthcare on behalf of the Department.
  
- 12) The cost and budget provisions for this amendment, for additional expenditures during the period of 07/01/08 through 12/31/10, are attached hereto on pages 13-27 and are incorporated fully as part of this amendment.
- 13) The Mandatory Terms and Conditions of the original contract and subsequent amendment are replaced in their entirety by the Mandatory Terms and Conditions attached hereto on pages 28-49 and are incorporated fully as part of this amendment.
- 14) All other terms and conditions not amended herein shall remain in full force and effect.

Connecticut EB Extension	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	TOTAL FY09
<b>Salaries*</b>													
<b>Administration</b>													
Non-Exempt	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 15,516	\$ 186,193
Exempt	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 39,485	\$ 473,817
Fringe	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 8,250	\$ 99,002
<b>Total</b>	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 63,251	\$ 769,012
<b>Call Center and Enrollment Broker Operations:</b>													
Non-Exempt	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 41,573	\$ 498,879
Exempt	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 11,497	\$ 137,960
Fringe	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 7,960	\$ 95,526
<b>Total</b>	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 61,030	\$ 732,365
<b>Eligibility Determination Operations:</b>													
Non-Exempt	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 53,765	\$ 645,175
Exempt	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 11,390	\$ 136,678
Fringe	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 9,773	\$ 117,278
<b>Total</b>	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 74,928	\$ 899,131
<b>Passive Billing Operations:</b>													
Non-Exempt	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 6,028	\$ 72,337
Exempt	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 5,018	\$ 60,215
Fringe	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 1,857	\$ 19,883
<b>Total</b>	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 12,703	\$ 152,435
<b>Project Support Salaries</b>													
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 14,424	\$ 173,086
Fringe	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 2,164	\$ 25,963
<b>Total</b>	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 16,587	\$ 199,049
<b>TOTAL SALARY AND FRINGE</b>	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 228,499	\$ 2,741,992
<b>Other Direct Costs</b>													
Consultants**	\$ 68,281	\$ 68,281	\$ 68,281	\$ 78,212	\$ 78,212	\$ 78,212	\$ 85,388	\$ 85,388	\$ 85,388	\$ 53,614	\$ 53,614	\$ 53,614	\$ 856,486
Legal Services													\$ -
Accounting Services													\$ -
Facility Rent	\$ 22,304	\$ 19,304	\$ 19,304	\$ 19,304	\$ 19,304	\$ 19,304	\$ 19,304	\$ 19,304	\$ 19,304	\$ 19,304	\$ 19,776	\$ 19,776	\$ 235,592
Facility Repair and Maintenance	\$ 30,000												\$ 30,000
Utilities													\$ -
Equipment						\$ 126,530							\$ 126,530
Computer and IT equipment													\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment													\$ -
Telephone R & M	\$ 106,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 178,000
Other Equipment													\$ -
Other Equipment R & M	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 3,000
Equipment Rental													\$ -
Software													\$ -
Software Expense	\$ 4,174	\$ 228,474	\$ 4,174	\$ 4,174	\$ 4,174	\$ 154,974	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 425,188
Software Maintenance													\$ -
Maintenance													\$ -
Janitorial	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 1,972
Telephone	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 107,997
Postage/Freight	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 77,664
Printing Costs	\$ 10,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 65,000
Travel	\$ 1,350	\$ 600	\$ 600	\$ 1,350	\$ 600	\$ 600	\$ 1,350	\$ 600	\$ 600	\$ 1,350	\$ 600	\$ 600	\$ 10,200
Transportation													\$ -
Office Supplies	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 54,600
Training													\$ -
Off-site Tape Vaulting	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 10,500
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250	\$ -	\$ -	\$ 1,250
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600
Licenses													\$ -
Other	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 49,000
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 267,920	\$ 353,470	\$ 129,170	\$ 139,851	\$ 139,701	\$ 416,431	\$ 147,027	\$ 146,277	\$ 146,277	\$ 116,503	\$ 114,975	\$ 114,975	\$ 2,232,579
<b>TOTAL COSTS</b>	\$ 496,419	\$ 581,969	\$ 357,669	\$ 368,350	\$ 368,200	\$ 644,930	\$ 375,527	\$ 374,777	\$ 374,777	\$ 345,002	\$ 343,474	\$ 343,474	\$ 4,974,571
Indirect Cost	\$ 64,536	\$ 75,656	\$ 46,497	\$ 47,896	\$ 47,866	\$ 83,841	\$ 48,818	\$ 48,721	\$ 48,721	\$ 44,850	\$ 44,652	\$ 44,652	\$ 646,694
Subtotal	\$ 560,954	\$ 657,626	\$ 404,167	\$ 416,236	\$ 416,066	\$ 728,771	\$ 424,345	\$ 423,498	\$ 423,498	\$ 389,853	\$ 388,126	\$ 388,126	\$ 5,621,265
Fee	\$ 38,925	\$ 44,058	\$ 30,600	\$ 31,241	\$ 31,232	\$ 47,836	\$ 31,672	\$ 31,627	\$ 31,627	\$ 29,840	\$ 29,748	\$ 29,748	\$ 408,154
<b>Total Contract</b>	\$ 599,879	\$ 701,684	\$ 434,767	\$ 447,477	\$ 447,298	\$ 776,607	\$ 456,017	\$ 455,124	\$ 455,124	\$ 419,693	\$ 417,875	\$ 417,875	\$ 6,029,419



Connecticut EB Extension	2009	2009	2009	2009	2009	2009	2010	2010	2010	2010	2010	2010	2010	TOTAL
	July	August	September	October	November	December	January	February	March	April	May	June		FY10
<b>Salaries*</b>														
<b>Administration</b>														
Non-Exempt	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 15,982	\$ 191,779
Exempt	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 40,605	\$ 487,264
Fringe	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 8,488	\$ 101,856
<b>Total</b>	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 65,075	\$ 786,899
<b>Call Center and Enrollment Broker Operations:</b>														
Non-Exempt	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 42,820	\$ 513,846
Exempt	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 11,842	\$ 142,089
Fringe	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 8,199	\$ 98,392
<b>Total</b>	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 62,861	\$ 754,336
<b>Eligibility Determination Operations:</b>														
Non-Exempt	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 55,378	\$ 664,530
Exempt	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 11,732	\$ 140,778
Fringe	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 10,066	\$ 120,796
<b>Total</b>	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 77,175	\$ 926,105
<b>Passive Billing Operations:</b>														
Non-Exempt	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 6,209	\$ 74,508
Exempt	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 5,168	\$ 62,021
Fringe	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 1,707	\$ 20,479
<b>Total</b>	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 13,084	\$ 157,008
<b>Project Support Salaries</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 14,857	\$ 178,279
Fringe	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 2,228	\$ 26,742
<b>Total</b>	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 17,085	\$ 205,021
<b>TOTAL SALARY AND FRINGE</b>	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 235,281	\$ 2,823,369
<b>Other Direct Costs</b>														
Consultants**	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 53,614	\$ 643,369
Legal Services														\$ -
Accounting Services														\$ -
Facility Rent	\$ 22,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 19,776	\$ 20,215	\$ 20,215	\$ 241,189
Facility Repair and Maintenance														\$ -
Utilities														\$ -
Equipment														\$ -
Computer and IT equipment														\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment														\$ -
Telephone R & M	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 78,000
Other Equipment														\$ -
Other Equipment R & M	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 3,000
Equipment Rental														\$ -
Software														\$ -
Software Expense	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 4,174	\$ 50,088
Software Maintenance														\$ -
Maintenance														\$ -
Janitorial	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 164	\$ 1,972
Telephone	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 107,997
Postage/Freight	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 6,472	\$ 77,664
Printing Costs	\$ 10,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 65,000
Travel	\$ 1,350	\$ 600	\$ 600	\$ 1,350	\$ 600	\$ 600	\$ 1,350	\$ 600	\$ 600	\$ 1,350	\$ 600	\$ 600	\$ 600	\$ 10,200
Transportation														\$ -
Office Supplies	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 54,600
Training														\$ -
Off-site Tape Vaulting	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 875	\$ 10,500
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250	\$ -	\$ -	\$ -	\$ 1,250
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600
Licenses														\$ -
Other	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 48,000
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 123,725	\$ 114,975	\$ 114,975	\$ 115,725	\$ 115,575	\$ 114,975	\$ 115,725	\$ 114,975	\$ 114,975	\$ 116,975	\$ 115,414	\$ 115,414	\$ 115,414	\$ 1,393,429
<b>TOTAL COSTS</b>	\$ 359,006	\$ 350,256	\$ 350,256	\$ 351,006	\$ 350,856	\$ 350,256	\$ 351,006	\$ 350,256	\$ 350,256	\$ 352,256	\$ 350,695	\$ 350,695	\$ 350,695	\$ 4,216,798
Indirect Cost	\$ 46,671	\$ 45,533	\$ 45,533	\$ 45,631	\$ 45,611	\$ 45,533	\$ 45,631	\$ 45,533	\$ 45,533	\$ 45,793	\$ 45,590	\$ 45,590	\$ 45,590	\$ 548,184
Subtotal	\$ 405,677	\$ 395,789	\$ 395,789	\$ 396,637	\$ 396,467	\$ 395,789	\$ 396,637	\$ 395,789	\$ 395,789	\$ 398,049	\$ 396,285	\$ 396,285	\$ 396,285	\$ 4,764,982
Fee	\$ 30,952	\$ 30,427	\$ 30,427	\$ 30,472	\$ 30,463	\$ 30,427	\$ 30,472	\$ 30,427	\$ 30,427	\$ 30,547	\$ 30,453	\$ 30,453	\$ 30,453	\$ 365,943
<b>Total Contract</b>	\$ 436,628	\$ 426,216	\$ 426,216	\$ 427,108	\$ 426,930	\$ 426,216	\$ 427,108	\$ 426,216	\$ 426,216	\$ 428,596	\$ 426,738	\$ 426,738	\$ 426,738	\$ 5,130,924

Connecticut EB Extension	2010 July	2010 August	2010 September	2010 October	2010 November	2010 December	2011 January	2011 February	2011 March	2011 April	2011 May	2011 June	TOTAL FY11	GRAND TOTAL
<b>Salaries*</b>														
<b>Administration</b>														
Non-Exempt	\$ 16,232	\$ 16,232	\$ 16,232	\$ 16,232	\$ 16,232	\$ 16,232	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,393	\$ 475,366
Exempt	\$ 41,242	\$ 41,242	\$ 41,242	\$ 41,242	\$ 41,242	\$ 41,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,453	\$ 1,208,533
Fringe	\$ 8,621	\$ 8,621	\$ 8,621	\$ 8,621	\$ 8,621	\$ 8,621	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,727	\$ 252,585
<b>Total</b>	<b>\$ 66,095</b>	<b>\$ 66,095</b>	<b>\$ 66,095</b>	<b>\$ 66,095</b>	<b>\$ 66,095</b>	<b>\$ 66,095</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 396,573</b>	<b>\$ 1,936,483</b>
<b>Call Center and Enrollment Broker Operations:</b>														
Non-Exempt	\$ 43,492	\$ 43,492	\$ 43,492	\$ 43,492	\$ 43,492	\$ 43,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 260,952	\$ 1,273,677
Exempt	\$ 12,027	\$ 12,027	\$ 12,027	\$ 12,027	\$ 12,027	\$ 12,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,164	\$ 352,222
Fringe	\$ 8,328	\$ 8,328	\$ 8,328	\$ 8,328	\$ 8,328	\$ 8,328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,967	\$ 243,885
<b>Total</b>	<b>\$ 63,847</b>	<b>\$ 63,847</b>	<b>\$ 63,847</b>	<b>\$ 63,847</b>	<b>\$ 63,847</b>	<b>\$ 63,847</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 383,083</b>	<b>\$ 1,869,784</b>
<b>Eligibility Determination Operations:</b>														
Non-Exempt	\$ 56,246	\$ 56,246	\$ 56,246	\$ 56,246	\$ 56,246	\$ 56,246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337,476	\$ 1,647,181
Exempt	\$ 11,916	\$ 11,916	\$ 11,916	\$ 11,916	\$ 11,916	\$ 11,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,581	\$ 292,733
Fringe	\$ 10,224	\$ 10,224	\$ 10,224	\$ 10,224	\$ 10,224	\$ 10,224	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,345	\$ 299,420
<b>Total</b>	<b>\$ 78,386</b>	<b>\$ 78,386</b>	<b>\$ 78,386</b>	<b>\$ 78,386</b>	<b>\$ 78,386</b>	<b>\$ 78,386</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 470,314</b>	<b>\$ 2,239,550</b>
<b>Passive Billing Operations:</b>														
Non-Exempt	\$ 6,306	\$ 6,306	\$ 6,306	\$ 6,306	\$ 6,306	\$ 6,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,838	\$ 184,683
Exempt	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,497	\$ 153,733
Fringe	\$ 1,733	\$ 1,733	\$ 1,733	\$ 1,733	\$ 1,733	\$ 1,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,400	\$ 50,762
<b>Total</b>	<b>\$ 13,289</b>	<b>\$ 13,289</b>	<b>\$ 13,289</b>	<b>\$ 13,289</b>	<b>\$ 13,289</b>	<b>\$ 13,289</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 79,735</b>	<b>\$ 389,179</b>
<b>Project Support Salaries</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ 15,090	\$ 15,090	\$ 15,090	\$ 15,090	\$ 15,090	\$ 15,090	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,537	\$ 441,903
Fringe	\$ 2,263	\$ 2,263	\$ 2,263	\$ 2,263	\$ 2,263	\$ 2,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,581	\$ 66,285
<b>Total</b>	<b>\$ 17,353</b>	<b>\$ 17,353</b>	<b>\$ 17,353</b>	<b>\$ 17,353</b>	<b>\$ 17,353</b>	<b>\$ 17,353</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 104,118</b>	<b>\$ 508,188</b>
<b>TOTAL SALARY AND FRINGE</b>	<b>\$ 238,971</b>	<b>\$ 238,971</b>	<b>\$ 238,971</b>	<b>\$ 238,971</b>	<b>\$ 238,971</b>	<b>\$ 238,971</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,433,823</b>	<b>\$ 6,999,184</b>
<b>Other Direct Costs</b>														
Consultants**	\$ 54,455	\$ 54,455	\$ 54,455	\$ 54,455	\$ 54,455	\$ 54,455	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,729	\$ 1,826,685
Legal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Rent	\$ 20,414	\$ 20,414	\$ 20,414	\$ 20,414	\$ 20,414	\$ 20,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,486	\$ 599,267
Facility Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer and IT equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,530
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone R & M	\$ 6,602	\$ 6,602	\$ 6,602	\$ 6,602	\$ 6,602	\$ 6,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,612	\$ 295,612
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment R & M	\$ 254	\$ 254	\$ 254	\$ 254	\$ 254	\$ 254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,524	\$ 7,524
Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software Expense	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ 4,239	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,437	\$ 500,713
Software Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Janitorial	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,001	\$ 4,944
Telephone	\$ 9,141	\$ 9,141	\$ 9,141	\$ 9,141	\$ 9,141	\$ 9,141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,845	\$ 270,839
Postage/Freight	\$ 6,573	\$ 6,573	\$ 6,573	\$ 6,573	\$ 6,573	\$ 6,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,441	\$ 194,769
Printing Costs	\$ 5,502	\$ 5,502	\$ 5,502	\$ 5,502	\$ 5,502	\$ 5,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,010	\$ 163,010
Travel	\$ 863	\$ 863	\$ 863	\$ 863	\$ 863	\$ 863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,180	\$ 25,680
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 4,621	\$ 4,621	\$ 4,621	\$ 4,621	\$ 4,621	\$ 4,621	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,728	\$ 136,928
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Off-site Tape Vaulting	\$ 889	\$ 889	\$ 889	\$ 889	\$ 889	\$ 889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,332	\$ 26,332
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ 1,800
Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,000	\$ 120,000
<b>TOTAL OTHER DIRECT COSTS</b>	<b>\$ 117,721</b>	<b>\$ 117,721</b>	<b>\$ 117,721</b>	<b>\$ 117,721</b>	<b>\$ 118,321</b>	<b>\$ 117,721</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 706,925</b>	<b>\$ 4,332,932</b>
<b>TOTAL COSTS</b>	<b>\$ 356,691</b>	<b>\$ 356,691</b>	<b>\$ 356,691</b>	<b>\$ 356,691</b>	<b>\$ 357,291</b>	<b>\$ 356,691</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,140,748</b>	<b>\$ 11,332,117</b>
Indirect Cost	\$ 46,370	\$ 46,370	\$ 46,370	\$ 46,370	\$ 46,448	\$ 46,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 278,297	\$ 1,473,175
Subtotal	\$ 403,061	\$ 403,061	\$ 403,061	\$ 403,061	\$ 403,739	\$ 403,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,419,045	\$ 12,805,292
Fee	\$ 30,960	\$ 30,960	\$ 30,960	\$ 30,960	\$ 30,996	\$ 30,960	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 185,798	\$ 959,894
<b>Total Contract</b>	<b>\$ 434,022</b>	<b>\$ 434,022</b>	<b>\$ 434,022</b>	<b>\$ 434,022</b>	<b>\$ 434,736</b>	<b>\$ 434,022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,604,843</b>	<b>\$ 13,765,186</b>



Connecticut EB Premium Billing	2008 January	2008 February	2008 March	2008 April	2008 May	2008 June	FY08 TOTAL
<b>Salaries*</b>							
<b>Administration</b>							
Non-Exempt							
Exempt							
Fringe							
<b>Total</b>							
<b>Call Center and Enrollment Broker Operations:</b>							
Non-Exempt							\$ -
Exempt							\$ -
Fringe							\$ -
<b>Total</b>	-	-	-	\$ -	\$ -	\$ -	\$ -
<b>Eligibility Determination Operations:</b>							
Non-Exempt							
Exempt							
Fringe							
<b>Total</b>							
<b>Premium Billing Operations</b>							
Non-Exempt						\$ 11,360	\$ 11,360
Exempt						\$ 19,295	\$ 19,295
Fringe						\$ 4,590	\$ 4,590
<b>Total</b>						\$ 35,254	\$ 35,254
<b>Project Support Salaries</b>							
Non-Exempt	0	0	0				\$ -
Exempt							\$ -
Fringe	-	-	-	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	-	-	-	\$ -	\$ -	\$ -	\$ -
<b>TOTAL SALARY AND FRINGE</b>							\$ 35,254
							\$ 35,254
<b>Other Direct Costs</b>							
Consultants**					\$ 50,000	\$ 67,720	\$ 107,720
Legal Services							\$ -
Accounting Services							\$ -
Facility Rent							\$ -
Facility Repair and Maintenance						\$ 10,000	\$ 10,000
Utilities							\$ -
Equipment							\$ -
Computer and IT equipment							\$ -
Computer/IT Equipment Repair & Maintenance							\$ -
Copy Equipment							\$ -
Telephone R & M				\$ -			\$ -
Other Equipment				\$ -		\$ 44,140	\$ 44,140
Other Equipment R & M							\$ -
Equipment Rental							\$ -
Software							\$ -
Software Expense				\$ -	\$ 22,000		\$ 22,000
Software Maintenance							\$ -
Maintenance							\$ -
Janitorial							\$ -
Telephones				\$ -	\$ -	\$ -	\$ -
Postage/Freight				\$ -	\$ -	\$ 3,600	\$ 3,600
Printing Costs				\$ -	\$ -	\$ -	\$ -
Travel				\$ -	\$ -	\$ -	\$ -
Transportation				\$ -	\$ -	\$ -	\$ -
Office Supplies				\$ -	\$ -	\$ 3,996	\$ 3,996
Training				\$ -	\$ -	\$ -	\$ -
Off-site Tape Vaulting							\$ -
Insurance							\$ -
Taxes							\$ -
Licenses							\$ -
Other							\$ -
<b>TOTAL OTHER DIRECT COSTS</b>					\$ 72,000	\$ 119,456	\$ 191,456
							\$ 191,456
<b>TOTAL COSTS</b>					\$ 72,000	\$ 154,710	\$ 226,710
Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ 10,800	\$ 23,206	\$ 34,006
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 82,800	\$ 177,916	\$ 260,716
Fee	\$ -	\$ -	\$ -	\$ -	\$ 6,624	\$ 14,233	\$ 20,857
<b>Total Contract</b>					\$ 89,424	\$ 192,149	\$ 281,573

Connecticut EB Premium Billing	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	TOTAL FY09
<b>Salaries*</b>													
Administration													
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Call Center and Enrollment Broker Operations:													
Non-Exempt													\$ -
Exempt													\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Eligibility Determination Operations:													
Non-Exempt													\$ -
Exempt													\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Premium Billing Operations</b>													
Non-Exempt	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 11,701	\$ 140,410
Exempt	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 19,865	\$ 238,385
Fringe	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 4,735	\$ 56,819
<b>Total</b>	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 435,614
<b>Project Support Salaries</b>													
Non-Exempt													
Exempt													
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL SALARY AND FRINGE</b>	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 36,301	\$ 435,614
<b>Other Direct Costs</b>													
Consultants**	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 14,520	\$ 174,240
Legal Services													\$ -
Accounting Services													\$ -
Facility Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repair and Maintenance													\$ -
Utilities													\$ -
Equipment													\$ -
Computer and IT equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment													\$ -
Telephone R & M													\$ -
Other Equipment													\$ -
Other Equipment R & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment Rental													\$ -
Software													\$ -
Software Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Janitorial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 14,400
Postage/Freight	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 43,200
Printing Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 660	\$ 660	\$ 3,996	\$ 660	\$ 660	\$ 3,996	\$ 660	\$ 660	\$ 3,996	\$ 660	\$ 660	\$ 3,996	\$ 21,264
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Off-site Tape Vaulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses													\$ -
Other													\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 19,980	\$ 19,980	\$ 23,316	\$ 19,980	\$ 19,980	\$ 23,316	\$ 19,980	\$ 19,980	\$ 23,316	\$ 19,980	\$ 19,980	\$ 23,316	\$ 253,104
<b>TOTAL COSTS</b>	\$ 56,281	\$ 56,281	\$ 59,617	\$ 56,281	\$ 56,281	\$ 59,617	\$ 56,281	\$ 56,281	\$ 59,617	\$ 56,281	\$ 56,281	\$ 59,617	\$ 688,718
Indirect Cost	\$ 7,317	\$ 7,317	\$ 7,750	\$ 7,317	\$ 7,317	\$ 7,750	\$ 7,317	\$ 7,317	\$ 7,750	\$ 7,317	\$ 7,317	\$ 7,750	\$ 89,533
Subtotal	\$ 63,598	\$ 63,598	\$ 67,367	\$ 63,598	\$ 63,598	\$ 67,367	\$ 63,598	\$ 63,598	\$ 67,367	\$ 63,598	\$ 63,598	\$ 67,367	\$ 778,251
Fee	\$ 4,829	\$ 4,829	\$ 5,029	\$ 4,829	\$ 4,829	\$ 5,029	\$ 4,829	\$ 4,829	\$ 5,029	\$ 4,829	\$ 4,829	\$ 5,029	\$ 58,748
<b>Total Contract</b>	\$ 68,427	\$ 68,427	\$ 72,396	\$ 68,427	\$ 68,427	\$ 72,396	\$ 68,427	\$ 68,427	\$ 72,396	\$ 68,427	\$ 68,427	\$ 72,396	\$ 836,999



Connecticut EB Premium Billing	2009 July	2009 August	2009 September	2009 October	2009 November	2009 December	2010 January	2010 February	2010 March	2010 April	2010 May	2010 June	TOTAL FY10
<b>Salaries*</b>													
<b>Administration</b>													
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Call Center and Enrollment Broker Operations:</b>													
Non-Exempt													
Exempt													
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Eligibility Determination Operations:</b>													
Non-Exempt							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Premium Billing Operations</b>													
Non-Exempt	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 17,017	\$ 204,202
Exempt	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 20,453	\$ 245,430
Fringe	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 5,620	\$ 67,445
<b>Total</b>	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 517,077
<b>Project Support Salaries</b>													
Non-Exempt							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL SALARY AND FRINGE</b>	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 43,090	\$ 517,077
<b>Other Direct Costs</b>													
Consultants**	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 15,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ 128,400
Legal Services													\$ -
Accounting Services													\$ -
Facility Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repair and Maintenance													\$ -
Utilities													\$ -
Equipment													\$ -
Computer and IT equipment													\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment													\$ -
Telephone R & M													\$ -
Other Equipment													\$ -
Other Equipment R & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment Rental													\$ -
Software													\$ -
Software Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Janitorial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 18,000
Postage/Freight	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 64,000
Printing Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 750	\$ 750	\$ 4,086	\$ 750	\$ 750	\$ 4,086	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 13,872
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Off-site Tape Vaulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses													\$ -
Other													\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 21,250	\$ 21,250	\$ 24,586	\$ 21,250	\$ 21,250	\$ 24,586	\$ 13,350	\$ 13,350	\$ 13,350	\$ 13,350	\$ 13,350	\$ 13,350	\$ 214,272
<b>TOTAL COSTS</b>	\$ 64,340	\$ 64,340	\$ 67,676	\$ 64,340	\$ 64,340	\$ 67,676	\$ 56,440	\$ 56,440	\$ 56,440	\$ 56,440	\$ 56,440	\$ 56,440	\$ 731,349
Indirect Cost	\$ 8,364	\$ 8,364	\$ 8,798	\$ 8,364	\$ 8,364	\$ 8,798	\$ 7,337	\$ 7,337	\$ 7,337	\$ 7,337	\$ 7,337	\$ 7,337	\$ 95,075
Subtotal	\$ 72,704	\$ 72,704	\$ 76,474	\$ 72,704	\$ 72,704	\$ 76,474	\$ 63,777	\$ 63,777	\$ 63,777	\$ 63,777	\$ 63,777	\$ 63,777	\$ 826,424
Fee	\$ 5,584	\$ 5,584	\$ 5,784	\$ 5,584	\$ 5,584	\$ 5,784	\$ 5,110	\$ 5,110	\$ 5,110	\$ 5,110	\$ 5,110	\$ 5,110	\$ 64,564
<b>Total Contract</b>	\$ 78,288	\$ 78,288	\$ 82,258	\$ 78,288	\$ 78,288	\$ 82,258	\$ 68,887	\$ 68,887	\$ 68,887	\$ 68,887	\$ 68,887	\$ 68,887	\$ 890,988

Connecticut EB Premium Billing	2010 July	2010 August	2010 September	2010 October	2010 November	2010 December	2011 January	2011 February	2011 March	2011 April	2011 May	2011 June	TOTAL FY11	GRAND TOTAL
<b>Salaries*</b>														
<b>Administration</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Call Center and Enrollment Broker Operations:</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Eligibility Determination Operations:</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Premium Billing Operations</b>														
Non-Exempt	\$ 17,527	\$ 17,527	\$ 17,527	\$ 17,527	\$ 17,527	\$ 17,527	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,164	\$ 461,136
Exempt	\$ 21,057	\$ 21,057	\$ 21,057	\$ 21,057	\$ 21,057	\$ 21,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,343	\$ 629,454
Fringe	\$ 5,788	\$ 5,788	\$ 5,788	\$ 5,788	\$ 5,788	\$ 5,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,726	\$ 163,588
<b>Total</b>	\$ 44,372	\$ 44,372	\$ 44,372	\$ 44,372	\$ 44,372	\$ 44,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,233	\$ 1,254,178
<b>Project Support Salaries</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL SALARY AND FRINGE</b>	\$ 44,372	\$ 44,372	\$ 44,372	\$ 44,372	\$ 44,372	\$ 44,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,233	\$ 1,254,178
<b>Other Direct Costs</b>														
Consultants**	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,200	\$ 444,560
Legal Services													\$ -	\$ -
Accounting Services													\$ -	\$ -
Facility Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repair and Maintenance													\$ -	\$ 10,000
Utilities													\$ -	\$ -
Equipment													\$ -	\$ -
Computer and IT equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment													\$ -	\$ -
Telephone R & M													\$ -	\$ -
Other Equipment													\$ -	\$ 44,140
Other Equipment R & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment Rental													\$ -	\$ -
Software													\$ -	\$ -
Software Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,000
Software Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance													\$ -	\$ -
Janitorial													\$ -	\$ -
Telephone	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,800	\$ 43,200
Postage/Freight	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,400	\$ 133,200
Printing Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,700	\$ 41,832
Training													\$ -	\$ -
Off-site Tape Vaulting													\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses													\$ -	\$ -
Other													\$ -	\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 13,350	\$ 13,350	\$ 13,350	\$ 13,350	\$ 13,350	\$ 13,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,100	\$ 738,932
<b>TOTAL COSTS</b>	\$ 57,722	\$ 57,722	\$ 57,722	\$ 57,722	\$ 57,722	\$ 57,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 346,333	\$ 1,993,110
Indirect Cost	\$ 7,504	\$ 7,504	\$ 7,504	\$ 7,504	\$ 7,504	\$ 7,504	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,023	\$ 263,638
Subtotal	\$ 65,226	\$ 65,226	\$ 65,226	\$ 65,226	\$ 65,226	\$ 65,226	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 391,357	\$ 2,256,748
Fee	\$ 5,238	\$ 5,238	\$ 5,238	\$ 5,238	\$ 5,238	\$ 5,238	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,429	\$ 175,598
<b>Total Contract</b>	\$ 70,464	\$ 70,464	\$ 70,464	\$ 70,464	\$ 70,464	\$ 70,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 422,786	\$ 2,432,346



Charter Oak	2008 January	2008 February	2008 March	2008 April	2008 May	2008 June	FY08 TOTAL
<b>Salaries*</b>							
<b>Administration</b>							
Non-Exempt							
Exempt							
Fringe							
<b>Total</b>							
<b>Call Center and Enrollment Broker Operations:</b>							
Non-Exempt							\$ -
Exempt				\$ -	\$ 4,167	\$ 4,167	\$ 8,333
Fringe	-	-	-	\$ -	\$ 625	\$ 625	\$ 1,250
<b>Total</b>	-	-	-	\$ -	\$ 4,792	\$ 4,792	\$ 9,583
<b>Eligibility Determination Operations:</b>							
Non-Exempt							
Exempt							
Fringe							
<b>Total</b>							
<b>Passive Billing Operations:</b>							
Non-Exempt							
Exempt							
Fringe							
<b>Total</b>							
<b>Project Support Salaries</b>							
Non-Exempt	0	0	0		\$ 8,250	\$ 8,250	\$ 16,500
Exempt					\$ 14,137	\$ 16,012	\$ 30,150
Fringe	-	-	-	\$ -	\$ 3,358	\$ 3,639	\$ 6,997
<b>Total</b>	-	-	-	\$ -	\$ 25,745	\$ 27,902	\$ 53,647
<b>TOTAL SALARY AND FRINGE</b>	-	-	-	\$ -	\$ 30,637	\$ 32,693	\$ 63,230
<b>Other Direct Costs</b>							
Consultants**	-	-	38,849	\$ 124,523	\$ 178,670	\$ 189,624	\$ 531,665
Legal Services							\$ -
Accounting Services							\$ -
Facility Rent							\$ -
Facility Repair and Maintenance							\$ -
Utilities							\$ -
Equipment							\$ -
Computer and IT equipment							\$ -
Computer/IT Equipment Repair & Maintenance							\$ -
Copy Equipment							\$ -
Telephone R & M				\$ -			\$ -
Other Equipment				\$ -			\$ -
Other Equipment R & M							\$ -
Equipment Rental							\$ -
Software							\$ -
Software Expense				\$ -			\$ -
Software Maintenance							\$ -
Maintenance							\$ -
Janitorial							\$ -
Telephone				\$ -	\$ -	\$ 5,000	\$ 5,000
Postage/Freight				\$ -	\$ 5,000	\$ 5,000	\$ 10,000
Printing Costs				\$ -	\$ 2,000	\$ 2,000	\$ 4,000
Travel							\$ -
Transportation							\$ -
Office Supplies	-	-	-	\$ -	\$ 428	\$ 900	\$ 1,328
Training							\$ -
Off-site Tape Vaulting							\$ -
Insurance							\$ -
Taxes							\$ -
Licenses							\$ -
Other							\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	-	-	38,849	\$ 124,523	\$ 186,097	\$ 202,524	\$ 551,993
<b>TOTAL COSTS</b>	-	-	38,849	\$ 124,523	\$ 216,634	\$ 235,217	\$ 615,223
Indirect Cost	-	-	5,827	\$ 18,678	\$ 32,495	\$ 35,283	\$ 92,283
Subtotal	-	-	44,676	\$ 143,202	\$ 249,129	\$ 270,500	\$ 707,507
Fee	-	-	3,574	\$ 11,456	\$ 19,930	\$ 21,640	\$ 56,601
<b>Total Contract</b>	-	-	48,250	\$ 154,658	\$ 269,060	\$ 292,139	\$ 764,107

Charter Oak	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	TOTAL FY09
<b>Salaries*</b>													
Administration													
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Call Center and Enrollment Broker Operations:</b>													
Non-Exempt			\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 41,600
Exempt	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,167	\$ 41,600
Fringe	\$ 625	\$ 625	\$ 1,249	\$ 1,249	\$ 1,249	\$ 1,249	\$ 1,249	\$ 1,249	\$ 1,249	\$ 1,249	\$ 1,249	\$ 1,249	\$ 13,740
<b>Total</b>	\$ 4,792	\$ 4,792	\$ 9,576	\$ 9,576	\$ 9,576	\$ 9,576	\$ 9,576	\$ 9,576	\$ 9,576	\$ 9,576	\$ 9,576	\$ 9,576	\$ 105,340
<b>Eligibility Determination Operations:</b>													
Non-Exempt	\$ -	\$ -	\$ 16,380	\$ 16,380	\$ 16,380	\$ 16,380	\$ 16,380	\$ 16,380	\$ 16,380	\$ 16,380	\$ 16,380	\$ 16,380	\$ 163,800
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457	\$ 24,570
<b>Total</b>	\$ -	\$ -	\$ 18,837	\$ 18,837	\$ 18,837	\$ 18,837	\$ 18,837	\$ 18,837	\$ 18,837	\$ 18,837	\$ 18,837	\$ 18,837	\$ 188,370
<b>Passive Billing Operations:</b>													
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Project Support Salaries</b>													
Non-Exempt	\$ 8,250	\$ 8,250	\$ 10,167	\$ 10,167	\$ 10,167	\$ 10,167	\$ 10,167	\$ 10,167	\$ 10,167	\$ 10,167	\$ 10,167	\$ 10,167	\$ 118,167
Exempt	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,012	\$ 192,148
Fringe	\$ 3,639	\$ 3,639	\$ 3,927	\$ 3,927	\$ 3,927	\$ 3,927	\$ 3,927	\$ 3,927	\$ 3,927	\$ 3,927	\$ 3,927	\$ 3,927	\$ 46,547
<b>Total</b>	\$ 27,902	\$ 27,902	\$ 30,106	\$ 30,106	\$ 30,106	\$ 30,106	\$ 30,106	\$ 30,106	\$ 30,106	\$ 30,106	\$ 30,106	\$ 30,106	\$ 366,862
<b>TOTAL SALARY AND FRINGE</b>	\$ 32,693	\$ 32,693	\$ 68,519	\$ 68,519	\$ 68,519	\$ 68,519	\$ 68,519	\$ 68,519	\$ 68,519	\$ 68,519	\$ 68,519	\$ 68,519	\$ 650,572
<b>Other Direct Costs</b>													
Consultants**	\$ 160,135	\$ 160,135	\$ 114,412	\$ 83,922	\$ 83,922	\$ 83,922	\$ 36,290	\$ 36,290	\$ 36,290	\$ 36,290	\$ 36,290	\$ 36,290	\$ 904,189
Legal Services													\$ -
Accounting Services													\$ -
Facility Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repair and Maintenance													\$ -
Utilities													\$ -
Equipment													\$ -
Computer and IT equipment	\$ 94,568												\$ 94,568
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment													\$ -
Telephone R & M													\$ -
Other Equipment													\$ -
Other Equipment R & M	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 1,365	\$ 16,379
Equipment Rental													\$ -
Software													\$ -
Software Expense	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 11,875
Software Maintenance	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 6,896	\$ 82,751
Maintenance													\$ -
Janitorial													\$ -
Telephone	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000
Postage/Freight	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000
Printing Costs	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 24,000
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation													\$ -
Office Supplies	\$ 900	\$ 900	\$ 810	\$ 810	\$ 810	\$ 810	\$ 810	\$ 810	\$ 810	\$ 810	\$ 810	\$ 810	\$ 9,900
Training													\$ -
Off-site Tape Vaulting													\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses													\$ -
Other													\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 276,853	\$ 192,285	\$ 136,473	\$ 105,983	\$ 105,983	\$ 105,983	\$ 58,351	\$ 58,351	\$ 58,351	\$ 58,351	\$ 58,351	\$ 58,351	\$ 1,263,661
<b>TOTAL COSTS</b>	\$ 309,546	\$ 214,978	\$ 194,991	\$ 164,501	\$ 164,501	\$ 164,501	\$ 116,869	\$ 116,869	\$ 116,869	\$ 116,869	\$ 116,869	\$ 116,869	\$ 1,914,233
Indirect Cost	\$ 40,241	\$ 27,947	\$ 25,349	\$ 21,385	\$ 21,385	\$ 21,385	\$ 15,193	\$ 15,193	\$ 15,193	\$ 15,193	\$ 15,193	\$ 15,193	\$ 248,850
Subtotal	\$ 349,787	\$ 242,926	\$ 220,340	\$ 185,886	\$ 185,886	\$ 185,886	\$ 132,062	\$ 132,062	\$ 132,062	\$ 132,062	\$ 132,062	\$ 132,062	\$ 2,163,084
Fee	\$ 19,881	\$ 14,206	\$ 14,040	\$ 12,211	\$ 12,211	\$ 12,211	\$ 9,353	\$ 9,353	\$ 9,353	\$ 9,353	\$ 9,353	\$ 9,353	\$ 140,877
<b>Total Contract</b>	\$ 369,668	\$ 257,132	\$ 234,380	\$ 198,097	\$ 198,097	\$ 198,097	\$ 141,415	\$ 141,415	\$ 141,415	\$ 141,415	\$ 141,415	\$ 141,415	\$ 2,303,960



Charter Oak	2009 July	2009 August	2009 September	2009 October	2009 November	2009 December	2010 January	2010 February	2010 March	2010 April	2010 May	2010 June	TOTAL FY10
<b>Salaries*</b>													
<b>Administration</b>													
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Call Center and Enrollment Broker Operations:</b>													
Non-Exempt	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,712	\$ 10,712	\$ 10,712	\$ 10,712	\$ 10,712	\$ 10,712	\$ 10,712	\$ 10,712	\$ 10,712	\$ 127,608
Exempt	\$ 4,167	\$ 4,167	\$ 4,167	\$ 4,292	\$ 4,292	\$ 4,292	\$ 4,292	\$ 4,292	\$ 4,292	\$ 4,292	\$ 4,292	\$ 4,292	\$ 51,125
Fringe	\$ 2,185	\$ 2,185	\$ 2,185	\$ 2,251	\$ 2,251	\$ 2,251	\$ 2,251	\$ 2,251	\$ 2,251	\$ 2,251	\$ 2,251	\$ 2,251	\$ 26,810
<b>Total</b>	\$ 16,752	\$ 16,752	\$ 16,752	\$ 17,254	\$ 17,254	\$ 17,254	\$ 17,254	\$ 17,254	\$ 17,254	\$ 17,254	\$ 17,254	\$ 17,254	\$ 205,543
<b>Eligibility Determination Operations:</b>													
Non-Exempt	\$ 30,420	\$ 30,420	\$ 30,420	\$ 31,333	\$ 31,333	\$ 31,333	\$ 31,333	\$ 31,333	\$ 31,333	\$ 31,333	\$ 31,333	\$ 31,333	\$ 373,253
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ 4,563	\$ 4,563	\$ 4,563	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 55,988
<b>Total</b>	\$ 34,983	\$ 34,983	\$ 34,983	\$ 36,032	\$ 36,032	\$ 36,032	\$ 36,032	\$ 36,032	\$ 36,032	\$ 36,032	\$ 36,032	\$ 36,032	\$ 429,241
<b>Passive Billing Operations:</b>													
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Project Support Salaries:</b>													
Non-Exempt	\$ 12,083	\$ 12,083	\$ 12,083	\$ 12,446	\$ 12,446	\$ 12,446	\$ 12,446	\$ 12,446	\$ 12,446	\$ 12,446	\$ 12,446	\$ 12,446	\$ 148,263
Exempt	\$ 16,012	\$ 16,012	\$ 16,012	\$ 16,462	\$ 16,462	\$ 16,462	\$ 16,462	\$ 16,462	\$ 16,462	\$ 16,462	\$ 16,462	\$ 16,462	\$ 196,198
Fringe	\$ 4,214	\$ 4,214	\$ 4,214	\$ 4,336	\$ 4,336	\$ 4,336	\$ 4,336	\$ 4,336	\$ 4,336	\$ 4,336	\$ 4,336	\$ 4,336	\$ 51,669
<b>Total</b>	\$ 32,310	\$ 32,310	\$ 32,310	\$ 33,244	\$ 33,244	\$ 33,244	\$ 33,244	\$ 33,244	\$ 33,244	\$ 33,244	\$ 33,244	\$ 33,244	\$ 396,129
<b>TOTAL SALARY AND FRINGE</b>	\$ 84,045	\$ 84,045	\$ 84,045	\$ 86,531	\$ 86,531	\$ 86,531	\$ 86,531	\$ 86,531	\$ 86,531	\$ 86,531	\$ 86,531	\$ 86,531	\$ 1,030,914
<b>Other Direct Costs</b>													
Consultants**	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 512,157
Legal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer and IT equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone R & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment R & M	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 16,855
Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 11,875
Software Expense	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 11,875
Software Maintenance	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 84,657
Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Janitorial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 90,000
Postage/Freight	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000
Printing Costs	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 36,000
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 15,120
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Off-site Tape Vaulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 826,665
<b>TOTAL COSTS</b>	\$ 152,933	\$ 152,933	\$ 152,933	\$ 155,420	\$ 155,420	\$ 155,420	\$ 155,420	\$ 155,420	\$ 155,420	\$ 155,420	\$ 155,420	\$ 155,420	\$ 1,857,578
Indirect Cost	\$ 19,881	\$ 19,881	\$ 19,881	\$ 20,205	\$ 20,205	\$ 20,205	\$ 20,205	\$ 20,205	\$ 20,205	\$ 20,205	\$ 20,205	\$ 20,205	\$ 241,485
Subtotal	\$ 172,815	\$ 172,815	\$ 172,815	\$ 175,624	\$ 175,624	\$ 175,624	\$ 175,624	\$ 175,624	\$ 175,624	\$ 175,624	\$ 175,624	\$ 175,624	\$ 2,099,064
Fee	\$ 12,538	\$ 12,538	\$ 12,538	\$ 12,786	\$ 12,786	\$ 12,786	\$ 12,786	\$ 12,786	\$ 12,786	\$ 12,786	\$ 12,786	\$ 12,786	\$ 152,691
<b>Total Contract</b>	\$ 185,353	\$ 185,353	\$ 185,353	\$ 188,411	\$ 188,411	\$ 188,411	\$ 188,411	\$ 188,411	\$ 188,411	\$ 188,411	\$ 188,411	\$ 188,411	\$ 2,251,755

Charter Oak	2010 July	2010 August	2010 September	2010 October	2010 November	2010 December	2011 January	2011 February	2011 March	2011 April	2011 May	2011 June	TOTAL FY11	GRAND TOTAL
<b>Salaries*</b>														
<b>Administration</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Call Center and Enrollment Broker Operations:</b>														
Non-Exempt	\$ 11,033	\$ 11,033	\$ 11,033	\$ 11,033	\$ 11,033	\$ 11,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,200	\$ 235,408
Exempt	\$ 4,420	\$ 4,420	\$ 4,420	\$ 4,420	\$ 4,420	\$ 4,420	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,523	\$ 135,981
Fringe	\$ 2,318	\$ 2,318	\$ 2,318	\$ 2,318	\$ 2,318	\$ 2,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,908	\$ 55,708
<b>Total</b>	\$ 17,772	\$ 17,772	\$ 17,772	\$ 17,772	\$ 17,772	\$ 17,772	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,631	\$ 427,097
<b>Eligibility Determination Operations:</b>														
Non-Exempt	\$ 32,273	\$ 32,273	\$ 32,273	\$ 32,273	\$ 32,273	\$ 32,273	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 193,635	\$ 730,689
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ 4,841	\$ 4,841	\$ 4,841	\$ 4,841	\$ 4,841	\$ 4,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,045	\$ 109,603
<b>Total</b>	\$ 37,113	\$ 37,113	\$ 37,113	\$ 37,113	\$ 37,113	\$ 37,113	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,681	\$ 840,292
<b>Passive Billing Operations:</b>														
Non-Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Project Support Salaries:</b>														
Non-Exempt	\$ 12,819	\$ 12,819	\$ 12,819	\$ 12,819	\$ 12,819	\$ 12,819	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,915	\$ 359,844
Exempt	\$ 16,926	\$ 16,926	\$ 16,926	\$ 16,926	\$ 16,926	\$ 16,926	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,555	\$ 520,050
Fringe	\$ 4,462	\$ 4,462	\$ 4,462	\$ 4,462	\$ 4,462	\$ 4,462	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,771	\$ 131,984
<b>Total</b>	\$ 34,207	\$ 34,207	\$ 34,207	\$ 34,207	\$ 34,207	\$ 34,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 205,241	\$ 1,011,879
<b>TOTAL SALARY AND FRINGE</b>	\$ 89,092	\$ 89,092	\$ 89,092	\$ 89,092	\$ 89,092	\$ 89,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 634,653	\$ 2,279,269
<b>Other Direct Costs</b>														
Consultants**	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ 42,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 256,079	\$ 2,204,090
Legal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer and IT equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone R & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment R & M	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ 1,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,428	\$ 41,662
Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software Expense	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,938	\$ 29,688
Software Maintenance	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ 7,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,329	\$ 209,737
Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Janitorial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 200,000
Postage/Freight	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 160,000
Printing Costs	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ 82,000
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,560	\$ 33,908
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Off-site Tape Vaulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ 68,889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 413,332	\$ 3,055,651
<b>TOTAL COSTS</b>	\$ 157,981	\$ 157,981	\$ 157,981	\$ 157,981	\$ 157,981	\$ 157,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 947,885	\$ 5,334,920
Indirect Cost	\$ 20,538	\$ 20,538	\$ 20,538	\$ 20,538	\$ 20,538	\$ 20,538	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,225	\$ 705,844
Subtotal	\$ 178,518	\$ 178,518	\$ 178,518	\$ 178,518	\$ 178,518	\$ 178,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,071,110	\$ 6,040,764
Fee	\$ 13,043	\$ 13,043	\$ 13,043	\$ 13,043	\$ 13,043	\$ 13,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,255	\$ 428,424
<b>Total Contract</b>	\$ 191,561	\$ 191,561	\$ 191,561	\$ 191,561	\$ 191,561	\$ 191,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,149,365	\$ 6,469,188



OPEN ENROLLMENT	2008 May	2008 June	FY08 TOTAL	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June
<b>Salaries*</b>															
Administration															
Non-Exempt															
Exempt															
Fringe															
<b>Total</b>															
Call Center and Enrollment															
Broker Operations:															
Non-Exempt				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Eligibility Determination															
Operations:															
Non-Exempt				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Passive Billing Operations:															
Non-Exempt															
Exempt															
Fringe															
<b>Total</b>															
Project Support Salaries															
Non-Exempt	\$ 5,000	\$ 10,000	\$ 15,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exempt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ 383	\$ 765	\$ 1,148	\$ 383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ 5,383	\$ 10,765	\$ 16,148	\$ 5,383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL SALARY AND FRINGE</b>	\$ 5,383	\$ 10,765	\$ 16,148	\$ 5,383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Direct Costs</b>															
Consultants**	\$ 0,050	\$ 13,036	\$ 21,893	\$ 24,767	\$ 10,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer and IT equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer/IT Equipment Repair & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone R & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment R & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Janitorial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 5,645	\$ 7,291	\$ 12,936	\$ 3,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage/Freight	\$ 11,070	\$ -	\$ 11,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 1,800	\$ 900	\$ 2,700	\$ 900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Off-site Tape Vaulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 18,063	\$ 36,125	\$ 54,188	\$ 18,063	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 44,636	\$ 58,242	\$ 102,877	\$ 47,455	\$ 25,575	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL COSTS</b>	\$ 50,018	\$ 69,007	\$ 119,025	\$ 52,838	\$ 25,575	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indirect Cost	\$ 7,503	\$ 10,351	\$ 17,854	\$ 6,869	\$ 3,325	\$ 1,950	\$ 1,950	\$ 1,950	\$ 1,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 57,521	\$ 79,358	\$ 136,879	\$ 59,707	\$ 28,900	\$ 16,950	\$ 16,950	\$ 16,950	\$ 16,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fee	\$ 4,802	\$ 6,349	\$ 10,950	\$ 3,386	\$ 1,635	\$ 900	\$ 900	\$ 900	\$ 900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Contract</b>	\$ 62,123	\$ 85,706	\$ 147,829	\$ 63,092	\$ 30,434	\$ 17,850	\$ 17,850	\$ 17,850	\$ 17,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PCCM	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	TC F
<b>Salaries*</b>													
<b>Administration</b>													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
<b>Call Center and Enrollment Broker Operations:</b>													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
<b>Eligibility Determination Operations:</b>													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
<b>Passive Billing Operations:</b>													
Non-Exempt													
Exempt	\$ 32,801	\$ 32,801	\$ 2,382	\$ 3,176	\$ 3,176	\$ 3,176	\$ 3,176	\$ 3,176	\$ 3,176	\$ 3,176	\$ 3,176	\$ 3,176	\$
Fringe	\$ 4,920	\$ 4,920	\$ 357	\$ 476	\$ 476	\$ 476	\$ 476	\$ 476	\$ 476	\$ 476	\$ 476	\$ 476	\$
<b>Total</b>	\$ 37,721	\$ 37,721	\$ 2,739	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$
<b>Project Support Salaries</b>													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
<b>TOTAL SALARY AND FRINGE</b>	\$ 37,721	\$ 37,721	\$ 2,739	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$ 3,652	\$
<b>Other Direct Costs</b>													
Consultants**	\$ 2,069	\$ 26,479	\$ 24,863	\$ 58,428	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$
Legal Services													\$
Accounting Services													\$
Facility Rent													\$
Facility Repair and Maintenance													\$
Utilities													\$
Equipment													\$
Computer and IT equipment				\$ -									\$
Computer/IT Equipment Repair & Maintenance													\$
Copy Equipment													\$
Telephone R & M													\$
Other Equipment													\$
Other Equipment R & M													\$
Equipment Rental													\$
Software													\$
Software Expense													\$
Software Maintenance													\$
Maintenance													\$
Janitorial													\$
Telephone													\$
Postage/Freight													\$
Printing Costs													\$
Travel													\$
Transportation													\$
Office Supplies	\$ 163	\$ 163	\$ 34	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$
Training													\$
Off-site Tape Vaulting													\$
Insurance													\$
Taxes													\$
Licenses													\$
Other													\$
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 2,232	\$ 26,642	\$ 24,896	\$ 58,473	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$
<b>TOTAL COSTS</b>	\$ 39,953	\$ 64,363	\$ 27,625	\$ 62,126	\$ 4,282	\$ 4,282	\$ 4,282	\$ 4,282	\$ 4,282	\$ 4,282	\$ 4,282	\$ 4,282	\$
Indirect Cost	\$ 5,194	\$ 8,367	\$ 3,591	\$ 8,076	\$ 557	\$ 557	\$ 557	\$ 557	\$ 557	\$ 557	\$ 557	\$ 557	\$
Subtotal	\$ 45,147	\$ 72,730	\$ 31,217	\$ 70,202	\$ 4,839	\$ 4,839	\$ 4,839	\$ 4,839	\$ 4,839	\$ 4,839	\$ 4,839	\$ 4,839	\$
Fee	\$ 3,906	\$ 5,371	\$ 1,767	\$ 3,874	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403	\$ 403	\$
<b>Total Contract</b>	\$ 49,053	\$ 78,101	\$ 32,984	\$ 74,075	\$ 5,242	\$ 5,242	\$ 5,242	\$ 5,242	\$ 5,242	\$ 5,242	\$ 5,242	\$ 5,242	\$



PCCM	2009 July	2009 August	2009 September	2009 October	2009 November	2009 December	2010 January	2010 February	2010 March	2010 April	2010 May	2010 June	TC F
<b>Salaries*</b>													
Administration													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
Call Center and Enrollment Broker													
Operations:													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
Eligibility Determination													
Operations:													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
Passive Billing Operations:													
Non-Exempt													
Exempt	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$ 3,271	\$
Fringe	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$ 491	\$
<b>Total</b>	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$
Project Support Salaries:													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
<b>TOTAL SALARY AND FRINGE</b>	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$
<b>Other Direct Costs</b>													
Consultants**	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$
Legal Services													\$
Accounting Services													\$
Facility Rent													\$
Facility Repair and Maintenance													\$
Utilities													\$
Equipment													\$
Computer and IT equipment													\$
Computer/IT Equipment Repair & Maintenance													\$
Copy Equipment													\$
Telephone R & M													\$
Other Equipment													\$
Other Equipment R & M													\$
Equipment Rental													\$
Software													\$
Software Expense													\$
Software Maintenance													\$
Maintenance													\$
Janitorial													\$
Telephone													\$
Postage/Freight													\$
Printing Costs													\$
Travel													\$
Transportation													\$
Office Supplies	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$
Training													\$
Off-site Tape Vaulting													\$
Insurance													\$
Taxes													\$
Licenses													\$
Other													\$
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$
<b>TOTAL COSTS</b>	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$ 4,392	\$
Indirect Cost	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$ 571	\$
Subtotal	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$ 4,963	\$
Fee	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$
<b>Total Contract</b>	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$ 5,377	\$

PCCM	2010 July	2010 August	2010 September	2010 October	2010 November	2010 December	2011 January	2011 February	2011 March	2011 April	2011 May	2011 June	TC F
<b>Salaries*</b>													
Administration													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
Call Center and Enrollment Broker Operations:													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
Eligibility Determination Operations:													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
Passive Billing Operations:													
Non-Exempt													
Exempt	\$ 3,369	\$ 3,369	\$ 3,369	\$ 3,369	\$ 3,369	\$ 3,369	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe	\$ 505	\$ 505	\$ 505	\$ 505	\$ 505	\$ 505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ 3,875	\$ 3,875	\$ 3,875	\$ 3,875	\$ 3,875	\$ 3,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Support Salaries													
Non-Exempt													
Exempt													
Fringe													
<b>Total</b>													
<b>TOTAL SALARY AND FRINGE</b>	\$ 3,875	\$ 3,875	\$ 3,875	\$ 3,875	\$ 3,875	\$ 3,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Direct Costs</b>													
Consultants**	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services													
Accounting Services													
Facility Rent													
Facility Repair and Maintenance													
Utilities													
Equipment													
Computer and IT equipment													
Computer/IT Equipment Repair & Maintenance													
Copy Equipment													
Telephone R & M													
Other Equipment													
Other Equipment R & M													
Equipment Rental													
Software													
Software Expense													
Software Maintenance													
Maintenance													
Janitorial													
Telephone													
Postage/Freight													
Printing Costs													
Travel													
Transportation													
Office Supplies	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Training													
Off-site Tape Vaulting													
Insurance													
Taxes													
Licenses													
Other													
<b>TOTAL OTHER DIRECT COSTS</b>	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL COSTS</b>	\$ 4,505	\$ 4,505	\$ 4,505	\$ 4,505	\$ 4,505	\$ 4,505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indirect Cost	\$ 586	\$ 586	\$ 586	\$ 586	\$ 586	\$ 586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 5,090	\$ 5,090	\$ 5,090	\$ 5,090	\$ 5,090	\$ 5,090	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fee	\$ 425	\$ 425	\$ 425	\$ 425	\$ 425	\$ 425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Contract</b>	\$ 5,515	\$ 5,515	\$ 5,515	\$ 5,515	\$ 5,515	\$ 5,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



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## PART II. MANDATORY TERMS AND CONDITIONS

The Contractor agrees to comply with the following mandatory terms and conditions.

### A. CLIENT-RELATED SAFEGUARDS

1. **Inspection of Work Performed.** The Department or its authorized representative shall at all times have the right to enter into the Contractor's premises, or such other places where duties under the contract are being performed, to inspect, to monitor or to evaluate the work being performed. The Contractor and all subcontractors must provide all reasonable facilities and assistance for Department representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this section shall be made available to the Contractor.
2. **Safeguarding Client Information.** The Department and the Contractor agree to safeguard the use, publication and disclosure of information on all applicants for and all clients who receive service under this contract with all applicable federal and state law concerning confidentiality.
3. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to client abuse and neglect, including but not limited to requirements as specified in Conn. Gen. Stat. §§ 17a-101 through 103, 19a-216, 46b-120 (related to children); Conn. Gen. Stat. § 46a-11b (relative to persons with mental retardation); and Conn. Gen. Stat. § 17b-407 (relative to elderly persons).

### B. CONTRACTOR OBLIGATIONS

1. **Cost Standards.** Effective January 1, 2007, the Contractor and funding state agency shall comply with the Cost Standards issued by the State of Connecticut, Office of Policy and Management ("OPM"), as may be amended from time to time. The Cost Standards are published by OPM on the Web at [http://www.opm.state.ct.us/finance/pos\\_standards/coststandards.htm](http://www.opm.state.ct.us/finance/pos_standards/coststandards.htm). Such Cost Standards shall apply to:
  - (a) all new Contracts effective on or after January 1, 2007;
  - (b) all Contract amendments modifying funding, effective on or after January 1, 2007;
  - (c) all Contracts in effect on or after July 1, 2007.
2. **Credits and Rights in Data.**
  - (a) Unless expressly waived in writing by the Department, all documents, reports, and other publications for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the state and the Department and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the



Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify the Department, unless the Department or its agents co-authored said publication and said release is done with the prior written approval of the Commissioner of the Department. Any publication shall contain the following statement: "This publication does not express the views of the Department or the State of Connecticut. The views and opinions expressed are those of the authors." The Contractor or any of its agents shall not copyright data and information obtained under the terms and conditions of this contract, unless expressly authorized in writing by the Department. The Department shall have the right to publish, duplicate, use and disclose all such data in any manner, and may authorize others to do so. The Department may copyright any data without prior notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Department of such data.

- (b) "Data" shall mean all results, technical information and materials developed and/or obtained in the performance of the services hereunder, including but not limited to all reports, surveys, plans, charts, recordings (video and/or sound), pictures, curricula, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the services performed hereunder.

3. **Organizational Information, Conflict of Interest, IRS Form 990.** Annually during the term of the contract, the Contractor shall submit to the Department the following:
  - (a) a copy of its most recent IRS Form 990 submitted to the federal Internal Revenue Service, and
  - (b) its most recent Annual Report as filed with the Office of the Secretary of the State or such other information that the Department deems appropriate with respect to the organization and affiliation of the Contractor and related entities.
4. **Federal Funds.** The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Department shall specify all such requirements in Part I of this contract.
5. **Audit Requirements.** The Contractor shall provide for an annual financial audit acceptable to the Department for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The State Auditors of Public Accounts shall have access to all records and accounts for the fiscal year(s) in which the award was made. The Contractor will comply with federal and state single audit standards as applicable.
6. **Prohibited Interest.** The Contractor warrants that no state appropriated funds have been paid or will be paid by or on behalf of the Contractor to contract with or retain any company or person, other than bona fide employees working solely for the Contractor, to influence or attempt to influence an officer or employee of any state agency in connection with the awarding, extension, continuation, renewal, amendment, or modification of this agreement, or to pay or agree to pay any company or person, other than bona fide employees working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon or resulting from the award or making of this Agreement.

7. **Offer of Gratuities.** By its agreement to the terms of this contract, the Contractor certifies that no elected or appointed official or employee of the State of Connecticut has or will benefit financially or materially from this contract. The Department may terminate this contract if it is determined that gratuities of any kind were either offered or received by any of the aforementioned officials or employees from the Contractor or its agents or employees.
8. **Related Party Transactions.** The Contractor shall report all related party transactions, as defined in this clause, to the Department on an annual basis in the appropriate fiscal report as specified in Part I of this contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor, its employees, Board members or members of the Contractor's governing body, and a related party include, but are not limited to:
- (a) real estate sales or leases;
  - (b) leases for equipment, vehicles or household furnishings;
  - (c) mortgages, loans and working capital loans; and
  - (d) contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor.
9. **Lobbying.** The Contractor agrees to abide by state and federal lobbying laws, and further specifically agrees not to include in any claim for reimbursement any expenditures associated with activities to influence, directly or indirectly, legislation pending before Congress, or the Connecticut General Assembly or any administrative or regulatory body unless otherwise required by this contract.
10. **Suspension or Debarment.**
- (a) Signature on Contract certifies the Contractor or any person (including subcontractors) involved in the administration of Federal or State funds:
    - (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental department or agency (Federal, State or local);
    - (2) within a three year period preceding this Contract, has not been convicted or had a civil judgment rendered against him/her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or Contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
    - (3) is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the above offenses;



(4) has not within a three year period preceding this agreement had one or more public transactions terminated for cause or fault.

(b) Any change in the above status shall be immediately reported to the Department.

**11. Liaison.** Each party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Department in the performance and administration of this contract.

**12. Subcontracts.** For purposes of this clause subcontractors shall be defined as providers of direct human services. Vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program. The subcontractor's identity, services to be rendered and costs shall be detailed in Part I of this contract. Notwithstanding the execution of this contract prior to a specific subcontractor being identified or specific costs being set, no subcontractor may be used or expense under this contract incurred prior to identification of the subcontractor or inclusion of a detailed budget statement as to subcontractor expense, unless expressly provided in Part I of this contract. No subcontractor shall acquire any direct right of payment from the Department by virtue of the provisions of this clause or any other clause of this contract. The use of subcontractors, as defined in this clause, shall not relieve the Contractor of any responsibility or liability under this contract. The Contractor shall make available copies of all subcontracts to the Department upon request.

**13. Independent Capacity of Contractor.** The Contractor, its officers, employees, subcontractors, or any other agent of the Contractor in the performance of this contract will act in an independent capacity and not as officers or employees of the State of Connecticut or of the Department.

**14. Indemnification.**

(a) The Contractor shall indemnify, defend and hold harmless the State of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:

(1) claims arising directly or indirectly, in connection with the contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties; and

(2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its obligations under this contract. The contractor's obligations under this section to indemnify, defend and hold harmless against claims includes claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the contract.

(b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any

Contractor Parties. The State shall give the Contractor reasonable notice of any such claims.

- (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.
- (d) The Contractor shall carry and maintain at all times during the term of the contract, and during the time that any provisions survive the term of the contract, sufficient general liability insurance to satisfy its obligations under this contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.
- (f) This section shall survive the termination, cancellation or expiration of the Contract, and shall not be limited by reason of any insurance coverage.

**15. Choice of Law and Choice of Forum, Settlement of Disputes, Office of the Claims Commission.**

- (a) The Contractor agrees to be bound by the laws of the State of Connecticut and the federal government where applicable, and agrees that this contract shall be construed and interpreted in accordance with Connecticut law and Federal law where applicable.
- (b) Any dispute concerning the interpretation or application of this contract shall be decided by the Commissioner of the Department or his/her designee whose decision shall be final subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the commissioner pursuant to this provision, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Department shall proceed diligently with the performance of the contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings except as authorized by that Chapter in any State or Federal Court in addition to or in lieu of said Chapter 53 proceedings.

**16. Compliance with Law and Policy.** Contractor shall comply with all pertinent provisions of local, state and federal laws and regulations as well as Departmental policies and procedures applicable to Contractor's programs as specified in this contract. The Department shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures which the Department has responsibility to promulgate or enforce.



17. **Facility Standards and Licensing Compliance.** The Contractor will comply with all applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.
18. **Reports.** The Contractor shall provide the Department with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor agrees to provide the Department with such reports as the Department requests.
19. **Delinquent Reports.** The Contractor will submit required reports by the designated due dates as identified in this agreement. After notice to the Contractor and an opportunity for a meeting with a Department representative, the Department reserves the right to withhold payments for services performed under this Contract if the Department has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this agreement or previous agreements for similar or equivalent services the Contractor has entered into with the Department.
20. **Record Keeping and Access.** The Contractor shall maintain books, records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this contract. These records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the state or, where applicable, federal agencies. The Contractor shall retain all such records concerning this contract for a period of three (3) years after the completion and submission to the state of the Contractor's annual financial audit.
21. **Workforce Analysis.** The Contractor shall provide a workforce analysis affirmative action report related to employment practices and procedures.
22. **Litigation.**
  - (a) The Contractor shall provide written notice to the Department of any litigation that relates to the services directly or indirectly financed under this contract or that has the potential to impair the ability of the Contractor to fulfill the terms and conditions of this contract, including but not limited to financial, legal or any other situation which may prevent the Contractor from meeting its obligations under the contract.
  - (b) The Contractor shall provide written notice to the Department of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other provisions of federal or state law concerning equal employment opportunities or nondiscriminatory practices.

## C. ALTERATIONS, CANCELLATION AND TERMINATION

### 1. Contract Revisions and Amendments.

- (a) The Contractor shall submit to the Department in writing any proposed revision to the contract and the Department shall notify the Contractor of receipt of the proposed revision.
- (b) Contract amendments must be in writing and shall not be effective until executed by both parties to the contract, and, where applicable, approved by the Attorney General.
- (c) No amendments may be made to a lapsed contract.

**2. Contract Reduction.**

- (a) The Department reserves the right to reduce the Contracted amount of compensation at any time in the event that:
  - (1) the Governor or the Connecticut General Assembly rescinds, reallocates, or in any way reduces the total amount budgeted for the operation of the Department during the fiscal year for which such funds are withheld; or
  - (2) federal funding reductions result in reallocation of funds within the Department.
- (b) The Contractor and the Department agree to negotiate on the implementation of the reduction within thirty (30) days of receipt of formal notification of intent to reduce the contracted amount of compensation from the Department. If agreement on the implementation of the reduction is not reached within 30 calendar days of such formal notification and a contract amendment has not been executed, the Department may terminate the contract sixty (60) days from receipt of such formal notification. The Department will formally notify the Contractor of the termination date.

**3. Default by the Contractor.**

- (a) If the Contractor defaults as to, or otherwise fails to comply with, any of the conditions of this contract the Department may:
  - (1) withhold payments until the default is resolved to the satisfaction of the Department;
  - (2) temporarily or permanently discontinue services under the contract;
  - (3) require that unexpended funds be returned to the Department;
  - (4) assign appropriate state personnel to execute the contract until such time as the contractual defaults have been corrected to the satisfaction of the Department;
  - (5) require that contract funding be used to enter into a subcontract arrangement with a person or persons designated by the Department in order to bring the program into contractual compliance;
  - (6) terminate this contract;
  - (7) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the state or the program(s) provided under this contract or both;



- (8) any combination of the above actions.
  - (b) In addition to the rights and remedies granted to the Department by this contract, the Department shall have all other rights and remedies granted to it by law in the event of breach of or default by the Contractor under the terms of this contract.
  - (c) Prior to invoking any of the remedies for default specified in this paragraph except when the Department deems the health or welfare of service recipients is endangered as specified in of this contract or has not met requirements as specified in this contract, the Department shall notify the Contractor in writing of the specific facts and circumstances constituting default or failure to comply with the conditions of this contract and proposed remedies. Within five (5) business days of receipt of this notice, the Contractor shall correct any contractual defaults specified in the notice and submit written documentation of correction to the satisfaction of the Department or request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held within five (5) business days of the written request. At the meeting, the Contractor shall be given an opportunity to respond to the Department's notice of default and to present a plan of correction with applicable time frames. Within five (5) business days of such meeting, the commissioner of the Department shall notify the Contractor in writing of his/her response to the information provided including acceptance of the plan of correction and, if the commissioner finds continued contractual default for which a satisfactory plan of corrective action has not been presented, the specific remedy for default the Department intends to invoke. This action of the Commissioner shall be considered final.
  - (d) If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the agreed upon plan of correction, the Department may proceed with default remedies.
4. **Non-enforcement Not to Constitute Waiver.** The failure of either party to insist upon strict performance of any terms or conditions of this agreement shall not be deemed a waiver of the term or condition or any remedy that each party has with respect to that term or condition nor shall it preclude a subsequent default by reason of the failure to perform.
5. **Cancellation and Recoupment.**
- (a) This agreement shall remain in full force and effect for the entire term of the contract period, above, unless either party provides written notice ninety (90) days or more from the date of termination, except that no cancellation by the Contractor may be effective for failure to provide services for the agreed price or rate and cancellation by the Department shall not be effective against services already rendered, so long as the services were rendered in compliance with the contract during the term of the contract.
  - (b) In the event the health or welfare of the service recipients is endangered, the Department may cancel the contract and take any immediate action without notice it deems appropriate to protect the health and welfare of service recipients. The Department shall notify the Contractor of the specific reasons for taking such action in writing within five (5) business days of cancellation. Within five (5) business days of receipt of this notice, the Contractor may request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held

within five (5) business days of the written request. At the meeting, the Contractor shall be given an opportunity to present information on why the Department's actions should be reversed or modified. Within five (5) business days of such meeting, the Commissioner of the Department shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Department. This action of the Commissioner shall be considered final.

- (c) The Department reserves the right to cancel the contract without prior notice when the funding for the contract is no longer available.
  - (d) The Department reserves the right to recoup any deposits, prior payment, advance payment or down payment made if the contract is terminated by either party. Allowable costs incurred to date of termination for operation or transition of program(s) under this contract shall not be subject to recoupment. The Contractor agrees to return to the Department any funds not expended in accordance with the terms and conditions of the contract and, if the Contractor fails to do so upon demand, the Department may recoup said funds from any future payments owing under this contract or any other contract between the State and the Contractor.
6. **Equipment.** In the event this Contract is terminated or not renewed, the Department reserves the right to recoup any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract. For purposes of this provision, equipment means tangible personal property with a normal useful life of at least one year and a value of at least \$5,000. Equipment shall be considered purchased from Contractor funds and not from Department funds if the equipment is purchased for a program that has other sources of income equal to or greater than the equipment purchase price.
7. **Transition after Termination or Expiration of Contract.** In the event that this contract is terminated for any reason except where the health and welfare of service recipients is endangered or if the Department does not offer the Contractor a new contract for the same or similar service at the contract's expiration, the Contractor will assist in the orderly transfer of clients served under this contract as required by the Department and will assist in the orderly cessation of operations under this contract. Prior to incurring expenses related to the orderly transfer or continuation of services to service recipients beyond the terms of the contract, the Department and the Contractor agree to negotiate a termination amendment to the existing agreement to address current program components and expenses, anticipated expenses necessary for the orderly transfer of service recipients and changes to the current program to address service recipient needs. The Contractual agreement may be amended as necessary to assure transition requirements are met during the term of this contract. If the transition cannot be concluded during this term, the Department and the Contractor may negotiate an amendment to extend the term of the current contract until the transition may be concluded.
8. **Program Cancellation.** Where applicable, the cancellation or termination of any individual program or services under this Contract will not, in and of itself, in any way affect the status of any other program or service in effect under this Contract.
9. **Mergers and Acquisitions.**
- (a) Contracts in whole or in part are not transferable or assignable without the prior written agreement of the Department.



- (b) At least ninety (90) days prior to the effective date of any fundamental changes in corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility, the Contractor shall provide the Department with written notice of such changes.
- (c) The Contractor shall comply with requests for documentation deemed necessary by the Department to determine whether the Department will provide prior written agreement. The Department shall notify the Contractor of such determination not later than forty-five (45) business days from the date the Department receives such requested documentation.

**D. STATUTORY AND REGULATORY COMPLIANCE**

**1. Health Insurance Portability Act of 1996 (“HIPAA”).**

- (a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance “with all applicable federal and state law regarding confidentiality, which includes but is not limited to (“HIPAA”), more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; *and*
- (c) The State of Connecticut Department named on page 1 of this Contract (hereinafter “Department”) is a “covered entity” as that term is defined in 45 C.F.R. § 160.103; *and*
- (d) The Contractor, on behalf of the Department, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. § 160.103; *and*
- (e) The Contractor is a “business associate” of the Department, as that term is defined in 45 C.F.R. § 160.103; *and*
- (f) The Contractor and the Department agree to the following in order to secure compliance with the HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
  - (1) “Business Associate” shall mean the Contractor.
  - (2) “Covered Entity” shall mean the Department of the State of Connecticut named on page 1 of this Contract.

- (3) "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.
  - (4) "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
  - (5) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and parts 164, subparts A and E.
  - (6) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
  - (7) "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
  - (8) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
  - (9) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
  - (10) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
  - (11) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
  - (12) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and parts 164, subpart A and C.
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
  - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
  - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
  - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.



- (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
  - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
  - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
  - (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to make PHI available for amendment pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
  - (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
  - (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
  - (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with paragraph I of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
  - (12) Business Associate agrees to comply with any state law that is more stringent than the Privacy Rule.
- (i) Permitted Uses and Disclosure by Business Associate.
- (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
  - (2) Specific Use and Disclosure Provisions

(A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.

(B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(j) Obligations of Covered Entity.

(1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

(2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.

(l) Term and Termination.

(1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible



to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

(2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

(A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or

(B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or

(C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(3) Effect of Termination

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

(B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Provisions.

(1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.

(2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.

- (3) **Survival.** The respective rights and obligations of Business Associate shall survive the termination of this Contract.
  - (4) **Effect on Contract.** Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
  - (5) **Construction.** This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
  - (6) **Disclaimer.** Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, Contractors or agents, or any third party to whom Business Associate has disclosed PHI pursuant to this Contract. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
  - (7) **Indemnification.** The Business Associate shall indemnify and hold the Covered Entity harmless from and against all claims, liabilities, judgments, fines, assessments, penalties, awards, or other expenses, of any kind or nature whatsoever, including, without limitation, attorney's fees, expert witness fees, and costs of investigation, litigation or dispute resolution, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this Section of the Contract.
2. **Americans with Disabilities Act of 1990.** This clause applies to those Contractors which are or will come to be responsible for compliance with the terms of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101-12189 and §§ 12201-12213) (Supp. 1993); 47 USCS §§ 225, 611 (Supp. 1993). During the term of the Contract, the Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it will hold the state harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor agrees to abide by provisions of § 504 of the Federal Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
  3. **Utilization of Minority Business Enterprises.** It is the policy of the state that minority business enterprises should have the maximum opportunity to participate in the performance of government Contracts. The Contractor agrees to use best efforts consistent with 45 C.F.R. §§ 74.160 *et seq.* (1992) and paragraph 9 of Appendix G thereto for the administration of programs or activities using HHS funds; and §§ 13a-95a, 4a-60 to 4a-62, 4b-95(b), and 4a-60q of the Connecticut General Statutes to carry out this policy in the award of any subcontracts.
  4. **Priority Hiring.** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall use its best efforts to ensure that it gives



priority to hiring welfare recipients who are subject to time limited welfare and must find employment. The Contractor and the Department will work cooperatively to determine the number and types of positions to which this paragraph shall apply. The Department of Social Services regional office staff or staff of Department of Social Service Contractors will undertake to counsel and screen an adequate number of appropriate candidates for positions targeted by the Contractor as suitable for individuals in the time limited welfare program. The success of the Contractor's efforts will be considered when awarding and evaluating Contracts.

**5. Non-discrimination Regarding Sexual Orientation.** Unless otherwise provided by Conn. Gen. Stat. § 46a-81p, the Contractor agrees to the following provisions required pursuant to § 4a-60a of the Connecticut General Statutes:

- (a) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
  - (2) the Contractor agrees to provide each labor union or representatives of workers with which such Contractor has a collective bargaining agreement or other Contract or understanding and each vendor with which such Contractor has a Contract or understanding a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to § 46a-56 of the Connecticut General Statutes;
  - (4) the Contractor agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts concerning the employment practices and procedures of the Contractor which relate to provisions of this section and § 46a-56 of the Connecticut General Statutes.
- (b) The Contractor shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a Contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with § 46a-56 of the Connecticut General Statutes provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

**6. Nondiscrimination and Affirmative Action Provisions in Contracts of the State and Political Subdivisions Other Than Municipalities.** The Contractor agrees to comply with provisions of § 4a-60 of the Connecticut General Statutes:

- (a) Every Contract to which the state or any political subdivision of the state other than a municipality is a party shall contain the following provisions:
- (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved;
  - (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission;
  - (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other Contract or understanding and each vendor with which such Contractor has a Contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (4) the Contractor agrees to comply with each provision of this section and Conn. Gen. Stat. §§ 46a-68c and 46a-68f and with each regulation or relevant order issued by said commission pursuant to Conn. Gen. Stat. §§ 46a-56, 46a-68c and 46a-68f;
  - (5) the Contractor agrees to provide the commission of human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and Conn. Gen. Stat. § 46a-56. If the Contract is a public works Contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (b) For the purposes of this section, "minority business enterprise" means any small Contractor or supplier of materials fifty-one per cent or more of capital stock, if any, or assets of which is owned by a person or persons:
- (1) who are active in the daily affairs of the enterprise;
  - (2) who have the power to direct the management and policies of the enterprise; and
  - (3) who are members of a minority, as such term is defined in subsection (a) of Conn. Gen. Stat. § 49-60g.



- (c) For the purposes of this section, “good faith” means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. “Good faith efforts” shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements. Determinations of the Contractor’s good faith efforts shall include but shall not be limited to the following factors: The Contractor’s employment and subcontracting policies, patterns and practices; affirmative action advertising; recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- (e) Contractor shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a Contract with the state and such provision shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
7. **Government Function; Freedom of Information.** If the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contract is for the performance of a governmental function, as that term is defined in Conn. Gen. Stat. § 1-200(11), the Department is entitled to receive a copy of the records and files related to the Contractor’s performance of the governmental function, and may be disclosed by the Department pursuant to the Freedom of Information Act.
8. **Whistleblowing.** This Agreement is subject to the provisions of § 4-61dd of the Connecticut General Statutes. In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee’s disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under the provisions of subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of this Agreement. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day’s continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the provisions of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

9. **Campaign Contribution Restrictions.** On February 8, 2007, Governor Rell signed into law Public Act 07-1, An Act Concerning the State Contractor Contribution Ban and Gifts to State and Quasi-Public Agencies.

For all State contracts as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11.

10. **Non-smoking.** If the Contractor is an employer subject to the provisions of § 31-40q of the Connecticut General Statutes, the Contractor agrees to provide upon request the Department with a copy of its written rules concerning smoking. Evidence of compliance with the provisions of § 31-40q of the Connecticut General Statutes must be received prior to Contract approval by the Department.

11. **Executive Orders.**

(a) Executive Order No. 3: Nondiscrimination. This Contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971, and, as such, this Contract may be canceled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. 3 or any state or federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this Contract. The parties to this Contract, as part of the consideration hereof, agree that said Executive Order No. 3 is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to Contract performance in regard to nondiscrimination, until the Contract is completed or terminated prior to completion. The Contractor agrees, as part consideration hereof, that this Contract is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. 3 and that the Contractor will not discriminate in employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner.

(b) Executive Order No. 16: Violence in the Workplace Prevention Policy. This Contract is subject to provisions of Executive Order No. 16 of Governor John J. Rowland promulgated August 4, 1999, and, as such, this Contract may be cancelled, terminated or suspended by the Contracting agency or the State for violation of or noncompliance with said Executive Order No. 16. The parties to this Contract, as part of the consideration hereof, agree that:

- (1) Contractor shall prohibit employees from bringing into the state work site, except as may be required as a condition of employment, any weapon/dangerous instrument defined in Section 2 to follow;
- (2) weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon. Dangerous instrument



means any instrument, article or substance that, under the circumstances, is capable of causing death or serious physical injury;

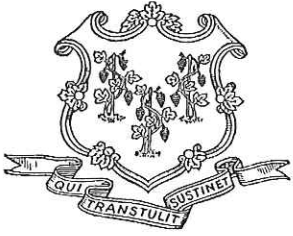
- (3) Contractor shall prohibit employees from attempting to use, or threaten to use, any such weapon or dangerous instrument in the state work site and employees shall be prohibited from causing, or threatening to cause, physical injury or death to any individual in the state work site;
  - (4) Contractor shall adopt the above prohibitions as work rules, violation of which shall subject the employee to disciplinary action up to and including discharge. The Contractor shall require that all employees are aware of such work rules;
  - (5) Contractor agrees that any subcontract it enters into in the furtherance of the work to be performed hereunder shall contain the provisions 1 through 4, above.
- (c) Executive Order No. 17: Connecticut State Employment Service Listings. This Contract is subject to provisions of Executive Order No. 17 of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this Contract may be canceled, terminated or suspended by the Contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order Number 17, notwithstanding that the Labor Commissioner may not be a party to this Contract. The parties to this Contract, as part of the consideration hereof, agree that Executive Order No. 17 is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the Contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to Contract performance in regard to listing all employment openings with the Connecticut State Employment Service.
- (d) Executive Order No. 7C: Contracting Standards Board. This Contract is subject to provisions of Executive Order No. 7C of Governor M. Jodi Rell, promulgated on July 13, 2006. The Parties to this Contract, as part of the consideration hereof, agree that:
- (1) The State Contracting Standards Board ("Board") may review this Contract and recommend to the state Contracting agency termination of this Contract for cause. The State Contracting agency shall consider the recommendations and act as required or permitted in accordance with the Contract and applicable law. The Board shall provide the results of its review, together with its recommendations, to the state Contracting agency and any other affected party in accordance with the notice provisions in the Contract not later than fifteen (15) days after the Board finalizes its recommendation. For the purposes of this Section, "for cause" means: (A) a violation of the State Ethics Code (Chap. 10 of the general statutes) or section 4a-100 of the general statutes or (B) wanton or reckless disregard of any state Contracting and procurement process by any person substantially involved in such Contract or state Contracting agency.
  - (2) For purposes of this Section, "Contract" shall not include real property transactions involving less than a fee simple interest or financial assistance comprised of state or federal funds, the form of which may include but is not limited to grants, loans, loan guarantees, and participation interests in loans, equity investments and tax credit programs. Notwithstanding the foregoing, the Board shall not have any authority to recommend the termination of a Contract for the sale or purchase of a fee simple interest in real property following transfer of title.

- (3) Notwithstanding the Contract value listed in sections 4-250 and 4-252 of the Conn. Gen. Stat. and section 8 of Executive Order Number 1, all State Contracts between state agencies and private entities with a value of \$50,000 (fifty thousand dollars) or more in a calendar or fiscal year shall comply with the gift and campaign contribution certification requirements of section 4-252 of the Conn. Gen. Stat. and section 8 of Executive Order Number 1. For purposes of this section, the term "certification" shall include the campaign contribution and annual gift affidavits required by section 8 of Executive Order Number 1.
- (e) Executive Order No. 14: Procurement of cleaning products and services. This Agreement is subject to the provisions of Executive Order No. 14 of Governor M. Jodi Rell promulgated April 17, 2006. Pursuant to this Executive Order, the contractor shall use cleaning and/or sanitizing products having properties that minimize potential impacts on human health and the environment, consistent with maintaining clean and sanitary facilities.





STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES



## CONTRACT AMENDMENT

**Contractor:** ACS State Healthcare, LLC  
**Contractor Address:** 9040 Roswell Road, Suite 700, Atlanta, GA 30350  
**Contract Number:** 999-ACS-HUS-02/07DSS1101AF  
**Amendment Number:** 1  
**Amount as Amended:** \$7,150,197.00  
**Contract Term as Amended:** 02/01/07 – 06/30/08

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The contract between **ACS State Healthcare, LLC (the Contractor)** and the **Department of Social Services (the Department)**, which was last executed by the parties and signed by the Commissioner of the Department of Social Services on 02/23/2007 is hereby amended as follows:

1. The total maximum amount payable under this contract is increased by \$ 366,661.00 from \$6,783,536.00 to \$7,150,197.00.
2. Payment of these additional monies shall be rendered on a reimbursement basis only, for actual services performed.
3. In light of recent changes to the operation of the HUSKY Program, the Department and Contractor anticipate a significant increase in call volume and activities associated with clients transitioning between participating health plans. To address this anticipated increase, the Contractor may hire up to 22 additional temporary employees as follows: 8 call center employees, 12 data entry employees, and 2 mailroom employees.
4. These temporary employees shall assist the Contractor in fulfilling its duties as detailed in Part I, Scope of Services, of the original contract and shall remain on staff for no longer than a three month period, beginning in January 2008.
5. Part I, Budget, of the original contract, is amended to include the addition of \$366,661.00 line item allocations associated with this amendment to support the additional staff fro a three month period.
6. The cost and budget provisions for this amendment, for additional expenditures during the period 01/02/08 through 04/07/08, are attached hereto on pages 2 and 3 and are incorporated as part of this amendment.
7. This document constitutes an amendment to the above numbered contract. All terms and conditions of the original contract not amended herein shall remain in full force and effect.



**Part I. Budget: Additional Cost and Budget Provisions**

	2008 Jan	2008 Feb	2008 Mar	Budget
<b>Salaries</b>				
<b>Administration</b>				
Exempt				-
Non-Exempt				-
Fringe				-
<b>Total</b>	-	-	-	-
<b>Call Center and Enrollment Broker Operations:</b>				
Exempt				-
Non-Exempt / Temp Labor	68,781	68,781	51,586	189,148
Fringe				-
<b>Total</b>	68,781	68,781	51,586	189,148
<b>Eligibility Determination Operations:</b>				
Exempt				-
Non-Exempt				-
Fringe				-
<b>Total</b>	-	-	-	-
<b>Passive Billing Operations:</b>				
Exempt				
Non-Exempt				
Fringe				
<b>Total</b>				
<b>Project Support Salaries</b>				
Exempt				-
Non-Exempt				-
Fringe				-
<b>Total</b>	-	-	-	-
<b>TOTAL SALARY AND FRINGE</b>	68,781	68,781	51,586	189,148
<b>Other Direct Costs</b>				
Systems Usage	7,720	5,720	5,720	19,160
Consulting	72,250			72,250
Accounting Services				-
Facility Rent				-

Facility Repair and Maintenance				-
Utilities				-
Equipment				-
Computer and IT equipment				-
Computer/IT Equipment Repair & Maintenance				-
Copy Equipment				-
Telephone R & M				-
Other Equipment				-
Other Equipment R & M				-
Equipment Rental				-
Software				-
Software Expense				-
Software Maintenance				-
Maintenance				-
Janitorial				-
Telephone		3,024		8,316
	3,024		2,268	
Postage/Freight		2,079		5,717
	2,079		1,559	
Printing Costs				627
	627			
Travel				-
Transportation				-
Office Supplies				-
Training				-
Off-site Tape Vaulting				-
Insurance				-
Taxes				-
Licenses				-
Other				-
				-
<b>TOTAL OTHER DIRECT COSTS</b>	<b>85,700</b>	<b>10,823</b>	<b>9,547</b>	<b>106,071</b>
<b>TOTAL COSTS</b>	<b>154,481</b>	<b>79,604</b>	<b>61,133</b>	<b>295,219</b>
Indirect Cost				
	23,172	11,941	9,170	44,283
Subtotal				
	177,654	91,545	70,303	339,501
Fee				
	14,212	7,324	5,624	27,160
<b>Total Contract</b>	<b>191,866</b>	<b>98,868</b>	<b>75,927</b>	<b>366,661</b>



## ACCEPTANCES AND APPROVALS

*Documentation necessary to demonstrate the authorization to sign must be attached.*

### CONTRACTOR

ACS STATE HEALTHCARE, LLC

Contractor (Corporate/Legal Name of Contractor)

Daniel G. Weyer

Authorized Official (Signature)

02/19/08

Date

REGIONAL VP - NORTHERN US OPERATIONS

Title

### DEPARTMENT OF SOCIAL SERVICES

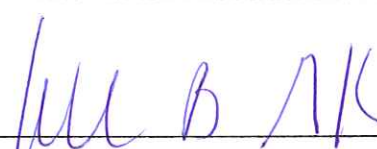


MICHAEL P. STARKOWSKI, *Commissioner*

2/24/08

Date

### OFFICE OF THE ATTORNEY GENERAL



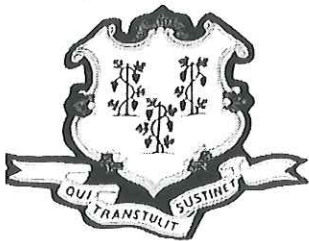
ASSISTANT ATTORNEY GENERAL (*Approved as to form & legal sufficiency*)

3/27/08

Date

**ASSOC. ATTY. GENERAL**

- This contract does not require the signature of the Attorney General pursuant to an agreement between the Department and the Office of the Attorney General, dated \_\_/\_\_/\_\_.



Original Contract Number:	07DSS1101AF
Amendment Number:	
Maximum Contract Value:	\$6,783,536.00
Contractor Contact Person:	Bill Diamond Tel: 282-5513
DSS Contact - Contract:	Kathleen Brennan Tel: 424-5693
Program:	Rose Ciarcia Tel: 424-5139

**STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES  
HUMAN SERVICE CONTRACT**

**Contract Summary**

The State of Connecticut DEPARTMENT OF SOCIAL SERVICES

Street: 25 SIGOURNEY STREET

City: HARTFORD State: CT Zip: 06106

Tel#: (860) 424-5699 hereinafter "the Department",

hereby enters into a contract with:

Contractor's Name: ACS STATE HEALTHCARE, LLC

Street: 9040 ROSWELL ROAD, SUITE 700

City: ATLANTA State: GA Zip: 30350

Tel#: FEIN/SS: 582479287

hereinafter "the Contractor", for the provision of services outlined herein in Part I.

<b>Term of Contract</b>	This contract is in effect from 02/01/2007 through 06/30/2008.
<b>Statutory Authority</b>	The Department is authorized to enter into this contract pursuant to § 4-8 and 17b-3 of the Connecticut General Statutes.
<b>Set-Aside Status</b>	Contractor <input type="checkbox"/> IS or <input checked="" type="checkbox"/> IS NOT a set aside Contractor pursuant to § 4a-60g of the Connecticut General Statutes.
<b>Effective Date</b>	This contract shall become effective only as of the date of signature by the Department's authorized official(s) and, where applicable, the date of approval by the Attorney General. Upon such execution, this contract shall be deemed effective for the entire Term specified above. This contract may be Amended subject to Part II, Section E.1 of this contract.



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## **Scope of Work – Part I**

### **1. Statutory Authority**

The Department of Social Services operates the State's capitated Medicaid Managed Care (HUSKY) program as authorized under Section 1915(b)(1) of the Social Security Act and Section 17b-28 and 17b-289 to 17b-303 inclusive of the Connecticut General Statutes.

Furthermore, the Department operates the State Childrens' Health Insurance Program (SCHIP) also known as HUSKY B in accordance with Title XXI of the Social Security Act and 17b-289 to 17b-303 of the Connecticut General Statutes as amended. The Department has, through this contract, obtained the services of an independent central broker (agent, facilitator, negotiator) to provide eligible individuals with information about the range of health care options open to them, to assist eligible individuals in choosing among competing health plans and to receive applications for the HUSKY Program from applicants.

### **2. General Description of the HUSKY Application/Enrollment Broker Contract**

The Department through this contract with ACS State Healthcare, LLC, hereinafter referred to as the "Contractor," will perform the functions of:

- A.** Enrollment brokerage to an appropriate MCO for eligible individuals enrolled in the HUSKY A and B programs,
- B.** Single Point of Entry, education and application screening for individuals applying for the HUSKY Program,
- C.** Eligibility determination for the HUSKY B Program,
- D.** Passive billing and MCO fee calculation, and
- E.** Related activities as more fully described in the Scope of Work below, including, but not limited to counseling potential enrollees regarding their MCO choices prior to the selection of their plan; enrolling individuals in a managed care organization; assisting enrollees with the initial selection of primary care providers for each eligible individual in the family; maintaining a sufficiently trained and professional staff to competently perform its activities, managing its performance quality; maintaining sufficient data management capacity to manage such decisions; and integrating data applications with the Department's data systems.

### **3. Mutual Assurances, Processes, and Structures**

Through signatures on this contract the Department and the Contractor provide assurances that they will establish internal processes and structures necessary to implement and maintain this Contract. These processes and structures shall include but are not limited to:

- A. Contract Manager:** Both the Department and the Contractor will respectively designate a Contract Manager to
  - 1. Oversee their respective performance requirements according to the terms and conditions of this Contract.
  - 2. Respond to the inquiries and other communications related to implementation, operations, and program management including but not limited to requests from the Department to the



Contractor to provide proposals or responses with respect to applicable state and federal regulations and policies as the need arises and upon request of the Contractor to the Department to provide information regarding the performance of the Contractor under the terms of this Contract.

#### **4. Hartford Area Service Operation Location**

The Contractor shall establish and throughout the term of this contract maintain an office and operation center in the Greater Hartford area within thirty (30) minutes driving time from the city of Hartford for the specific contractor tasks that are more fully defined in the following sections of this Contract.

#### **5. Task Related Policies and Procedures**

##### **A. The Department and Contractor acknowledge and agree that:**

1. The success of the Contractor's performance depends, in part, on the Contractor's development of and application of clear and accurate policies and procedures that reflect functional interpretations of regulations, quality goals and directives.
2. The Contractor's policies and procedures applicable to this contract must be organized and available to allow seamless access by both the Contractor and designated Department administrative staff.

##### **B. The Department shall:**

1. Provide to the contractor and interpret regulations, law, legislative intent and practice standards as may be required from time to time. Provide a current draft of the Department's HUSKY B regulations upon execution of this contract.
2. Issue interpretations through policy or procedure memoranda or clarifications identified by number, date, contract section or some other appropriate reference identification and the effective date and authorizing official.
3. Provide the Contractor the memoranda or clarifications through regular mail to the Contractor's designated recipient.
4. Review, for approval, all proposed policies and procedures from the Contractor.

##### **C. The Contractor shall:**

1. Propose for the Department's approval, prior to their implementation, all policies and procedures and material revisions to the policies and procedures that from time-to-time the operational needs may warrant according to the following processes:
  - a. Propose all new policies or procedures or all proposed revised policies or procedures to the Department at least thirty days prior to making any such change or as otherwise agreed by the Department and the Contractor;
  - b. Propose all enrollee letters, notices, e-mail alerts or other electronic or written communications related to the proposed policies or procedures to the Department thirty days prior to issuing or sending any such communication:

- c. Implement such policies or procedures only upon the prior written approval from the Department except that the Contractor may proceed with the change or issue the communication, as proposed if, the Department does not respond to the proposed changes or communications submitted for approval within thirty days (or as otherwise agreed by the Department and the Contractor) from its receipt of such proposed policies or procedures from the Contractor;
  - d. Obtain written approval from the Department prior to sending or issuing any communication related to such policies or procedures.
- 2. Organize policies, procedures, memoranda and clarifications in a format (referred to as the Policies and Procedures Guide) to allow its employees and employees of the Department coherent, immediate and seamless access to current information to perform the Contract tasks by arranging the information in a retrieval structure proposed by the Contractor and approved by the Department;
- 3. Provide the policies and related information in printed form as necessary;
- 4. Propose to the Department for its approval a process and time frame to:
  - a. Date stamp all memoranda and clarifications from the Department upon the Contractor's receipt of such communication from the Department;
  - b. Provide the Department draft policies and procedures;
  - c. Archive expired or otherwise outdated policies, procedures, memoranda or clarifications with a link from the current policy, procedure, memorandum or clarification.
- 5. Provide the Department within thirty days from the execution of this amendment to the Contract its policies and procedures in use by the Contractor prior to the execution of this amendment;
- 6. Provide the Department a schedule for updating all existing procedures and policies within sixty days from the execution of this contract.

**D. Performance Sanction**

The Department, in accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions", may at its option, issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not responded adequately to corrective action requirements as determined by the Department or has not maintained the Policies and Procedures Guide as required above.

**6. Call Center**

**A. The Department and Contractor acknowledge and agree that the Contractor's:**

- 1. Call center technology referred to in this Contract as an Automated Call Distribution (ACD) system distributes and manages calls, tracks calls, provides automated information and records voice calls and data. ACD is a primary means through which the Contractor shall perform the terms of this Contract including, but not limited to, counseling and enrolling members into a managed care plan, obtaining information to screen the eligibility of HUSKY applicants, and providing information to other stakeholders;



**B. The Contractor shall:**

1. Maintain a comprehensive, fully functional, inbound and outbound telephone call system that includes the use of both staffed lines and an ACD system to monitor and distribute call volume to staff during regular business hours and transfer calls to an automated recording device during non-business hours in its Connecticut location with the following functional capabilities:
  - a. The ACD system shall provide:
    - 1) Menu Options;
    - 2) Sufficient lines to support the volume of calls within the performance standard defined in this Contract;
    - 3) ACD equipment must have the functional capacities to manage telephone communication as more fully described below;
  - b. The Call Center capabilities shall include:
    - 1) Limited menu ACD;
    - 2) Translator service connection;
    - 3) Ability to receive direct and transferred calls including other Voice Audio Response Systems;
    - 4) Ability to transfer calls internally and to the Department;
    - 5) Conferencing;
    - 6) TDD line for hearing-impaired;
    - 7) Ability to leave a message in a voice box, access prerecorded information, or opt out to an Enrollment representative;
    - 8) Overflow capacity to accommodate all calls within the call performance standards outlined in this contract;
    - 9) Call back capability,
    - 10) Data collection and analysis including:
      - a) Recording all telephone conversations including a method to retrieve such recorded conversations by date, time and employee and a method to store such recordings; and
      - b) Tabulating and reporting data on telephone calls and surveys for both day-to-day operational management and ongoing service quality monitoring.
      - c) Recorded telephone conversations shall remain available for retrieval for six months after the recording unless the Department requests an extended retention prior to the expiration of the retention of such recorded calls for audits, investigations or other purposes the Department shall specify.
    - 11) After business hours recorded messages: the ACD shall provide sufficient and appropriate information regarding regular business hours;
    - 12) Recorded messages when a staff person is not available for routine calls: the ACD shall respond with a recording every thirty (30) seconds from the ACD call activation during business hours. When calls are not answered within the first fifteen (15) seconds, the ACD shall initiate a recorded message encouraging a caller to remain on

the line and assuring a caller that a qualified staff person will answer the call momentarily;

- 13) The call reporting system shall have recording and statistical tabulating capability in real time by ACD line, including: at a minimum:
  - a). Number of incoming calls;
  - b). Number of answered calls by Contractor staff;
  - c). Average number of calls answered by Contractor staff;
  - d). Average call wait time;
  - e). Average talk time;
  - f). Percent of routine services calls answered by staff less than sixty (60) seconds after the selection of a menu option;
  - g). Number of calls placed on hold and length of time on hold;
  - h). Number and percent of abandoned calls. (For purposes of this subsection abandonment refers to those calls abandoned after the entire menu selection has been played). The call abandonment rate shall be measured by each hour of the day and averaged for each month.
2. Record all inbound and outbound phone calls except those phone calls for or from employees or classes of employees the Department exempts in writing upon request by the Contractor. Notwithstanding the forgoing, the Department at its option may reverse any granted exemption upon written notice to the Contractor.
3. Provide a toll-free number for callers to obtain HUSKY application, Plan enrollment information, customer survey information, and to support clients, provider and MCO related functions within the Contractor's scope of work outlined in this Contract;
4. Provide a seamless transition from the ACD to a Customer Service Representative (CSR) for the functions described in this contract;
5. Utilize the ACD and the AT & T Language Line (or similar service), when and if necessary, to respond to callers who do not speak English and a TDD line for the hearing impaired;
6. Provide sufficient and appropriate staff during normal business hours (9:00 A.M. to 8:00 P.M. Monday through Thursday 9:00 AM to 6:PM on Friday and Saturday from 10: 00 AM to 2:00 PM, except for six regular state holidays. All times are Eastern) to:
  - a. Answer 90% of calls within sixty seconds or less and 95% of all calls within 90 seconds or less with a call center staff as determined on a monthly basis; and
  - b. maintain an abandonment rate of less than 10% as determined on a monthly basis.
7. Maintain ACD statistics on a daily basis and report them to the Department in accordance with the reporting schedule and format outlined in Section 14 of this Scope of Work "Report Requirements";
8. Develop operational procedures, manuals, forms, and reports necessary for the smooth operation of the Call Center in accordance with Section 3 of this Scope of Work "Task Related Policies and Procedures";
9. Staff the Call Center with professional, and diverse staff that demonstrate competence in their assigned tasks, multilingual skills, customer service knowledge and courtesy; and greet the caller by identifying themselves by their own first name when answering calls.



10. Provide call center staff with adequate training and demonstrated competence to respond to calls and inquiries from enrollees, the Department, agents of the Department and other stakeholders;

**C. The Department shall:**

Regularly review the performance of the Contractor's call management services and require and review corrective action when necessary.

**D. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may, at its option:

1. In accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions", issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed the Call Center requirements as identified above, and
2. Issue a Class B Performance Sanction when it determines that the Contractor has failed to record employee telephone conversations two or more times in any three month period or failed to provide such telephone conversations to the Department upon its request two or more times in any three month period.

**7. Enrollment Brokerage**

The Contractor's Enrollment brokerage staff will provide non-clinical MCO Plan enrollment information to enrollees. All staff shall communicate with enrollees professionally, respecting culturally sensitivities, by telephone and through other media as necessary.

**A. The Contractor shall:**

1. Provide to the Department the Contractor's policies and procedures supporting HUSKY A and B Enrollment Brokerage services (applicable to the predecessor contract);
2. Develop, subject to the Department's approval, a schedule to update such Enrollment Brokerage policies and procedures within sixty days from the contract execution. At a minimum the policies and procedures shall:
  - a. Require enrollee service representatives to identify themselves to callers;
  - b. Describe its procedures for enrolling and disenrolling individuals from Plans; changing individuals from enrollment in one Plan to another; and exempting individuals from Plan participation in accordance with Section 3, Task Related Policies and Procedures, above;
  - c. Describe monitoring and reporting methodologies for enrollee services including, but not limited to an appropriate methodology to track and record action on enrollment inquiries and requests for changes to enrollment in plans.
3. Propose enrollee materials to the Department for its review, comment and approval within 30 days from the date the Department requests such materials. Such materials shall utilize culturally sensitive expressions in both English and Spanish languages and require a reading competency of no greater than seventh grade;

4. Employ sufficient enrollment brokerage services staff to respond to enrollees' requests for information and plan selection guidance and who demonstrate:
  - a. Enrollment competencies;
  - b. Plan specific knowledge;
  - c. Telephone communication competencies; and
  - d. Knowledge and competencies as agreed to by the parties to assist special populations and persons with special health care needs in selecting appropriate MCOs and providers based on their medical needs.
5. Identify a "Key Person" responsible for the performance of the enrollee services staff;
6. Employ bilingual staff (Spanish and English) or otherwise obtain translation services for non-English speaking enrollees;
7. Develop policies and procedures for tracking, recording, resolving and responding to the following enrollee inquiries in accordance with Section 3. Task Related Policies and Procedures, above:
  - a. Enrollment or plan specific benefits;
  - b. Service providers; and
  - c. Other inquiries.
8. Propose for the Department's approval within thirty days from the execution of this contract an agreed upon process for sharing information and data between the Contractor and the Department in a secure format and a schedule for implementing such an approved process in accordance with Section 3. Task Related Policies and Procedures, above;
9. Provide enrollment brokerage services training and performance-based staff evaluation as more fully described below in Section 9 Staff Training and Credentialing;
10. Track enrollees' requests to disenroll from or transfer between MCOs and record the reasons;
11. Track enrollees' exemption requests from enrollment into an MCO Plan and record the reasons;
12. Report enrollee's requests consistent with reporting requirements approved by the Department;
13. Coordinate with the Department MCO enrollment exemption requests for HUSKY A on a case-by-case temporary basis or for as long as the condition that necessitates the condition exists from otherwise mandated beneficiaries who:
  - a. Are in advanced stages of terminal illness;
  - b. Are in the last trimester of pregnancy and have an established relationship with an obstetrician who is not participating in HUSKY A;
  - c. Would experience a disruption of treatment if enrolled;
  - d. Are hospitalized on the first day of enrollment;
  - e. Live out-of-state;



- f. Are receiving targeted case management from either the Department of Mental Health and Addiction Services or the Department of Mental Retardation, or
- g. Other reasons as determined by the Department from time to time.

14. Manage enrollment files as follows:

- a. Transmit to the Department and its contractors an end of the month HUSKY B enrollment file that lists enrollees who will be eligible for services for the following month;
- b. Transmit to the Department and its contractors daily file updates (adds/deletes) for HUSKY B enrollees; and
- c. Place daily and monthly HUSKY B eligibility files on an FTP secure site from which appropriate users may download the files;

**B. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may, at its option:

- 1. In accordance with Section 17 E 1 of this Scope of Work, "Performance Standards and Sanctions", issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed the enrollment brokerage requirements as identified above and/or has distributed or communicated inaccurate information that prevents enrollees from selecting the managed care plan or other administrative services that best serves their needs.
- 2. Issue a Class B Sanction in the amount of monetary harm sustained by the Department or the individual applying for benefits when the Department:
  - a. Determines that the Contractor has failed to comply with policies and procedures related to enrollment, disenrollment, exemptions, or Plan changes, and
  - b. Demonstrate that such failure has harmed the Department or the individual applying for benefits in excess of \$1,000.
  - c. Determines that the Contractor has failed to enroll an otherwise eligible HUSKY B client who requested enrollment

## **8. Eligibility Determination**

### **A. HUSKY A**

The Department shall determine the initial, ongoing and loss of HUSKY A eligibility for individuals enrolled under this contract in accordance with the Department' eligibility policies.

### **B. HUSKY Application Processing**

#### **The Contractor shall:**

1. Function as the Single Point of Entry for HUSKY applications;
2. Screen all applications for HUSKY A eligibility and refer the potential HUSKY A applications to the appropriate Department office;
3. Determine the eligibility for HUSKY B benefits for applicants in compliance with applicable Federal and State laws, regulations, policies and procedures;
4. Propose procedures and related script for the Department's approval (in accordance with Section 3. Task Related Policies and Procedures, above), for use by the Contractor's CSR and ESR staff when they respond to caller requests, screen applications, and determine eligibility for HUSKY B benefits and when they refer potential HUSKY A applications to the Department;
5. Determine the initial, ongoing and loss of HUSKY B eligibility, including, but not limited to, obtaining self-declaration and/or verification from applicants regarding information required to establish eligibility including but not limited to:
  - a. Other insurance;
  - b. Income;
  - c. Household size; and
  - d. Income disregards.
6. Determine accurate cost sharing for all HUSKY B enrollees;
7. Advise and counsel enrollees regarding their premium obligations;
8. Propose a method to track HUSKY applications for benefits from the date of receipt to the date of its final decision in accordance with Section 3. Task Related Policies and Procedures, above;
9. Propose a method to track those HUSKY applications that the Contractor refers to the Department's Regional Offices and subsequently, the Regional Offices refer back to the Contractor.
10. Verify all application and renewal information by querying Department of Labor and Social Security files and other data files the Department may from time to time provide the Contractor;
11. Verify employer health insurance information for all eligible family members through direct contact with the employer for at least twenty percent of HUSKY B approved applications each month selected through a random selection process:



12. Transmit to the Department the applications of those HUSKY applicants for whom the Contractor screened for HUSKY A eligibility;
13. Report monthly on the Contractor's application processing performance in a form and format as required by the Department including the topics below. The Department and the Contractor will meet to define and agree upon the content of the required reports:
  - a. The timeliness and accuracy of application processing,
  - b. The timeliness and accuracy of the Contractor's assessment of HUSKY A and HUSKY B application differentiation; and
  - c. The timeliness and accuracy of referring potential HUSKY A applications to the Department.

### **C. Performance Standards and Measures**

#### **The Contractor shall:**

1. Date stamp all applications or additional application information on the day (Day 1) the Contractor receives the applications or additional information;
2. Review each application within two days from the date the Contractor receives the application (Day 1) and determine whether the application is:
  - a. Complete, in which case the Contractor shall:
    - 1). Complete the screening the same day (Day 3)
    - 2). Refer "likely HUSKY A" applications to the Department by the next business day (Day 4).
  - b. Incomplete, in which case, the Contractor shall:
    - 1). Mail (by the next business day - Day 4) an "incomplete" letter to the client requesting additional information;
    - 2). Review new information provided by the client within three days from the date the Contractor receives the new information and if
      - a). Complete refer to the process steps under "a" above, or if
      - b). Incomplete mail (by the next business day) an "incomplete" letter to the client requesting additional information.
    - 3). Refer all potentially eligible HUSKY A applications to the Department no later than twelve business days from the date that the Contractor mails the first "incomplete letter" to the client as described in b. 1) above.
3. Perform all necessary action on all complete HUSKY B applications to determine whether or not the applicant is eligible for HUSKY B benefits within seven days from the day the Contractor receives the application.
4. Deny all incomplete HUSKY B applications thirty days from the day the Contractor receives the initial application (when the applicant fails to provide additional information as requested by the Contractor) except that the thirty day requirement may be extended when the

Department provides the Contractor additional time to complete its processing when the Contractor requests additional time in advance of the thirty day expiration date.

5. Reopen cases denied due to non-receipt of requested information when the applicant provides the outstanding information within sixty (60) days from the received date,

**The Department shall:**

1. Examine and review the Contractor's HUSKY application performance on a quarterly schedule within thirty days from the close of the quarter;
2. Select randomly ten percent or not more than 50 (whichever is less) applications processed by the Contractor during the performance quarter;
3. Evaluate the applications utilizing a formal evaluation instrument developed by the Department and mutually agreed upon by the Contractor for this purpose;
4. Assign a "pass" or "fail" score; and
5. Review the results of the analysis with the Contractor and, when appropriate, require corrective action with a specified time for the Contractor to comply.
6. Provide the contractor with a reasonable period of time to respond to the results of the Department's review.

**D. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may, at its option:

1. In accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions", issue a strike toward a Class A Application Processing Sanction when the formal quarterly application evaluation demonstrates an application performance failure rate of more than five percent of the applications reviewed.
  - a. The Department will notify the Contractor each time it imposes a strike;
  - b. The Department may impose an Application Processing sanction no more than \$2,500 after the third strike in any consecutive two quarters;
  - c. The Department may impose an Application Processing sanction of no more than \$5000 after a fourth strike in any eighteen month period; and
  - d. The Department shall notify the Contractor in writing at least thirty (30) days in advance of any sanction the Department intends to impose and shall provide an opportunity to meet with the Department to present its position regarding the Department's determination of an Application Processing Sanction.
2. Issue a strike toward a Class A Performance Sanction when it determines that the Contractor has failed to perform HUSKY B eligibility determinations or enrollment determinations for accuracy or timeliness as identified above; and
3. Issue a Class B Sanction in the amount of monetary harm sustained by the Department or the individual applying for benefits when the Department determines that:



- a. The Contractor caused the harm by erroneous application screenings, eligibility determinations or enrollment determinations and
  - b. The harm may be quantified in excess of \$1,000; or
4. Issue a Class B sanction not to exceed \$10,000 after the Department has:
- a. Determined that the Contractor has demonstrated a pattern of failure to perform the application screenings or eligibility determinations or enrollment determinations requirements for accuracy or timeliness as identified above despite the imposition of corrective action plans, and
  - b. Provided the Contractor at least thirty (30) days notice, and
  - c. Provided the Contractor an opportunity to meet with the Department to present the Contractor's position regarding the Department's determination of a violation warranting a Class B sanction.

## **9. HUSKY Passive billing and MCO fee calculation**

### **A. The Contractor shall:**

1. Accurately transfer HUSKY A and B rates into the Contractor's data system;
2. Maintain a detailed database of premium payments, including but not limited to the following data elements:
  - a. Client name;
  - b. Client identification number;
  - c. Premium amount;
  - d. Payment date,
  - e. Adjustments
  - f. MCO membership
  - g. Other information as determined by the Department and Contractor to facilitate the appropriate management of premium payments
3. Accurately calculate MCO fees;
4. Provide to the Department within thirty (30) days of the execution of this contract its processes (applicable to the predecessor contract) to verify the fee calculations for monthly payments to the MCOs and procedures for maintenance and revisions of those procedures in accordance with Section 3 Task Related Policies and Procedures above. Such processes shall include the certification of the accuracy of the rate and fee calculations by an executive of the Contractor with the authority to attest to the validity of the calculations;
5. Submit appropriate error-free HUSKY "Passive Billing" "check file" and detailed "capitation file." to the Department within the following promptness standards:
  - a. HUSKY A – within six (6) business days from the last business day of the prior month,
  - b. HUSKY B – within fifteen (15) business days from the last business day of the prior month.

6. Promptly revise and recalculate fee and rate calculations at its own expense for incorrect payments resulting from the Contractor's error(s).
7. Calculate retroactive rate adjustments at the request of the Department;
8. Implement a Department approved method to track premium payment lock-out issues; and
9. Provide MCOs with a HIPAA compliant remittance file.

**B. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option and in accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions" issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed timely and accurate Passive Billing requirements as identified above.

**10. Staff Training and Credentialing**

**A. The Contractor shall:**

1. Update its comprehensive staff development, training and credentialing program for all new and existing employees and submit to the Department for its approval within an agreed upon schedule. The schedule shall be agreed to within thirty days from the execution of this contract. The program shall include at a minimum:
  - a. Curriculum topics including all policies and procedures developed in response to Task Section 3, Task Related Policies and Procedures;
  - b. Method based on an "adult learner" model including, but not limited to:
    - 1) Specific scenarios that illustrate competency requirements regarding enrollment brokering, eligibility determination, passive billing, telephone etiquette, and enrollee counseling and that have been based on the Contractor's experience with enrollees and the MCOs;
    - 2) Active participation exercises; and
    - 3) Active knowledge and practice assessment and feedback;
  - c. Interval and frequency of training and conditions for re-training; and
  - d. Training curricula and related materials (including telephone scripts) for use by employees.
2. Train all new and existing employees, as appropriate for their position, in the performance competencies including but not limited to:
  - b. Enrollment policies and procedures;
  - c. Eligibility requirements;
  - d. Passive Billing;
  - e. Relevant HUSKY Program policies and regulations;
  - f. Enrollee Education and Counseling;



- g. Knowledge to assist special populations and persons with special health care needs in selecting appropriate MCOs and providers based on their medical needs;
- h. The Department's Eligibility Management System (EMS);
- i. Confidentiality and data security;
- j. Applicable Federal and State regulations including Standards of Promptness;
- k. Performance Measurement and Quality Management, and
- l. Customer Service Competencies including:
  - 1) Telephone etiquette;
  - 2) Standard customer service skills;
  - 3) Confidentiality requirements and regulations;
  - 4) Verifying caller identification;
  - 5) DSS policies; and
  - 6) Accessing the Department's EMS system to review eligibility status.
- 3. Provide updated training to new and existing employees as policies and procedures change or as other needs warrant;
- 4. Provide formal training or certification using adult education methods and practices. The department and the contractor shall agree upon the specific formal training needed to meet this requirement and the timeframe necessary to obtain it if needed.
- 5. Conduct employee performance reviews to evaluate the quality of each employee's performance as more fully described in Quality Management in Section 11 of this Contract;
- 6. Provide the Department access to the review results;
- 7. Propose, for the Department's approval, the key person responsible for employee training and credentialing; and
- 8. Maintain records of staff training.

**B. Performance Standards and Measures**

The Contractor shall train all new and existing employees in the functions and issues appropriate to their positions and shall assure the Department that such employees shall demonstrate minimum competencies in their respective functions as stated in the Contractor's approved Training Plan before assigning them to perform their functions.

**C. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option, in accordance with Section 17 E1 of this Scope of Work "Performance Standards and Sanctions", issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed the Staff Training and Credentialing requirements as identified above in (10. B).

## **11. Quality Management**

### **A. Introduction**

Quality Management (QM) refers to a comprehensive program of quality improvement and quality assurance activities that provides sufficient evidence to the Department that the Contractor and its employees:

1. Consistently achieve contract terms and performance standards;
2. Provide appropriate, accurate, timely and professionally competent information and respectful communication to all constituencies including but not limited to:
  - a. All enrollees to help them select the managed care plan that best serves their own needs;
  - b. All HUSKY applicants related to the status of their applications;
  - c. All HUSKY B enrollees regarding their eligibility;
  - d. All HUSKY B enrollees regarding their premium requirements;
  - e. The Department regarding HUSKY "Passive Billing" and Payment;
  - f. MCO representatives in response to their inquiries; and
  - g. All Department staff regarding all of the above and all functions and tasks within the Scope of Work.
3. Accurately process HUSKY applications, HUSKY B eligibility, HUSKY A and B enrollments, disenrollments, plan changes, exemptions and MCO payments;
4. Validate reporting accuracy.

### **B. The Department shall:**

1. Review for approval, prior to implementation, the Contractor's QM plan and program description that incorporates its initiatives, strategies, and methodologies for on-going quality assurance, quality improvement, and concurrent systems for identifying issues that require immediate attention from the Department;
2. Require the Contractor to study and evaluate issues that the Department may from time to time identify;
3. Designate quality indicators to monitor performance;
4. Review for approval all enrollee and provider survey scripts or templates; and
5. Periodically, audit the quality management efforts conducted by the Contractor and based on the results of the audit, require corrective action.

### **C. The Contractor shall:**

1. Propose, by a date agreed upon by the Department, an annual QM Program Plan that describes the QM program structure and outlines the objectives and scope of planned projects addressing:
  - a. Enrollment brokering;



- b. HUSKY Application prescreening, processing and referral;
  - c. HUSKY B eligibility determination;
  - d. Standards of promptness management;
  - e. Enrollee services and user services;
  - f. Satisfaction Surveys;
  - g. Ongoing Quality Management Activities;
  - h. Quality Improvement Initiatives;
  - i. Quality Management Program Evaluation;
  - j. Passive Billing operations;
  - k. Mailroom Activities; and
  - l. Reporting for HUSKY A and HUSKY B.
2. Propose, within sixty (60) days from the execution of this contract to the Department for its review and approval in accordance with Section 3. Task Related Policies and Procedures, above, procedures to manage complaints and grievances from enrollees regarding the Contractor's performance. The procedures shall at a minimum describe:
    - a. A hierarchy of steps a caller and the Contractor may take to address complaints or grievances;
    - b. The method of informing the caller regarding the complaint resolution options; and
    - c. The tracking and management of complaints, including those resolved informally including a short dated summary of the problem, the response and the resolution.
  3. Propose, within sixty (60) days from the execution of this contract to the Department for its review and approval, procedures, in accordance with Section 3. Task Related Policies and Procedures above, to manage complaints and grievances from enrollees regarding the MCOs' failure to perform. At a minimum the procedures shall include a reporting mechanism to the Department;
  4. Propose quality indicators and methods and methodology to track and monitor the Contractor's performance against the quality indicators;
  5. Provide a flow chart and methodology to track, monitor, respond, and resolve all complaints;
  6. Conduct satisfaction surveys as described in the Contractor's Quality Management Plan;
  7. Employ a dedicated qualified Quality Management key person, with approval from the Department, to operate and manage the QM program and whose activities are separate from direct enrollee contact;
  8. Implement an ongoing review of employee call center performance, including:
    - a. A random selection of at least two phone calls per week from each employee communicating with a caller for enrollment brokering or eligibility determination services;

- b. The use of a standard protocol (as described in Section 10 Staff Training and Credentialing) for evaluating telephone call performance including the accuracy of the information provided and the sensitivity to customer satisfaction and telephone etiquette; and
  - c. Referral for additional training or coaching for individual staff performing at less than an average of ninety percent (90%) proficiency in any month using the protocol in Section 11.B.8.b.
9. Prioritize, monitor, and analyze problems identified through enrollee and user surveys, and employee performance reviews;
10. Implement three quality improvement initiatives/efforts each year;
11. Annually, review and update the Quality Management Program; and
12. Submit to the Department an annual summary of Quality Management activity in the Annual Report submitted to the Department.
13. Provide the Department the Contractor's phone call performance evaluation protocol. The phone call evaluation protocol shall address:
  - a. The accuracy of the information communicated;
  - b. The customer sensitivity orientation; and
  - c. The evaluation application schedule and frequency to certify the knowledge, and performance of employees who have contact with enrollees and with MCO representatives;
14. Propose to the Department for its review and approval prior to implementation, any changes to the protocol;
15. Conduct competence reviews using the protocol and individuals with the following relevant training and experience with exceptions to these requirements granted by the Department in writing based on a formal written proposal or justification by the Contractor:
  - a. Five or more years of direct service experience in determining HUSKY eligibility, or equivalent experience in determining eligibility in needs based government eligibility programs;
  - b. Three or more years in customer service or enrollee services telephone experience; and

#### **D. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option and in accordance with Section 17 E1 of this Scope of Work issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not implemented an annual QM Program Plan as identified above and/or has not implemented procedures to manage complaints and grievances from enrollees regarding the MCOs' failure to perform.



## 12. Notices

### A. The Contractor shall:

1. Produce notices as directed by the Department. The production and distribution of such notices shall be in accordance with the policies and procedures set forth in the Procedures Guide;
2. Supply postage and any required shipping charges at the request of the Department (including any special mailings required and authorized by the Department). The Department shall reimburse the Contractor for incurred postage costs or shall require the Contractor to “drop ship” the special mailing notices at the Department’s mailroom for mailing from the Department;
3. Produce and mail Department approved multi-page notices to enrollees as required by the Department;
4. Maintain the capacity to produce, fold, stuff and mail additional documents;
5. Maintain mailroom activities to receive, date-stamp, sort and properly manage mailed documents to the Contractor from enrollees and others.

## 13. Information System Functionality

### A. Introduction

The success of the Department’s managed health service system depends on an integrated data system. The Contractor will perform a pivotal role by transmitting enrollment data to the Department’s vendors for various services. The Contractor may from time to time be required to produce extracts for the Department.

### B. The Contractor shall:

1. Maintain an Eligibility and Enrollment Processing platform that includes the following functionality:
  - a. HUSKY A & B
    - 1). Contact Management;
    - 2). Application processing and tracking;
    - 3). Program management and reporting;
    - 4). Passive Billing services including capitation processing, calculations for all enrolled HUSKY A clients, and a monthly check file with detailed remittance advice for each MCO that the Contractor must submit to the Department by the 8th of each month
  - b. HUSKY A
    - 1) Screening and referral process;
    - 2) Enrollment processing and enrollment verifications; and

- 3). Check file supported by monthly detail remittance files provided to the MCOs in HIPAA 820 TXN format.
- c. HUSKY B
  - 1) Eligibility and enrollment processes that include:
    - a) The capacity to Lock-Out clients for non-payment of premiums, and
    - b) The capacity to capture client reasons for disenrollment.
  - 2) Daily and monthly enrollment files; and
- d. Archive client data for a minimum of seven years from the date of its creation or for the duration of any audit requiring the preservation of such data or as otherwise required by Federal or State regulations.

**C. The Department shall:**

1. Create and update HUSKY A medical eligibility files on the mainframe at the state data center;
2. Assure the Contractor that the eligibility of any individual whose eligibility is terminated during the month functionally ends on the last day of the month;

**D. Performance Sanctions**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option and in accordance with Section 17 E 1 of this Scope of Work "Performance Standards and Sanctions" issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed the Information System Functionality as identified above including, but not limited to incorrect application screening, or inaccurate eligibility determinations.

**14. Report Requirements**

**A. The Contractor shall:**

1. Report on activities and measures as listed below on a regularly scheduled basis or as otherwise required by the Department, in the format as may be required or modified by the Department from time to time;
2. Adhere to all revised reporting requirements unless the Contractor demonstrates that to meet such requirements, it must modify the functional design of its information systems or increased staffing resulting in additional costs to the Contractor;
3. Submit all reports outlined below in accordance with the due dates and, where applicable, in the prescribed format in the medium (i.e. electronic and/or hardcopy) mutually agreed upon;
4. Advise the Department when the Contractor identifies an error within one (1) business day and resubmit the corrected report within five (5) business days or a mutually agreed upon timeframe of becoming aware of an error that impacts a line item within a report period;
5. Identify a key person who will be responsible for the coordination of the transmission of reports and the correction of errors associated with the reports;



6. Provide Ad Hoc or special reports at the request of the Department;
7. Respond to requests for special or ad-hoc reports within five (5) business days or a mutually agreed upon timeframe including reporting specifications, report development, cost and the expected delivery date of information;
8. Provide data from its databases to agency systems and data warehouses as required by the Department; and
9. Transmit no later than the 15<sup>th</sup> of the month following the report month to the Department or other location certain data, files and reports as the Department may require, including but not limited to the following:

**a. HUSKY A**

- 1). Connecticut BESST Summary Activity Report
- 2). HUSKY A Data Sheet - Enrollment Data
- 3). Gross Plan Changes by Reason
- 4). Gross Plan Changes by Reason Chart
- 5). Cumulative Net Enrollment by Coverage Group by County
- 6). Net Enrollment Report (by Plan by County)
- 7). Monthly Enrollment Activity Report
- 8). Children Net Enrollment Report
  - a). EPSDT Age Group Under 1
  - b). EPSDT Age Group 1 to 5
  - c). EPSDT Age Group 6 to 14
  - d). EPSDT Age Group 15 to 18
  - e). EPSDT Age Group 19 to 21
  - f). EPSDT Age Group Over 21 Years
- 9). Net Enrollment by County by Age
- 10). Blue Care Net Enrollment by County by Age
- 11). CHN Net Enrollment by County by Age
- 12). PHS Net Enrollment by County by Age
- 13). Preferred One Net Enrollment by County by Age
- 14). All Plans Net Enrollment by County by Age
- 15). DCF Net Enrollment
- 16). Unduplicated Count of Individuals Plan Changes Chart
- 17). HUSKY A Enrollment Report by Town
- 18). HUSKY A Under 19 Enrollment by Town Report
- 19). HUSKY A Enrollment Growth by Month (chart)
- 20). HUSKY A Under 19 Enrollment Growth by Month (chart)
- 21). Count of Enrollees by Race by Plan
- 22). Count of Enrollees by County by Race
- 23). Count of Enrollees by County by Plan
- 24). HUSKY A Capitation Reports, Monthly
- 25). Referred to DSS (E-2) Report, monthly (via diskette)

**b. HUSKY B**

- 1). RPT108 Enrollment by Town
- 2). Enrollment by County
- 3). Enrollment by Plan

- 4). Enrollment by Age
  - 5). Enrollment by Race
  - 6). RPT113 Enrollment Activity Summary
  - 7). RPT109 Application Activity
  - 8). RPT110 Activity Summary
  - 9). RPT111 Signed Applications Received
  - 10). RPT112 Approved by Band and Race
  - 11). RPT115 Requests for Applications
  - 12). Complaints
  - 13). HUSKY B Weekly Report of Application Activities
  - 14). HUSKY B Capitation Reports (quarterly)
  - 15). CMS/HCFA Quarterly Reports, Non-duplicated Enrollment Counts by band
  - 16). Plan Changes by Reason
  - 17). Renewals by Time Since Received
- c. Call Center Reports**
- 1). Call Center Activity Report
  - 2). Total HUSKY Call Volume by Month
  - 3). Call Center Monthly Abandonment Rate
  - 4). HUSKY A and B Material Inventory
- d. HUSKY Data - Protocol Reports - (CCHI):**
- 1). Number of Application Requests By town
  - 2). Number of Applications Approved By town
  - 3). Number of Applications Submitted By town
  - 4). Pending Applications by Time Since Received
  - 5). Applications Referred by Time Since Received
- e. Other**
- 1). The timeliness and accuracy of application processing,
  - 2). The timeliness and accuracy of the Contractor's assessment of HUSKY A and HUSKY B application differentiation
  - 3). The timeliness and accuracy of referring potential HUSKY A applications to the Department.

**B. The Department shall:**

1. Review and approve report formats and submitted reports; and
2. Approve or deny report submission extension requests.

**C. Performance Standards and Measures**

The Contractor shall:

1. Produce accurate reports according to the schedule described above; and
2. Attest to the accuracy of the reports through a certifying signature on the reports by an officer of the Contractor or an authorized representative of the Contractor.



#### **D. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option and in accordance with Section 17 E1 of this Scope of Work "Performance Standards and Sanctions" issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not submitted accurate reports within the time standards as defined above.

### **15. Systems Design and Architecture**

#### **A. The Contractor shall:**

1. Establish and maintain a HIPAA ready computer system to accommodate all operational and reporting functions required in this contract;
2. Maintain all operational data in an information system that is compliant with Open Database Connectivity Standards (ODBC) and that will allow for easy data retrieval to meet the program reporting specifications described in this contract;
3. Propose a comprehensive disaster recovery plan on an agreed upon schedule following the execution of this contract that will comply with all existing State disaster recovery protocols, and will at a minimum, assure continuous operations, including no loss of:
  - a. Service of more than eight hours in the event of a system failure;
  - b. Service of more than one week in the case of a major natural disaster or act of war; and
  - c. Historical data.
4. Supply all computer hardware (and software as appropriate) necessary to provide eligibility access to Contractor staff. Contractor supplied computer hardware and software must meet DSS approval.
5. Perform all file and system maintenance functions to the Contractor's proprietary system;
6. Maintain data processing expertise, data processing equipment, programmers and operators and other related technical support to ensure the continued operation of the enrollment broker functions; and
7. Ensure quality control of all electronic transmissions and magnetic tapes.

### **16. Security and Confidentiality**

#### **A. Introduction**

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires the Department, as a "covered entity," to protect the privacy of applicants and client information. As a "covered entity," the Department requires that the Contractor similarly comply with all state and federal laws concerning privacy and security of all client information provided to the Contractor by the Department or acquired by the Contractor in performance of the contract. Client information includes all client information whether maintained or transmitted verbally, in writing, by recording, by magnetic tape, or electronically. Compliance with privacy laws includes compliance with the HIPAA Privacy Rule and also compliance with other federal and

state confidentiality statutes and regulations that apply to the Department. The Department also requires the Contractor to continually update and improve its privacy and security measures as client data becomes more vulnerable to external technological developments.

**B. The Department shall:**

1. Designate specific staff to access and request client information from the Contractor;
2. Review and approve privacy and security policies and procedures developed by the Contractor; and
3. Review breaches in privacy and security that have been reported to them by the Contractor.

**C. The Contractor shall:**

1. Comply with Connecticut General Statute §53a-250 through 53a-261 regarding computer-related offenses;
2. Comply with all applicable Federal and State of Connecticut laws and regulations, as an agent or business associate of the Department, regarding confidentiality and safeguarding information including HIPAA privacy and security regulations that apply to business associates of the Department, including, but not limited to, returning or destroying all client information created or received by the Contractor on behalf of the Department, as directed by the Department;
3. Comply with all security and use requirements established by the Department for parties using EMS, AEVS, and any other Department data system;
4. Propose for review and approval by the Department on an agreed upon schedule, security policies and procedures that comply with state and federal law concerning the use, disclosure, and security of client data, including procedures to:
  - a. Prevent the improper use or disclosure of any information about an enrollee that is obtained from any source or in any manner except in connection with the legitimate performance of tasks within this Contract;
  - b. Limit access to client information held in its possession to those individuals who need client information for the performance of their job functions and ensuring that those individuals have access to only that information that is the minimum necessary for performance of their job functions;
  - c. Ensure the physical safety of data under its control by using devices and methods including, but not limited to: alarm systems, locked files, guards or other devices reasonably expected to prevent loss or unauthorized removal of data;
  - d. Prevent unauthorized use of passwords, access logs, badges or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data. Methods used shall include, but not be limited to, restricting system and/or terminal access at various levels; assigning personal IDs and passwords that are tied to pre-assigned access rights to enter the system; restricting access to input and output documents, including a “view-only” access and other restrictions designed to protect data;
  - e. Monitor privacy and security practices to determine whether breaches have occurred;



- f. Sanction any employee, subcontractor, officer, or director who violates the privacy and security policies;
  - g. Implement corrective action and establish mechanisms to avoid the reoccurrence of a breach; and
  - h. Recover data that has been released without authorization.
5. Train all its employees and consultants who have access to data related to this contract concerning state and federal privacy and security laws governing confidentiality as more fully described in section 9 - Staff Training and Credentialing;
6. Cooperate with the Department in taking all steps deemed advisable by the Department to enjoin misuse, regain possession, and/or otherwise protect the State's rights and the data subject's privacy;
7. Allow access to any personal data held in its possession, solely to those employees of the Department who require such information in the performance of their occupational responsibilities;
8. Agree to implement any improvements or modifications resulting from periodic physical security reviews;
9. Require each employee or any other person to whom the Contractor grants access to client information under this contract sign a statement indicating that he or she is informed of, understands, and will abide by state and federal statutes and regulations concerning confidentiality, privacy and security;
10. Notify the Department the same day, and in writing by the next business, that an employee, director, officer or subcontractor, has:
  - a. Improperly disclosed client information or improperly used, copied or removed client data;
  - b. Misused or used without proper authorization, an operator password or authorization numbers, whether or not such use has resulted in fraud or abuse; or
  - c. Received any subpoena for client data or any material related to this contract in the Contractor's possession (except as obtained by an authorized representative of DSS).
11. Notify the Department, in writing, and consult with the Department by the next business day, when:
  - a. A subpoena has been served on the Contractor; or
  - b. A request made pursuant to the state Freedom of Information Act (Conn. Gen. Stat. 1-200, *et seq.*) received by the Contractor concerning material held by the Contractor related to the contract.
12. Designate a key person who will be responsible for implementation and monitoring of compliance with privacy and security policies and procedures;
13. Retain records in accordance with the most current version of the State of Connecticut record retention schedule supplied to the Contractor by the Department;

14. Securely transport paper records, documents and electronic files to the Department or to another facility that the Department identifies for the actual destruction of paper records and documents.

#### **D. Performance Sanction**

In addition to the specific performance sanctions described under various task sections of this Contract, the Department may at its option and in accordance with Section 17 E 1 of this Scope of Work “Performance Standards and Sanctions”

1. Issue a strike toward a Class A Performance Sanction when it determines that the Contractor has not performed the Security and Confidentiality requirements as identified above;
2. Issue a sanction, up to and including a Class C sanction, against the Contractor when it determines that
  - a. any of the Contractor’s employees violated confidentiality requirements or
  - b. otherwise misused client information, and
  - c. whether or not the Department can demonstrate the misuse or violation was intentional or not or
  - d. whether or not the misuse or violation was for personal gain or for the gain of others.

This sanction is in addition to any other civil or criminal penalties.

### **17. Performance Standards and Sanctions**

#### **A. Introduction**

1. The tasks outlined in this contract constitute major components of the Department’s managed care program. The failure of the Contractor to precisely and accurately perform the tasks or its administrative errors could result in serious harm to individuals or significant unwarranted costs to the Department or both. The Department is obligated to recover unwarranted costs, to the extent possible, whatever the cause. In addition, the Department may assess sanctions for substandard performance realizing that in certain circumstances it may be difficult to determine unwarranted costs or harm incurred by the Department or its clients.
2. The Department’s clients rely on the Contractor’s services to make informed decisions regarding plan and PCP selections. The failure of the Contractor to provide reliable, accurate and precise information may result in severe financial or health consequences for certain clients. The Contractor is not immune from harm caused to a client by its substandard, inaccurate or unreliable performance or any administrative error. In addition to the provisions of B6 “Insurance” of the Mandatory Terms and Conditions of this contract, the Contractor shall maintain sufficient insurance or surety bonding to “save harmless” the State of Connecticut from any client claims directly attributable to the inaccurate, false, or misleading information or administrative error provided by the Contractor or any of its employees.
3. The Department has established specific Performance Standards for the Contractor to ensure reliable, accurate and quality service. The Performance Standards described in this section are independent contractual requirements. The Contractor’s failure to meet these Performance Standards may result in sanctions against the Contractor for each occurrence per Performance



Standard not met. If the Contractor's Performance Reports or Audits by the Department indicate that the Contractor failed to meet the Standards within the specifications under consideration, the Department may adjust the Contractor's payment by the amount of the sanction. The Department will not sanction the Contractor for reporting delays that are not the fault of the Contractor.

**B. The Department shall:**

1. Regularly evaluate the Contractor's performance and at least annually or as requested by either party meet formally to review such evaluations. The Department will prepare minutes of such meetings. In the event of any disagreement regarding the performance of services by the Contractor under this contract, the designated representatives shall discuss the problem and shall negotiate in good faith in an effort to resolve the disagreement. In the event that the representatives are unable to resolve the dispute within a reasonable time, the matter shall be referred to the Contract Administrator as provided under the provisions of D7 "Settlement of Disputes and Claims Commission" of this contract. If the Contract Administrator determines that the Contractor has failed to perform as measured against applicable contract provisions, the Contract Administrator may impose sanctions or any other penalty, set forth in this Section including the termination of this contract in whole or in part. In the event that the Department, at its sole discretion, does not enforce the performance requirements, such non-enforcement shall not constitute a waiver of the Department's right to enforce such performance requirements thereafter.
2. Issue a formal written notice to the Contractor whenever it determines that the Contractor has failed to meet a Performance Standard and a sanction is warranted including:
  - a. A statement of the sanction;
  - b. The rationale for the sanction; and
  - c. An opportunity for the Contractor to refute the sanction or otherwise defend itself.
3. Adjust Contractor's payment by the amount of the sanction in the payment period following the sanction if the Contractor is unable to refute the sanction within the opportunity provided;
4. Use actual percentages in determining the Contractor's performance;
5. Require corrective action plans as necessary; and
6. Review and approve the development of or any modification to the corrective action plan.

**C. The Contractor shall:**

1. Provide the Department a standard ACORD form certificate of its insurance evidencing the coverage required in Part II.B.6. Insurance
2. Submit a corrective action plan including a timetable for implementation of the corrective action plan to the Department for review within fifteen (15) business days of the date of the Department's sanction notification of failure to meet a specified Standard.

**D. Alternative Effort**

1. The Department may provide or procure the services reasonably necessary to cure a default by the Contractor if, in the reasonable judgment of the Department:

- a. A default by the Contractor is not so substantial as to require termination;
  - b. Reasonable efforts to induce the Contractor to cure the default are unavailing; and
  - c. The default is capable of being cured by the Department or by another resource without unduly interfering with continued performance by the Contractor.
2. The Department will adjust the Contractor's payment to recover the reasonable cost of the procured services and the costs associated with the procurement of the services when the Department exercises its right to procure services to cure the Contractor's default.
  3. The Contractor shall cooperate with such entities the Department may obtain to cure the default and shall allow those entities access to the facility, documentation, software, utilities and equipment subject to the third party's execution of a non-disclosure agreement with Contractor in a form to be provided by Contractor.
  4. The Contractor shall remain liable for all system support and administration performance criteria, maintenance of and further enhancements to any applications developed by these resources to the extent that it constitutes the Contractor's work product.

#### **E. Sanctions**

1. Class A sanctions. Three Strikes, Sanctions Warranted After Three Occurrences (or fewer occurrences if stated otherwise in a specific sanction requirement in the body of this contract):
  - a. For noncompliance of the contract that does not rise to the level warranting Class B sanctions as defined in subsection (2) of this section or Class C sanctions as defined in subsection (3) of this section, including, but not limited to, those violations defined as Class A sanctions in any provision of this contract, the following course of action will be taken by the Department:
  - b. Whenever the Department discovers that the Contractor has failed to perform a sanctionable contract provision, the Department will communicate to the Contractor the discovery either verbally or in writing. In addition, the Department will either require certain corrective action to resolve the deficiency or request the Contractor propose a resolution for the Department's approval. In either case, the corrective action resolution shall include a deadline for completion. At the deadline, the Department shall either acknowledge the satisfactory completion of the corrective action or shall issue a strike toward a Class A sanction as described in "c" below.
  - c. When the Department determines that the Contractor has failed to implement or complete corrective actions as described in "b" above, (including those instances where the Contractor has engaged in the same pattern of failure two or more times in a three month period) the Department shall issue a strike toward a Class A sanction. The Department will notify the Contractor each time it imposes a strike. After the third strike for any contract provision (unless stated otherwise in a specific sanction requirement in the body of this contract), the Department may impose a monetary sanction against the Contractor. If no specific time frame is set forth in any such contractual provision, the time frame applicable for determining a sanction threshold is deemed the full length of this contract amendment.



- d. The Department shall notify the Contractor in writing at least thirty (30) days in advance of any sanction the Department intends to impose and shall provide an opportunity to meet with the Department to present its position regarding the Department's determination of a violation warranting a Class A sanction. At the Department's discretion, the Department will impose the sanction. The sanction will be no more than \$2,500 after the first three (3) strikes (unless stated otherwise in a specific sanction requirement in the body of this contract). The next strike for noncompliance of the same contract provision contractual provision will result in a sanction of no more than \$5,000 and any subsequent strike for noncompliance of a contractual provision will result in a Class A sanction of no more than \$10,000.
2. Class B Sanctions. Sanctions Warranted Upon Single Occurrence
    - a. For noncompliance with the contract which does not warrant the imposition of Class C sanctions as defined in subsection 3 of this section, including, but not limited to, those violations defined as Class B sanctions in any provision of this contract, the following course of action will be taken by the Department:
    - b. The Department may impose a Class B sanction not to exceed \$10,000 after the Department has:
      - 1) Determined that the Contractor has failed to meet a performance measure that merits the imposition of a Class B sanction as previously set forth in this contract.
      - 2) Provided the Contractor at least thirty (30) days notice, and
      - 3) Provided the Contractor an opportunity to meet with the Department to present the Contractor's position regarding the Department's determination of a violation warranting a Class B sanction.
3. Class C Sanctions. Sanctions Related to Noncompliance Potentially Resulting in Harm to an Individual Member or the Department.
    - a. The Department may impose a Class C sanction on the Contractor for noncompliance that results in harm to an individual Member or the Department as defined in previous sections of this contract.
    - b. Prior to imposition of any Class C sanction, the Department will notify the Contractor at least thirty (30) days in advance and provide, at a minimum, an opportunity to meet with the Department to present its position regarding the Department's determination of a violation warranting a Class C Sanction. For any contract violation under this subsection, at the Department, at its discretion, may provide the Contractor an opportunity to submit a corrective action plan within twenty (20) days of the notice to the Contractor of the violation. Immediate compliance (within thirty (30) days) under any such corrective action plan shall result in the imposition of a lesser sanction on the Contractor. If any sanction issued under this subsection is equivalent to termination of the contract, the Department shall offer the Contractor a hearing to contest the imposition of such a sanction.
4. Other Remedies
    - a. Notwithstanding the provisions of this section, the Contractor's failure to provide required services will place the Contractor in default of this contract, and the remedies in

this section are not a substitute for other remedies for default that the Department may impose as set forth in this contract.

- b. The imposition of any sanction under this section does not preclude the Department from obtaining any other legal relief to which it may be entitled pursuant to state or federal law.
6. Payment Withhold, Class C Sanctions or Termination for Cause
    - a. The Department may withhold payments, impose sanctions including Class C Sanctions set forth in Section 15 or terminate the contract for cause. Cause shall include, but not be limited to:
      - 1) Use of funds and/or personnel and or client information for purposes other than those described in the HUSKY program and this contract, or
      - 2) Civil actions or suit in federal or state court involving allegations of health fraud or violation of 18 U.S. C. Section 1961 et seq. brought on behalf of the Department.

## **18. Transition Requirements**

### **A. Introduction**

1. The Department may from time to time amend its Medical Care operations in a manner that may require the Contractor to alter its service. The Department may “carve-out” certain services managed by Medicaid managed care organizations and assign those services to other entities.
2. The Department may also alter the manner in which it provides services to individuals who receive services through the Department’s “Fee-for-Service” program or modify the program in other ways to meet its needs or legislative intent.
3. The Department intends during the term of this amendment to re-procure services identified in this Contract as amended. In the event that the procurement and implementation activities for an enrollment broker contractor to replace the current scope of services under the contract as amended were completed in advance of the stated expiration date of this contract amendment, the Department reserves the right to terminate this amendment, prior to the stated expiration date of June 30, 2008. The Department shall provide the Contractor 120 days written notice of the intent to terminate.

### **B. Department shall**

1. Provide the Contractor transition information for altered service requirements.
2. Review for approval the Contractor’s Transition Plan.
3. Work with the Contractor to determine whether the change in operations requires the Contractor to obtain additional resources or equipment or whether the change can be handled within the scope of the contract.

### **C. The Contractor shall**

1. Participate in such transitional activities as required by the Department to ensure a smooth transition of such services and continuity of care for clients whatever the circumstances including but not limited to transitioning due to shifting enrollment requirements from



multiple managed care organizations to other types of organizations or shifting enrollment requirements from the Department to other agents of the Department or shifting the Contractual obligations from the Contractor to a different agent of the Department as a result of a re-procurement.

## **19. User Services**

### **A. Introduction**

The Department supports positive Contractor-User Relations. As applied in this section, “User” refers to the MCOs and any other agent of the Department that has a required need to use the Contractor’s data or has a legitimate need to interact with the Contractor regarding the User’s performance of tasks as authorized by the Department.

### **B. The Contractor shall:**

1. Communicate with all Users in a professional and respectful manner; promoting positive provider practices through communication and mutual education;
2. Provide efficient administrative services to minimize user burden;
3. Provide a notification mechanism to alert users to enrollment policy modifications, and changes in user requirements that are not otherwise communicated by the Department in policy transmittals; and
4. Provide opportunities for users to voice their concerns and provide feedback to the Contractor on its performance.

### **C. The Department shall:**

1. Review for approval all published materials.

## **20. Key Personnel and Positions**

### **A. The Contractor shall:**

1. Propose to the Department for its approval the names and credentials of Key Personnel for specific positions and the specific functions identified in this Contract as requiring Key Personnel, or other key personnel identified by the state, and at any time that the Contractor intends to replace such personnel. Such approval will not be unreasonably withheld;
2. Likewise, the Contractor shall propose to the Department for its approval prior to implementation any changes to positions including adding, deleting or combining functions. Such approval will not be unreasonably withheld;
3. Obtain the written approval by the Department prior to the appointment of such individuals to the positions. Such approval will not be unreasonably withheld;
4. Assure the Department that any proposed changes in Key Personnel will not negatively impact the Department or adversely affect the ability of the Contractor to meet any requirement or deliverable set forth in this contract.

5. The positions and personnel identified in response to (1) above will be the positions and persons actually assigned to the project.
6. The Department, at its discretion, may require the removal and replacement of any of the Contractor's personnel who do not perform adequately on the contract, regardless of whether they were previously approved by DSS. However, all such requests will be reasonable;
7. The Department shall reimburse the Contractor for those staff expenses actually incurred.

## **21. Change Order Process**

- A. The Department may, at any time, with written notice to the Contractor, make changes within the general scope of the contract. Such changes may include, but not be limited to, modification in the functional requirements and/or processing procedures or other changes specifically required by new State or Federal laws or regulations. The Department may reimburse the Contractor for any activities required by new or amended State or Federal laws or regulations not mentioned in the Scope of Work or for any other changes outside the Scope of Work defined in the contract which the Department deems necessary.
- B. The Contractor shall, as soon as possible after the Contractor receives a written change order or as agreed upon, provide the Department with a written cost statement including a description of the price increase or decrease in implementing the change.
- C. The Contractor shall specify the total cost as determined by the number of staff hours and the cost per hour by staff person assigned to the change order, and cost of materials and related services.
- D. The Contractor shall not initiate changes to the scope of work without the expressed written approval of the Department. Any approved change must be confirmed via a Letter Order from the Department and an accompanying contract amendment, if applicable.
- E. Significant Change Order work may require authorization from the State of Connecticut Office of Policy and Management in order to amend the contract to allocate additional funds to this project.

## **22. Subcontracts**

### **A. The Contractor shall:**

1. Be held directly accountable and liable for all of the contractual provisions in this Contract whether the Contractor chooses to subcontract its responsibilities to a third party or not;
2. Cooperate with the Department in the performance of financial, quality or other audits of the Contractor or subcontractors conducted by the Department or its agent(s); and
3. Provide upon the Department's request a copy of any subcontract.

### **B. All subcontracts shall:**

1. Constitute legally binding, written documents;
2. Include any requirements of Contractor's contract with the Department that are appropriate to the services provided by the subcontractor and provide the Department an opportunity to



review such subcontracts prior to their execution to assure that the Contractor has adequately included its contracted requirements in the subcontract; and

3. Provide for the right of any of the Department or other governmental entity to enter the subcontractor's premises to inspect, monitor or otherwise evaluate the work being performed as a delegated duty by the Contractor.

### **23. Voter Registration**

Within thirty (30) days from the execution of this contract, the Contractor shall propose to the Department its policies and procedures for implementing the provisions of the National Voter Registration Act that enables individuals to register for voting upon application of certain public services.

### **24. Contractor Assurances**

Through assurances provided by an officer of the Contractor with the authority to bind the Contractor on the Signature page of this Contract, the Contractor certifies or agrees that:

#### **A. Qualified Entity:**

It is qualified to conduct business in Connecticut and is not prohibited by its articles of incorporation, bylaws, or the law under which it is incorporated from performing the services required under any resultant contract.

#### **B. Independent Entity**

The Contractor, by signature on this contract, certifies and attests that the Contractor and all of its subcontractors are independent and free from any conflict of interest as defined below:

1. Independence. The broker and its subcontractors are independent of any MCO, PIHP, PAHP, PCCM, or other health care provider in the State in which they provide enrollment services and that it will fully comply with § 438.810 regarding Independence and conflict of interest. A broker or subcontractor is not considered "independent" if it--
  - a. Is an MCO, PIHP, PAHP, PCCM or other health care provider in the State;
  - b. Is owned or controlled by an MCO, PIHP, PAHP, PCCM, or other health care provider in the State; or
  - c. Owns or controls an MCO, PIHP, PAHP, PCCM or other health care provider in the State.
2. Freedom from conflict of interest. The broker and its subcontractor are free from conflict of interest. A broker or subcontractor is not considered free from conflict of interest if any person who is the owner, employee, or consultant of the broker or subcontractor:
  - a. Has any contract with the broker or subcontractor

- b. Has any direct or indirect financial interest in any entity or health care provider that furnishes services in the State in which the broker or subcontractor provides enrollment services;
- c. Has been excluded from participation under title XVIII or XIX of the Act;
- d. Has been debarred by any Federal agency; or
- e. Has been, or is now, subject to civil money penalties under the Act.

**C. Real or Perceived Conflicts of Interest:**

The company, its principals and staff will avoid any and all real or perceived conflicts of interest with Medicaid managed care organizations operating in the State of Connecticut. This assurance shall include, but not be limited to an assurance that organization's principals and staff will have no relationships with Medicaid managed care organizations during the term of the contract that could or do conflict with the goals and intent of this project.

**D. Discovery of a Conflict of Interest:**

It shall immediately disclose any situation with the Department of Social Services' Contract Administrator where the Contractor becomes aware of an existing, potential or perceived conflict that may compromise the it's objective provision of services under the contract. The Department's Contract Administrator will determine the necessary remedy.

**E. HIPAA Compliance:**

As a business associate, it is compliant with the following applicable parts of the Health Insurance Portability and Accountability Act (HIPAA) pursuant to CFR 45 Part 160 and 164. Privacy and Transaction Code Sets.

**F. Confidentiality:**

It shall comply with all applicable state and federal laws and regulations pertaining to the confidentiality of all Medicaid applicant/client records and other materials that are maintained in accordance with the resultant contract, including but not limited to the Health Insurance Portability and Accountability Act (HIPAA) of 1996 as a business associate.

**G. Cost Accounting Practices**

It shall apply generally accepted accounting practices to invoice the Department for expenditures against the approved budget for this contract.



## Part II MANDATORY TERMS AND CONDITIONS:

The Contractor agrees to comply with the following mandatory terms and conditions.

### A. Client-Related Safeguards

1. **Inspection of Work Performed:** The Department or its authorized representative shall at all times have the right to enter into the Contractor's premises, or such other places where duties under the contract are being performed, to inspect, to monitor or to evaluate the work being performed. The Contractor and all subcontractors must provide all reasonable facilities and assistance for Department representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this section shall be made available to the Contractor.
2. **Safeguarding Client Information:** The Department and the Contractor agree to safeguard the use, publication and disclosure of information on all applicants for and all clients who receive service under this contract with all applicable federal and state law concerning confidentiality.
3. **Reporting of Client Abuse or Neglect:** The Contractor shall comply with all reporting requirements relative to client abuse and neglect, including but not limited to requirements as specified in C.G.S. 17a-101 through 103, 19a-216, 46b-120 related to children; C.G.S. 46a-11b relative to persons with mental retardation and C.G.S. 17b-407 relative to elderly persons.

### B. Contractor Obligations

#### 1. Credits and Rights in Data:

- a. Unless expressly waived in writing by the Department, all documents, reports and other publications for public distribution during or resulting from the performances of this contract shall include a statement acknowledging the financial support of the state and the Department and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify the Department, unless the Department or its agents co-authored said publication and said release is done with the prior written approval of the commissioner of the Department. Any publication shall contain the following statement: "This publication does not express the views of the Department or the State of Connecticut. The views and opinions expressed are those of the authors." The Contractor or any of its agents shall not copyright data and information obtained under the terms and conditions of this contract, unless expressly authorized in writing by the Department. The Department shall have the right to publish, duplicate, use and disclose all such data in any manner and may authorize others to do so. The Department may copyright any data without prior notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Department of such data.
  - b. "Data" shall mean all results, technical information and materials developed and/or obtained in the performance of the services hereunder, including but not limited to all reports, surveys, plans, charts, recordings (video and/or sound), pictures, curricula, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs excluding proprietary features of the BESST and ConneXion systems and printouts, notes and memoranda and documents, whether finished or unfinished, which result from or are prepared in connection with the services performed hereunder.
2. **Organizational Information, Conflict of Interest, IRS Form 990:** Annually during the term of the Contract, the Contractor shall submit to the Department the following:
    - a. a copy of its most recent IRS Form 990 submitted to the federal Internal Revenue Service and



- b. its most recent Annual Report as filed with the Office of the Secretary of the State or such other information that the Department deems appropriate with respect to the organization and affiliation of the Contractor and related entities.
3. **Prohibited Interest:** The Contractor warrants that no state appropriated funds have been paid or will be paid by or on behalf of the Contractor to contract with or retain any company or person, other than bona fide employees working solely for the Contractor, to influence or attempt to influence an officer or employee of any state agency in connection with the awarding, extension, continuation, renewal, amendment, or modification of this agreement, or to pay or agree to pay any company or person, other than bona fide employees working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon or resulting from the award or making of this Agreement.
4. **Offer of Gratuities:** By its agreement to the terms of this contract, the Contractor certifies that no elected or appointed official or employee of the State of Connecticut has or will benefit financially or materially from this contract. The Department may terminate this contract if it is determined that gratuities of any kind were either offered or received by any of the aforementioned officials or employees from the Contractor or its agents or employees.
5. **Related Party Transactions:** The Contractor shall report all related party transactions, as defined in this Section, to the Department on an annual basis in the appropriate fiscal report as specified in Part II of this contract. The parties agree that in satisfaction of this requirement that the Department will review the Contractor's website at [www.acs-inc.com](http://www.acs-inc.com) under the heading "Investor Relations" and "SEC Filings". In the event the Department has any questions or concerns related to the SEC filings, the parties hereto shall meet to discuss the same in order to satisfy the Department's concerns. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to exercise influence or control, directly or indirectly. "Related party transactions" between a Contractor, its employees, Board members or members of the Contractor's governing body and a related party include, but are not limited to, (a) real estate sales or leases; (b) leases for equipment, vehicles or household furnishings; (c) mortgages, loans and working capital loans and (d) contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor.
6. **Insurance:** The Contractor will carry commercial general liability, professional liability, and workers compensation insurance, during the term of this contract according to the nature of the work to be performed by Contractor to "save harmless" the State of Connecticut from any claims, suits or demands that may be asserted against it by reason of any act or omission of the Contractor in providing services hereunder. Applicable Limits: a. Commercial general liability: \$1,000,000 per occurrence and \$2,000,000 general aggregate, b. Professional liability: \$1,000,000 per claim, and c. Workers' compensation: statutory limits. Standard ACORD form Certificates of such insurance shall be filed with the Department prior to the performance of services. Contractor shall require its subcontractors to provide and maintain, at subcontractors' expense, similar insurance." Certificates of such insurance shall be filed with the Department before the performance of services.
7. **Reports:** The Contractor shall provide the Department with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor agrees to provide the Department with such reports as the Department requests.
8. **Delinquent Reports:** The Contractor will submit required reports by the designated due dates as identified in this agreement. After notice to the Contractor and an opportunity for a meeting with a Department representative, the Department reserves the right to withhold payments for services performed under this contract if the Department has not received acceptable progress reports,



expenditure reports, refunds and/or audits as required by this agreement for similar or equivalent services the Contractor has entered into with the Department.

9. **Record Keeping and Access:** The Contractor shall maintain books, records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this contract. These records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the state or, where applicable, federal agencies. The Contractor shall retain all such records concerning this contract for a period of three (3) years after the completion and submission to the state of the Contractor's annual financial audit.
10. **Workforce Analysis:** The Contractor shall provide a workforce analysis affirmative action report related to employment practices and procedures.
11. **Audit Requirements:** The Contractor shall provide for an annual financial audit acceptable to the Department for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The State Auditors of Public Accounts shall have access to all records and accounts for the fiscal year(s) in which the award was made. The Contractor will comply with federal and state single audit standards as applicable.
12. **Litigation:** The Contractor shall provide written notice to the Department of any litigation that relates to the services directly or indirectly financed under this contract or that has the potential to impair the ability of the Contractor to fulfill the terms and conditions of this contract, including but not limited to financial, legal or any other situation which may prevent the Contractor from meeting its obligations under the contract. The Contractor shall provide written notice to the Department of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990, executive orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other provisions of federal or state law concerning equal employment opportunities or nondiscriminatory practices.
13. **Lobbying:** The Contractor agrees to abide by state and federal lobbying laws and further specifically agrees not to include in any claim for reimbursement any expenditures associated with activities to influence, directly or indirectly, legislation pending before Congress, or the Connecticut General Assembly or any administrative or regulatory body unless otherwise required by this contract.

#### C. Statutory and Regulatory Compliance

1. **Compliance with Law and Policy:** Contractor shall comply with all pertinent provisions of local, state and federal laws and regulations as well as Departmental policies and procedures applicable to Contractor's programs as specified in this contract. The Department shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures that the Department has responsibility to promulgate or enforce.
2. **Federal Funds:** The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Department shall specify all such requirements in Part I of this contract.
3. **Facility Standards and Licensing Compliance:** The Contractor will comply with all applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the

Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

**4. Suspension or Debarment:**

- a. Signature on contract certifies the Contractor or any person (including subcontractors) involved in the administration of Federal or State funds:
- (1) is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental Department or agency (Federal, State or local);
  - (2) within a three year period preceding this Contract, has not been convicted or had a civil judgment rendered against him/her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
  - (3) is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the above offenses.
  - (4) The Department of Social Services has been advised that the Contractor can not certify as to the following, "has not within a three year period preceding this agreement had one or more public transactions terminated for cause or fault" as their North Carolina MMIS contract has been terminated for cause and they are currently in litigation with the State. The Contractor shall provide the Department with a copy of their 8-K disclosing these actions and shall keep the Department apprised of the status of the litigation. But for the action in the state of North Carolina, the Contractor has not within a three-year period preceding this agreement had one or more public transactions terminated for cause or fault.
- b. Any change in the above status shall be reported to the Department immediately.

**5. Non-discrimination Regarding Sexual Orientation:** Unless otherwise provided by Conn. Gen. Stat. §46a-81p, the Contractor agrees to the following provisions required pursuant to §4a-60a of the Conn. Gen. Stat.:

- a. The Contractor agrees:
- (1) and warrants that in the performance of the contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut and that employees are treated when employed without regard to their sexual orientation;
  - (2) to provide each labor union if applicable to the employees servicing this contract or representatives of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (3) to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to §46a-56 of the Conn. Gen. Stat.;
  - (4) to provide the commission on human rights and opportunities with such information requested by the commission and permit access to pertinent books, records and accounts concerning the



employment practices and procedures of the Contractor which relate to provisions of this section and §46a-56 of the Conn. Gen. Stat.

- b. The Contractor shall include the provisions of Subsection a of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with §46a-56 of the Conn. Gen. Stat. provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

6. **Executive Orders Nos. 3, 17, 16 & 7C:**

- a. This Contract is subject to the provisions of **Executive Order No. 3 of Governor Thomas J. Meskill promulgated June 16, 1971**, and, as such, this Contract may be cancelled, terminated or suspended by the state labor commissioner for violation of or noncompliance with said Executive Order No. Three, or any state or federal law concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to this contract. The Parties to this Contract, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The Parties agree to abide by said Executive Order and agree that the state labor commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination, until the contract is completed or terminated prior to completion. The CONTRACTOR agrees, as part consideration hereof, that this Contract is subject to the Guidelines and Rules issued by the state labor commissioner to implement Executive Order No. Three, and that it will not discriminate in its employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the state labor commissioner.
- b. This Contract is subject to the provisions of **Executive Order No. 17 of Governor Thomas J. Meskill promulgated February 15, 1973**, and, as such, this Contract may be cancelled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to this Contract. The Parties to this Contract, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The Parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to contract performance in regard to listing all employment openings with the Connecticut State Employment Service.
- c. This Contract is subject to the provisions of **Executive Order No. 16 of Governor John G. Rowland promulgated August 4, 1999**, and, as such, the Contract may be canceled, terminated or suspended by the state for violation of or noncompliance with said Executive Order No. Sixteen. The Parties to this Contract, as part of the consideration hereof, agree that
  - (a) The CONTRACTOR shall prohibit employees from bringing into the state work site, except as may be required as a condition of employment, any weapon or dangerous instrument as defined in (b):
  - (b) Weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocketknife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon.



Dangerous instrument means any instrument, article, or substance that, under the circumstances, is capable of causing death or serious physical injury.

- (c) The CONTRACTOR shall prohibit employees from attempting to use, or threaten to use, any such weapon or dangerous instrument in the state work site and employees shall be prohibited from causing, or threatening to cause, physical injury or death to any individual in the state work site.
  - (d) The CONTRACTOR shall adopt the above prohibitions as work rules, violations of which shall subject the employee to disciplinary action up to and including discharge. The CONTRACTOR shall insure and require that all employees are aware of such work rules.
  - (e) The CONTRACTOR agrees that any subcontract it enters into in furtherance of the work to be performed hereunder shall contain provisions (a) through (d) of this Section.
- d.** This Contract is subject to **Executive Order No. 7C of Governor M. Jodi Rell, promulgated on July 13, 2006**. The Parties to this Contract, as part of the consideration hereof, agree that:
- (a.) The State Contracting Standards Board (“the Board”) may review this contract and recommend to the state contracting agency termination of the contract for cause. The state contracting agency shall consider the recommendations and act as required or permitted in accordance with the contract and applicable law. The Board shall provide the results of its review, together with its recommendations, to the state contracting agency and any other affected party in accordance with the notice provisions in the contract no later than fifteen (15) days after the Board finalizes its recommendation. For the purposes of this Section, “for cause” means:
    - (1.) a violation of the State Ethics Code (Conn. Gen. Stat. Chapter 10) or Section 4A-100 of the Conn. Gen. Statutes or
    - (2.) wanton or reckless disregard of any state contracting and procurement process by any person substantially involved in such contract or state contracting agency.
  - (b.) For the purposes of this Section, “contract” shall not include real property transactions involving less than a fee simple interest or financial assistance comprised of state or federal funds, the form of which may include but is not limited to grants, loans, loan guarantees, and participation interests in loans, equity investments and tax credit programs. Notwithstanding the foregoing, the Board shall not have any authority to recommend the termination of a contract for the sale or purchase of a fee simple interest in real property following transfer of title.
  - (c.) Notwithstanding the contract value listed in sections 4-250 and 4-252 of the Connecticut General Statutes and section 8 of Executive Order Number 1, all State Contracts between state agencies and private entities with a value of \$50,000 or more in a calendar or fiscal year shall comply with the gift and campaign contribution certification requirements of section 4-252 of the Connecticut General Statutes and section 8 of Executive Order Number 1. For purposes of this section, the term “certification” shall include the campaign contribution and annual gift affidavits required by section 8 of Executive Order Number 1.
- 7. Nondiscrimination and Affirmative Action Provisions in Contracts of the State and Political Subdivisions Other Than Municipalities:** The Contractor agrees to comply with provisions of § 4a-60 of the Connecticut General Statutes
- a. Every contract to which the state or any political subdivision of the state other than a municipality is a party shall contain the following provisions: (1) The Contractor agrees and warrants that in the performance of the contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status,



national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission; (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of this section and Conn. Gen. Stat. §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to Conn. Gen. Stat. §§ 46a-56, 46a-68e and 46a-68f; (5) the Contractor agrees to provide the commission of human rights and opportunities with such information requested by the commission and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and Conn. Gen. Stat. § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.

- b. For the purposes of this section, "minority business enterprise" means any small Contractor or supplier of materials fifty-one per cent or more of capital stock, if any, or assets of which is owned by a person or persons: (1) Who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in Subsection (a) of Conn. Gen. Stat. § 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.
- c. Determinations of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative action advertising; recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- d. The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- e. Contractor shall include the provisions of Subsection a of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provision shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a



subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

8. **Americans with Disabilities Act of 1990:** This clause applies to those Contractors which are or will come to be responsible for compliance with the terms of the Americans with Disabilities Act of 1990 (42 USCS §§12101-12189 and §§12201-12213) (Supp. 1993); 47 USCS §§225, 611 (Supp. 1993). During the term of the contract, the Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it will hold the state harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor agrees to abide by provisions of Sec. 504 of the federal Rehabilitation Act of 1973, as amended, 29 U.S.C. §794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
9. **Utilization of Minority Business Enterprises:** It is the policy of the state that minority business enterprises should have the maximum opportunity to participate in the performance of government contracts. The Contractor agrees to use commercially reasonable efforts consistent with 45 C.F.R. 74.160 et seq. (1992) and paragraph 9 of Appendix G thereto for the administration of programs or activities using HHS funds; and §§13a-95a, 4a-60, to 4a-62, 4b-95(b) and 32-9e of the Conn. Gen. Stat. to carry out this policy in the award of any subcontracts.
10. **Priority Hiring:** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall use commercially reasonable efforts to ensure that it gives priority to hiring welfare recipients who are subject to time limited welfare and must find employment. The Contractor and the Department will work cooperatively to determine the number and types of positions to which this paragraph shall apply. The Department of Social Services regional office staff or staff of Department of Social Service Contractors will undertake to counsel and screen an adequate number of appropriate candidates for positions targeted by the Contractor as suitable for individuals in the time limited welfare program. The success of the Contractor's efforts will be considered when awarding and evaluating contracts.
11. **Non-smoking:** If the Contractor is an employer subject to the provisions of §31-40q of the Conn. Gen. Stat., the Contractor agrees to provide upon request the Department with a copy of its written rules concerning smoking. Evidence of compliance with the provisions of §31-40q of the Conn. Gen. Stat. must be received before contract approval by the Department.
12. **Government Function; Freedom of Information:** If the amount of this contract exceeds two million five hundred thousand dollars (\$2,500,000) and the contract is for the performance of a governmental function, as that term is defined in Conn. Gen. Stat. Sec. 1-200(11), as amended by Pubic Act 01-169, the Department is entitled to receive a copy of the records and files related to the Contractor's performance of the governmental function and may be disclosed by the Department pursuant to the Freedom of Information Act.

Section 1-200(11) of the State of Connecticut General Statutes defines "Governmental Function" as the administration or management of a program of a public agency, which program has been authorized by law to be administered or managed by a person, where (A) the person receives funding from the public agency for administering or managing the program, (B) the public agency is involved in or regulates to a significant extent such person's administration or management of the program, whether or not such involvement or regulation is direct, pervasive, continuous or day-to-day, and (C) the person participates in the formulation of governmental policies or decisions in connection with the administration or management of the program and such policies or decisions bind the agency. The Department and the Contractor agree that the Contractor does not make governmental policy decisions that are binding on the Department. Therefore the Contractor's performance under the terms of this Contract do not equate to the performance of a governmental function.

*Handwritten:*  
01/09/2007  
AS 4/14/07



### 13. HIPAA Requirements:

*NOTE: Numbering in this Section may not be consistent with the remainder of this contract as much of it is presented verbatim from the federal source.*

- a. If the Contactor is a Business Associate under HIPAA, the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- b. The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for and all clients who receive, services under the contract in accordance “with all applicable federal and state law regarding confidentiality, which includes but is not limited to the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C and E; *and*
- c. The State of Connecticut Department named on page 1 of this Contract (hereinafter “Department”) is a “covered entity” as that term is defined in 45 C.F.R. §160.103; *and*
- d. The Contractor, on behalf of the Department, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. §160.103 ; *and*
- e. The Contractor is a “business associate” of the Department, as that term is defined in 45 C.F.R. §160.103; *and*
- f. The Contractor and the Department agree to the following in order to secure compliance with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C and E:

#### I. Definitions

- A. Business Associate. “Business Associate” shall mean the Contractor.
- B. Covered Entity. “Covered Entity” shall mean the Department of the State of Connecticut named on page 1 of this Contract.
- C. Designated Record Set. “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. §164.501.
- D. Individual. “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. §160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. §164.502(g).
- E. Privacy Rule. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and parts 164, subparts A and E.
- F. Protected Health Information. “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. §160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
- G. Required by Law. “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. §164.103.
- H. Secretary. “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.

- I. More Stringent. "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. §160.202.
- J. Section of Contract. "(T)his Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
- K. **Security Incident.** "**Security Incident**" shall have the same meaning as the term "**security incident**" in 45 C.F.R. §164.304.
- L. Security Rule. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 160 and Parts 164, subpart A and C.

II. Obligations and Activities of Business Associates

- A. Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law
- B. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
- B1. (NEW) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic protected health information that it creates, receives, maintains or transmits on behalf of the Covered Entity.
- C. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
- D. Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
- E. Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
- F. Business Associate agrees to provide access, at the request of the Covered Entity and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. §164.524.
- G. Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. §164.526 at the request of the Covered Entity and in the time and manner agreed to by the parties.
- H. Business Associate agrees to make internal practices, books and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- I. Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528.
- J. Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with paragraph I of this Section of the Contract, to



permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528.

- K. Business Associate agrees to comply with any state law that is more stringent than the Privacy Rule.

### III. Permitted Uses and Disclosure by Business Associate

- A. General Use and Disclosure Provisions: Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
- B. Specific Use and Disclosure Provisions:
  - 1. Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
  - 2. Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
  - 3. Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. §164.504(e)(2)(i)(B).

### IV. Obligations of Covered Entity

- A. Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- B. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- C. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

### V. Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation and management and administrative activities of Business Associate, as permitted under this Section of the Contract.

### VI. Term and Termination

- A. Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed

or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

- B. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
  2. Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
  3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

C. Effect of Termination.

1. Except as provided in paragraph (ii) of this Subsection c, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
2. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

VII. Miscellaneous HIPAA Provisions

- A. Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
- B. Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- C. Survival. The respective rights and obligations of Business Associate under Section 6, Subsection c of this Section of the Contract shall survive the termination of this Contract.
- D. Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the contract shall remain in force and effect.
- E. Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies and is consistent with, the Privacy Standard.
- F. Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its



officers, directors, employees, Contractors or agents, or any third party to whom Business Associate has disclosed PHI pursuant to paragraph II D of this Section of the Contract. Business Associate is solely responsible for all decisions made and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.

- G. Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against all claims, liabilities, judgments, fines, assessments, penalties, awards, or other expenses, of any kind or nature whatsoever, including, without limitation, attorney's fees, expert witness fees and costs of investigation, litigation or dispute resolution, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this Section 13 of the Contract.

#### 14. Campaign Contribution Restrictions

1. Campaign Contribution Restrictions. This section (the "CCR Section") is included here pursuant to Conn. Gen. Stat. § 9-333n and, without limiting its applicability, is made applicable to State Contracts, bid solicitations, request for proposals and prequalification certificates, as the context requires. This CCR Section, without limiting its applicability, is also made applicable to State Agencies, Quasi-public Agencies, the General Assembly, State Contractors, Prospective State Contractors and the holders of valid prequalification certificates, as the context so requires.

(a) For purposes of this CCR Section only:

- (1) "Quasi-public Agency" means the Connecticut Development Authority, Connecticut Innovations, Incorporated, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, Connecticut Hazardous Waste Management Service, Capital City Economic Development Authority, Connecticut Lottery Corporation, or as this definition may otherwise be modified by Title 1, Chapter 12 of the Connecticut General Statutes concerning quasi-public agencies.
- (2) "State Agency" means any office, department, board, council, commission, institution or other agency in the executive, legislative or judicial branch of State government, or as this definition may otherwise be modified by Title 9, Chapter 150 of the Connecticut General Statutes concerning campaign financing.
- (3) "State Contract" means an agreement or contract with the State or any State Agency or any Quasi-public Agency, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a fiscal year, for (A) the rendition of personal services, (B) the furnishing of any material, supplies or equipment, (C) the construction, alteration or repair of any public building or public work, (D) the acquisition, sale or lease of any land or building, (E) a licensing arrangement, or (F) a grant, loan or loan guarantee, or as this definition may otherwise be modified by Title 9, Chapter 150 of the Connecticut General Statutes concerning campaign financing.
- (4) "State Contractor" means a person, business entity or nonprofit organization that enters into a State Contract. Such person, business entity or nonprofit organization shall be deemed to be a State Contractor until the termination of said contract. "State contractor" does not include a municipality or any other political subdivision of the State or an employee in the executive, legislative or judicial branch of State government or a Quasi-public Agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a State or Quasi-public Agency employee, or as this



definition may otherwise be modified by Title 9, Chapter 150 of the Connecticut General Statutes concerning campaign financing.

- (5) "Prospective State Contractor" means a person, business entity or nonprofit organization that (A) submits a bid in response to a bid solicitation by the State, a State Agency or a Quasi-public Agency, or a proposal in response to a request for proposals by the State, a State Agency or a Quasi-public Agency, until the State Contract has been entered into, or (B) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under Section 4a-100 of the Connecticut General Statutes. "Prospective State Contractor" does not include a municipality or any other political subdivision of the State or an employee in the executive, legislative or judicial branch of State government or a Quasi-public Agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a State or Quasi-public Agency employee. Title 9, Chapter 150 of the Connecticut General Statutes concerning campaign financing may modify this definition, which modification shall control.
- (6) "Principal of a State Contractor or Prospective State Contractor" (collectively referred to in this CCR Section as "Principal") means (A) an individual who is a member of the board of directors of, or has an ownership interest in, a State Contractor or Prospective State Contractor, which is a business entity, except for an individual who (i) owns less than five per cent of the shares of any such State Contractor or Prospective State Contractor that is a publicly traded corporation, or (ii) is a member of the board of directors of a nonprofit organization qualified under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, (B) an individual who is employed by a State Contractor or Prospective State Contractor, which is a business entity, as president, treasurer or executive or senior vice president, (C) an individual who is the chief executive officer of a State Contractor or Prospective State Contractor, which is not a business entity, (D) an employee of any State Contractor or Prospective State Contractor who has managerial or discretionary responsibilities with respect to a State Contract, (E) the spouse or a dependent child of an individual described in this subparagraph, or (F) a political committee established by or on behalf of an individual described in this subparagraph, or as this definition may otherwise be modified by Title 9, Chapter 150 of the Connecticut General Statutes concerning campaign financing.
- (b) On and after December 31, 2006, no State Contractor, Prospective State Contractor or Principal, with regard to a State Contract, bid solicitation or request for proposals with or from a State Agency in the executive branch or a Quasi-public Agency, and no Principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (1) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (2) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (3) a party committee.
- (c) On and after December 31, 2006, no State Contractor, Prospective State Contractor or Principal, with regard to a State Contract, bid solicitation or request for proposals with or from the General Assembly, and no Principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (1) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (2) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (3) a party committee.



- (d) On and after December 31, 2006, if a State Contractor or a Principal of a State Contractor makes or solicits a contribution prohibited under this CCR Section, the contracting State Agency or Quasi-public Agency may, in the case of a State Contract executed on or after December 31, 2006, void the existing contract with said contractor, and no State Agency or Quasi-public Agency shall award the State Contractor a State Contract or an extension or an amendment to a State Contract for one year after the election for which such contribution is made or solicited.
- (e) On and after December 31, 2006, if a Prospective State Contractor or a Principal of a Prospective State Contractor makes or solicits a contribution prohibited under this CCR Section, no State Agency or Quasi-public Agency shall award the Prospective State Contractor the contract described in the bid solicitation or request for proposals, or any other State Contract for one year after the election for which such contribution is made or solicited.
- (f) On and after December 31, 2006, the chief executive officer of each Prospective State Contractor, or if a Prospective State Contractor has no such officer then the officer who duly possesses and exercises comparable powers and duties, shall: (1) inform each individual described in subsection (a)(6) of this CCR Section with regard to said Prospective State Contractor concerning the provisions of subsection (b) or (c) of this CCR Section, whichever is applicable, and this subsection (f), (2) submit a sworn affidavit under penalty of false statement that no such individual will make or solicit a contribution in violation of the provisions of subsection (b) or (c) of this CCR Section, whichever is applicable, and this subsection (f), and (3) acknowledge in writing that if any such contribution is made or solicited, the Prospective State Contractor shall be disqualified from being awarded the contract described in the bid solicitation or request for proposals or being awarded any other State Contract for one year after the election for which such contribution is made or solicited. Such officer shall attach the affidavit and the acknowledgement to their bid, proposal or application for prequalification, as applicable.

**D. Miscellaneous Provisions**

1. **Liaison:** Each party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Department in the performance and administration of this contract.
2. **Choice of Law and Choice of Forum:** The Contractor agrees to be bound by the law of the State of Connecticut and the federal government where applicable and agrees that this contract shall be construed and interpreted in accordance with Connecticut law and federal law where applicable.
3. **Subcontracts:** For purposes of this clause subcontractors shall be defined as providers of direct human services. Vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program. The subcontractor's identity, services to be rendered and costs shall be detailed in PART I of this contract. Notwithstanding the execution of this contract before a specific subcontractor being identified or specific costs being set, no subcontractor may be used or expense under this contract incurred before identification of the subcontractor or inclusion of a detailed budget statement as to subcontractor expense, unless expressly provided in PART I of this contract. Identification of a subcontractor or budget costs for such subcontractor shall be deemed a technical amendment if consistent with the description of each contained in PART I of this contract. No subcontractor shall acquire any direct right of payment from the Department by virtue of the provisions of this paragraph or any other paragraph of this contract. The use of subcontractors, as defined in this clause, shall not relieve the Contractor of any responsibility or liability under this contract. The Contractor shall make available copies of all subcontracts to the Department upon request.



4. **Mergers and Acquisitions:**

- a. Contracts in whole or in part are not transferable or assignable without the prior written agreement of the Department.
- b. At least thirty (30) days before the effective date of any fundamental changes in corporate status, including merger, acquisition, transfer of assets and any change in fiduciary responsibility, the Contractor shall provide the Department with written notice of such changes.
- c. The Contractor shall comply with requests for documentation deemed necessary by the Department to determine whether the Department will provide prior written agreement as required by Section II.D.3 above. The Department shall notify the Contractor of such determination not later than fifteen (15) business days from the date the Department receives such requested documentation.

5. **Equipment:** In the event this contract is terminated or not renewed, the Department reserves the right to recoup any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this contract. For purposes of this provision, equipment means tangible personal property with a normal useful life of at least one year and a value of at least \$2,500. Equipment shall be considered purchased from Contractor funds and not from Department funds if the equipment is purchased for a program that has other sources of income equal to or greater than the equipment purchase price.

6. **Independent Capacity of Contractor:** The Contractor, its officers, employees, subcontractors, or any other agent of the Contractor in the performance of this contract will act in an independent capacity and not as officers or employees of the state of Connecticut or of the Department.

7. **Settlement of Disputes and Claims Commission:**

- a. Any dispute concerning the interpretation or application of this contract shall be decided by the commissioner of the Department or his/her designee whose decision shall be final subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the commissioner pursuant to this provision, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Department shall proceed diligently with the performance of the contract.
- b. Claims Commission. The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this contract shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings except as authorized by that Chapter in any State or Federal Court in addition to or in lieu of said Chapter 53 proceedings.

**E. Revisions, Reductions, Default and Cancellation**

1. **Contract Revisions and Amendments:**

- a. A formal contract amendment, in writing, shall not be effective until executed by both parties to the contract and, where applicable, the Attorney General. Such amendments shall be required for extensions to the final date of the contract period and to terms and conditions specifically stated in Part II of this contract, including but not limited to revisions to the maximum contract payment, to the unit cost of service, to the contract's objectives, services, or plan, to due dates for reports, to completion of objectives or services and to any other contract revisions determined material by the Department.
- b. The Contractor shall submit to the Department in writing any proposed revision to the contract and the Department shall notify the Contractor of receipt of the proposed revision. Any proposal deemed material shall be executed pursuant to (a) of this section. The Department may accept any



proposal as a technical amendment and notify the Contractor in writing of the same. A technical amendment shall be effective on the date approved by the Department, unless expressly stated otherwise.

c. No amendments may be made to a lapsed contract.

**2. Contract Reduction:**

a. The Department reserves the right to reduce the contracted amount of compensation at any time in the event that:

(1) the Governor or the Connecticut General Assembly rescinds, reallocates, or in any way reduces the total amount budgeted for the operation of the Department during the fiscal year for which such funds are withheld; or

(2) Federal funding reductions result in reallocation of funds within the Department.

b. The Contractor and the Department agree to negotiate on the implementation of the reduction within 30 days of receipt of formal notification of intent to reduce the contracted amount of compensation from the Department. If agreement on the implementation of the reduction is not reached within thirty (30) calendar days of such formal notification and a contract amendment has not been executed, the Department may terminate the contract for convenience sixty (60) days from receipt of such formal notification. The Department will formally notify the Contractor of the termination date.

**3. Default by the Contractor:**

a. If the Contractor defaults as to, or otherwise fails to comply with, any of the conditions of this contract the Department may:

(1) withhold payments until the default is resolved to the satisfaction of the Department;

(2) temporarily or permanently discontinue services under the contract;

(3) require that unexpended funds be returned to the Department;

(4) assign appropriate state personnel to execute the contract until such time as the contractual defaults have been corrected to the satisfaction of the Department;

(5) require that contract funding be used to enter into a sub-contract arrangement with a person or persons designated by the Department in order to bring the program into contractual compliance;

(6) terminate this contract;

(7) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the state or the program(s) provided under this contract or both;

(8) any combination of the above actions

b. In addition to the rights and remedies granted to the Department by this contract, the Department shall have all other rights and remedies granted to it by law in the event of breach of or default by the Contractor under the terms of this contract.

c. Prior to invoking any of the remedies for default specified in this paragraph except when the Department deems the health or welfare of service recipients is endangered as specified in Part II Section A.3 of this agreement or has not met requirements as specified in clause 8, the Department shall notify the Contractor in writing of the specific facts and circumstances constituting default or failure to comply with the conditions of this contract and proposed remedies. Within five (5) business days of receipt of this notice, the Contractor shall correct any contractual defaults specified

in the notice and submit written documentation of correction to the satisfaction of the Department or request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held within five (5) business days of the written request. At the meeting, the Contractor shall be given an opportunity to respond to the Department's notice of default and to present a plan of correction with applicable time frames. Within five (5) business days of such meeting, the commissioner of the Department shall notify the Contractor in writing of his/her response to the information provided including acceptance of the plan of correction and, if the commissioner finds continued contractual default for which a satisfactory plan of corrective action has not been presented, the specific remedy for default the Department intends to invoke. This action of the commissioner shall be considered final.

- d. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the agreed upon plan of correction, the Department may proceed with default remedies.
4. **Non-enforcement not to constitute waiver:** The failure of either party to insist upon strict performance of any terms or conditions of this agreement shall not be deemed a waiver of the term or condition or any remedy that each party has with respect to that term or condition nor shall it preclude a subsequent default by reason of the failure to perform.
  5. **Cancellation and Recoupment:**
    - a. This agreement shall remain in full force and effect for the entire term of the contract period specified on page 1 of this agreement, unless either party provides written notice ninety (90) days or more from the date of termination, except that no cancellation by the Contractor may be effective for failure to provide services for the agreed price or rate and cancellation by the Department shall not be effective against services already rendered, so long as the services were rendered in compliance with the contract during the term of the contract.
    - b. In the event the health or welfare of the service recipients is endangered, the Department may cancel the contract and take any immediate action without notice it deems appropriate to protect the health and welfare of service recipients. The Department shall notify the Contractor of the specific reasons for taking such action in writing within five (5) business days of cancellation. Within five (5) business days of receipt of this notice, the Contractor may request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held within five (5) business days of the written request. At the meeting, the Contractor shall be given an opportunity to present information on why the Department's actions should be reversed or modified. Within five (5) business days of such meeting, the commissioner of the Department shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Department. This action of the commissioner shall be considered final.
    - c. The Department reserves the right to cancel the contract without prior notice when the funding for the contract is no longer available pursuant to Section E.2 of this Part.
    - d. The Department reserves the right to recoup any deposits, prior payment, advance payment or down payment made if either party terminates the contract. Allowable costs incurred to date of termination for operation or transition of program(s) under this contract shall not be subject to recoupment. The Contractor agrees to return to the Department any funds not expended in accordance with the terms and conditions of the contract and, if the Contractor fails to do so upon demand, the Department may recoup said funds from any future payments owing under this contract or any other contract between the state and the Contractor.
  6. **Transition after Termination or Expiration of Contract:** In the event that this contract is terminated for any reason except where the health and welfare of service recipients is endangered or if the Department does not offer the Contractor a new contract for the same or similar service at the contract's expiration, the Contractor will assist in the orderly transfer of clients served under this contract as



required by the Department and will assist in the orderly cessation of operations under this contract. Prior to incurring expenses related to the orderly transfer or continuation of services to service recipients beyond the terms of the contract, the Department and the Contractor agree to negotiate a termination amendment to the existing agreement to address current program components and expenses, anticipated expenses necessary for the orderly transfer of service recipients and changes to the current program to address service recipient needs. The contractual agreement may be amended as necessary to assure transition requirements are met during the term of this contract. If the transition cannot be concluded during this term, the Department and the Contractor may negotiate an amendment to extend the term of the current contract until the transition may be concluded.

7. **Program Cancellation:** Where applicable, the cancellation or termination of any individual program or services under this contract will not, in and of itself, in any way affect the status of any other program or service in effect under this contract.

### **Part III - Definitions**

**Choice counseling:** Activities such as answering questions and providing information (in an unbiased manner) on available MCO, PIHP, PAHP, or PCCM delivery system options, and advising on what factors to consider when choosing among them and in selecting a primary care provider;

**Completed Application:** An application that at a minimum contains information in those data fields that affect eligibility determination.

**Enrollment activities:** Include activities such as distributing, collecting, and processing enrollment materials and taking enrollments by phone or mail;

**Enrollment broker:** Is an entity that performs choice counseling or enrollment activities, or both, and;

**Enrollment services:** Refers to choice counseling, or enrollment activities, or both.

**Reviewable Application:** Is a signed application.



## **Part IV – Budget and Cost Provisions**

**1. The total maximum value for the provision of services set forth herein for the period February 1, 2007 through June 30, 2008 shall not exceed: \$6,783,536.00.**

### **2. Payment Schedule**

- a. The Department will pay the Contractor on a monthly basis following the Department's receipt, review and approval of Contractor's invoice for the services provided during the preceding month. The form of the Contractor's invoice shall mirror the form of the approved budget set forth on page 58 herein and shall identify actual expenditures against budgeted expenditures on a monthly and a cumulative basis.
- b. With each invoice presented the Contractor shall provide a narrative explanation of any budget variances between actual and budgeted expenses that are equal or greater than 15% in any one line item.
- c. The Department shall review each invoice and once approved shall process a payment. In addition to the Department's receipt and approval of an acceptable invoice, payment to the Contractor is contingent upon the Department's receipt of required performance reports and/or approved deliverables, and the Department's acceptance and approval of such performance.

### **3. Budget Adjustments**

The Contractor may adjust its budget within line items up to fifteen percent of the line item amount in this contract amendment without the Department's approval. The Contractor must obtain the Department's approval for any line item adjustment over fifteen percent of the line item amount.



## ACCEPTANCES AND APPROVALS

Documentation necessary to demonstrate the authorization to sign must be attached.

### CONTRACTOR

MICHAEL M DAVIS

ACS State Healthcare, LLC

Michael M Davis

Authorized Official (Signature)

02/10/2007

Date

COO

Title

### DEPARTMENT OF SOCIAL SERVICES

MICHAEL P. STARKOWSKI, Commissioner Designee

2/23/07  
Date

### OFFICE OF THE ATTORNEY GENERAL

Will B. Alk

ATTORNEY GENERAL (Approved as to form & legal sufficiency)

**ASSOC. ATTY. GENERAL**

4/30/07  
Date

- This contract does not require the signature of the Attorney General pursuant to an agreement between the Department and the Office of the Attorney General, dated \_\_/\_\_/\_\_.