



STATE OF CONNECTICUT
OFFICE OF THE HEALTHCARE ADVOCATE
STATE INNOVATION MODEL PROGRAM MANAGEMENT OFFICE
REQUEST FOR PROPOSAL (RFP) FOR CONSULTING SERVICES TO
SUPPORT THE VALUE BASED INSURANCE DESIGN INITIATIVE

The State Innovation Model (SIM) Program Management Office (PMO) is seeking consulting services to support the implementation of a Value Based Insurance Design (VBID) Consortium to promote the statewide adoption of VBID. Services include, but are not limited to, identifying and engaging the necessary stakeholders, establishing and facilitating an employer-led consortium with core interest sub-groups, facilitating annual learning collaborative, assessing current VBID programs and designing model VBID programs.

The PMO seeks to implement this contract on or after September 1, 2015. This is a competitive procurement. The anticipated initial maximum award is **\$210,250**. Additional funding for continued support may be available contingent on federal authorization. The Request for Proposals is available in electronic format on the PMO website at:

www.healthreform.ct.gov

A printed copy of the RFP can be obtained from the Official Contact upon request.

Official Contact:

Name: Mark Schaefer
Address: P.O. Box 1543
Hartford, CT 06144
E-Mail: mark.schaefer@ct.gov

Deadline for submission of proposals:

3:00 PM EST on July 31, 2015

CONTENTS

I. BACKGROUND INFORMATION	5
A. OVERVIEW OF THE PROGRAM MANAGEMENT OFFICE.....	5
B. PROJECT BACKGROUND.....	5
1. Connecticut’s State Innovation Model Initiative	5
2. Value Based Insurance Design	6
C. ABBREVIATIONS/ ACRONYMS.....	8
II. REQUIRED SERVICE COMPONENTS AND SCOPE OF WORK	8
A. STAKEHOLDER IDENTIFICATION, RECRUITMENT, AND ENGAGEMENT	8
B. PROVIDING SUPPORT FOR EMPLOYER-LED CONSORTIUM	9
C. ESTABLISHING AND CONDUCTING LEARNING COLLABORATIVE.....	9
D. ASSESSING AND INDEXING OF CURRENTLY ESTABLISHED VBID PROGRAMS, IN AND OUT OF STATE	9
E. ASSESSING VBID MODELS FOR CONNECTICUT	10
F. CREATING PROTOTYPE VBID.....	11
G. DEVELOPING COMMUNICATIONS AND MARKETING MATERIALS	12
III. OVERVIEW OF THE PROCUREMENT PROCESS	12
A. ISSUING OFFICE AND CONTRACT ADMINISTRATION.....	12
B. PROCUREMENT SCHEDULE.....	12
C. CONTRACT TERM	13
D. RESPONDENTS’ QUESTIONS	13
E. LETTER OF INTENT.....	13
F. EVALUATION AND SELECTION	13
G. CONTRACT EXECUTION.....	13
H. ACCEPTANCE OF CONTENT	14
I. DEBRIEFING.....	14
J. APPEAL PROCESS.....	14
K. CONTEST OF SOLICITATION OR AWARD.....	15

L. DISPOSITION OF RESPONSES- RIGHTS RESERVED.....	15
M. QUALIFICATION PREPARATION EXPENSES	16
N. RESPONSE DATE AND TIME	16
O. ASSURANCES AND ACCEPTANCES	17
P. INCURRING COSTS	18
Q. STATUTORY AND REGULATORY COMPLIANCE	18
R. KEY PERSONNEL	20
S. OTHER	20
IV. RESPONSE FORMAT REQUIREMENTS.....	20
A. GENERAL FORMAT REQUIREMENTS.....	20
V. RESPONSE CONTENTS	21
A. COMPONENT ONE: TRANSMITTAL LETTER.....	21
B. COMPONENT TWO: PROPOSED APPROACH AND ORGANIZATIONAL QUALIFICATIONS .	22
1. Proposed Approach	22
2. Organizational Qualifications.....	22
3. References	23
4. Evidence of Qualified Entity.....	24
5. Sanction – Disclosure	24
6. Subcontracts	24
7. Small, Minority or Women’s Business Enterprise	24
8. PMO Responsibilities	25
C. COMPONENT THREE: COST PROPOSAL	25
1. Presentation of Hourly Rates.....	25
2. Total Fixed Cost:.....	25
3. Withhold	26
VI. EVALUATION.....	26
A. EVALUATION OF OBJECTIVES.....	26
B. EVALUATION OF ORGANIZATION	26

ATTACHMENT A – OTHER TERMS AND CONDITIONS
ATTACHMENT B – PROPOSAL FACE SHEET (SAMPLE)

I. BACKGROUND INFORMATION

A. OVERVIEW OF THE PROGRAM MANAGEMENT OFFICE

The State Innovation Model Program Management Office (“PMO”) is located within the Connecticut Office of the Healthcare Advocate and is responsible for administering the Connecticut Healthcare Innovation Plan and the Connecticut State Innovation Model (SIM) Test Grant including the conduct of meetings, managing contracted transformation support, overseeing evaluation efforts, and communicating with stakeholders and state government. The PMO will be accountable for the conduct of specific SIM initiatives and will work closely with agencies that hold accountability for components of the plan.

B. PROJECT BACKGROUND

1. Connecticut’s State Innovation Model Initiative

Created by the Affordable Care Act, the Center for Medicare and Medicaid Innovation (CMMI) aims to explore innovations in health care delivery and payment that will improve the health of the population, enhance the quality of care and lower costs through improvement (the “Triple Aim”). CMMI’s State Innovation Model initiative (SIM) awards model design and testing grants to states in order to align multiple stakeholders (including providers, consumers, employers, payers and state leaders) around health care reforms. For more information, see: <http://innovation.cms.gov/initiatives/state-innovations/>.

On December 16, 2014, Connecticut was awarded a \$45 million State Innovation Model Test Grant to implement care delivery and payment reforms that affect the majority of Connecticut’s population over a four-year period. Connecticut’s grant application can be viewed at <http://www.healthreform.ct.gov/ohri/cwp/view.asp?a=2741&q=335460>. See final documents posted November 12, 2014. Although the SIM Model Test award is for the period February 1, 2015 through January 31, 2019, CMMI administers the grant through a series of one-year Cooperative Agreements. Connecticut’s initial Cooperative Agreement is effective through January 31, 2016. Continued federal funding under this program will be issued through non-competing continuation awards conditional upon availability of funding, state performance, compliance with the terms and conditions, and demonstrated progress towards the goals and objectives of this FOA.

Our vision for the Connecticut State Innovation Model is to:

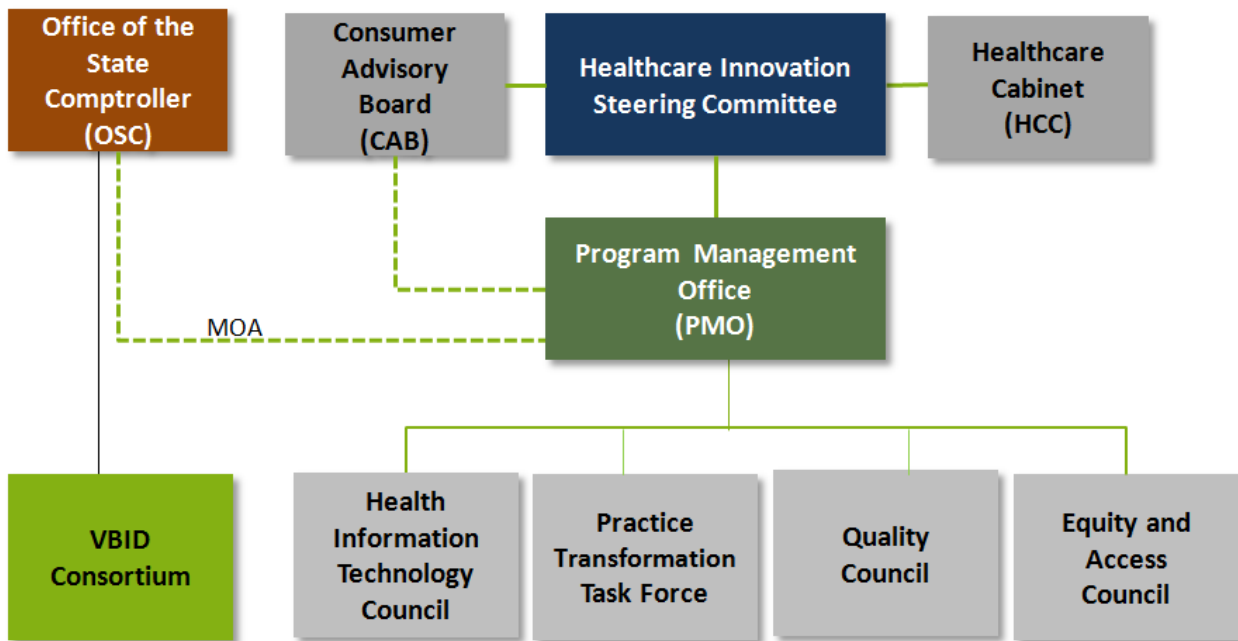
Establish a whole-person-centered health care system that improves community health and eliminates health inequities; ensures superior access, quality, and care experience; empowers individuals to actively participate in their health and healthcare; and improves affordability by reducing healthcare costs.

The State Innovation Model builds off of work done beginning in 2013 when Connecticut received a \$2.8 million design grant from CMMI to develop a State

Healthcare Innovation Plan. Through a collaborative process with multiple stakeholders, including state agencies, healthcare providers, payers, and consumers, the Connecticut Healthcare Innovation Plan (“plan”) was developed and submitted to CMMI on December 30, 2013. This plan lays out the framework for Connecticut’s model for care delivery and health system financing reforms to achieve the Triple Aim. Connecticut’s Healthcare Innovation Plan can be viewed here: <http://www.healthreform.ct.gov/ohri/cwp/view.asp?a=2741&q=335318>. The Innovation Plan is provided for background purposes only. Elements of the SIM Model Test Grant supersede those of the Innovation Plan.

The PMO has established a governance structure as outlined in Exhibit 1, below. Hereafter the term “work group” is used to refer to all taskforces, councils, committees, etc. that play a role in planning, implementation, and/or oversight. Work group charters can be viewed at www.healthreform.ct.gov. The PMO partners with multiple state agencies, including the Office of the State Comptroller (OSC), who is leading the Value Based Insurance Design work.

EXHIBIT 1: GOVERNANCE STRUCTURE



2. Value Based Insurance Design

A critical component of the SIM initiative is promoting Value Based Insurance Designs to employers. Such designs are fundamental to achieving care delivery and payment reforms. SIM also aims to empower consumers to make healthier lifestyle decisions and engage in effective illness self-management through VBID. Our goal is to engage employers in proposed care delivery and payment reforms such that the substantial

majority of self-funded employers throughout Connecticut adopt such reforms in their benefit administration arrangements with health plans.

The premise of Value Based Insurance Design (VBID) is to improve health care quality while decreasing cost by using financial incentives that encourage consumer choice and place emphasis on health care efficiency. VBID seeks to reduce barriers to evidence-based health care services, such as preventive visits and screenings, and implement disincentives for care that has been shown to be unnecessary, or could be provided at a lower cost. One example of VBID is a plan design that waives co-pays for preventive services and for medications for chronic conditions such as diabetes. The intent is to provide consumers with access to timely and appropriate health care services and reduce the potential for consumers to develop more serious, and more costly, health complications in the future. Disincentives, such as higher consumer cost-sharing for services that evidence has shown to be unnecessary, or where the same services may be delivered at a lower cost, may also be implemented to help reduce cost.

Some large Connecticut-based employers, including the State of Connecticut, have already embraced and are managing successful VBID programs for their employees. Connecticut's SIM initiative seeks to promote the statewide adoption and integration of VBID by building on the experience and lessons learned by these employer groups. For example, the State of Connecticut's Office of State Comptroller (OSC) successfully implemented the state Health Enhancement Program (HEP) in 2011. In exchange for lower member premium shares, the program requires employees and their dependents that elect to participate to undergo preventive care (e.g. annual preventive visit, dental cleaning, cholesterol screening, vision exams, etc. as determined by age). Those participants having one or more chronic conditions are required to participate in a care management program, whereby the copayment for the medication to manage the chronic condition may be reduced or waived.

The uptake in VBIDs nationally and in Connecticut has been gradual. Some barriers to accelerated uptake of VBIDs include the capacity for employers to quantify clinical and economic return on investment, measure outcomes, accurately determine the value of specific services through comparative effectiveness research, and perform actuarial analysis to set copayments. Additionally, employers that offer their employees enrollment choice across multiple health plans may not be able to implement one standard VBID, as each health plan may have unique VBID products and administrative capabilities. This creates an additional layer of employee education and administrative burden on the employer.

Using its experience in the design and management of the HEP program, the OSC, along with the Respondent, will help organize a consortium to include Connecticut employers and health insurance carriers to review VBID programs in Connecticut as well as other states. A suggested menu of VBID options will be designed for insurance carriers to offer to employer groups on either an insured or self-insured basis. The goal is to demonstrate that a well-designed and implemented VBID program can improve the

effectiveness of the state’s SIM model for employees who are incentivized to actively participate in their healthcare.

C. ABBREVIATIONS/ ACRONYMS

ACSC	Ambulatory Care Sensitive Conditions
AMH	Advanced Medical Home
BFO	Best and Final Offer
CMMI	Center for Medicare and Medicaid Innovation
CMS	Centers for Medicare and Medicaid Services
CT	Connecticut
DAS	Department of Administrative Services (CT)
EEO	Equal Employment Opportunity
EST	Eastern Standard Time
FOIA	Freedom of Information Act (CT)
HEP	Health Enhancement Program
OSC	Office of the State Comptroller
PCMH	Patient Centered Medical Home
PMO	Program Management Office
RFP	Request for Proposals
SIM	State Innovation Model
VBID	Value Based Insurance Design

II. REQUIRED SERVICE COMPONENTS AND SCOPE OF WORK

The PMO seeks a consultant or consulting services organization with the experience and expertise to serve as the State’s partner in identifying and engaging stakeholders, establishing an employer-led consortium with core interest sub-groups, facilitating an annual learning collaborative, assessing VBID designs, and designing model VBID programs. The Respondent will work closely and collaboratively with the OSC and the PMO; however, day to day direction will be provided by the OSC. We are receptive to applications from local, regional, or national organizations. The Successful Respondent will be expected to conduct the following aspects of the VBID initiative:

A. STAKEHOLDER IDENTIFICATION, RECRUITMENT, AND ENGAGEMENT

The Respondent will be required to identify and engage stakeholders as well as leaders having experience with VBID development and evaluation.

B. PROVIDING SUPPORT FOR EMPLOYER-LED CONSORTIUM

Provide support for an **employer-led consortium** comprised of employers, employer associations, health plans, brokers/consultants, consumers, labor and union groups, public and private exchanges, the state insurance department, and primary care and specialty providers to engage in dialogue of both supply (value-based payment reform) and demand side (value-based insurance design) innovation. The consortium will advise across multiple facets of the proposed approach for employer engagement, including recommendations for developing a self-funded employer template for value based payment contract terms, standard VBID plan options, and implementation tool kit. The consortium will also conduct outreach to other employers, advise on the design and content for the learning collaborative, provide subject matter expertise to the employer learning collaborative, and develop guidance for regulatory considerations (e.g. HSAs, CDPs, filing requirements).

The Respondent shall provide support and facilitation for this consortium, including preparing a charter; preparing agendas and PowerPoints; guiding discussion and compiling feedback and recommendations for the OSC and the PMO.

C. ESTABLISHING AND CONDUCTING LEARNING COLLABORATIVE

The Respondent shall establish and support the activities of an **employer-led learning collaborative**. The Respondent will work with the OSC to organize and facilitate three annual stakeholder meetings that should include business leaders, self- and fully-insured employers of any size, the state insurance department, private and public health insurance exchanges, healthcare providers, unions, consumers, Medicaid leadership and insurance carriers. The learning collaborative must foster continuous learning through webinars, technical support, workshops, an online collaboration site, and phone support. The moderated webinars should feature subject matter experts, and health plan and physician panels. The approach should maximize the sharing of experience and expertise in the development and design of VBID programs. The Respondents must track progress or milestones associated with participation in the Learning Collaborative.

Best practices in collaborative learning will be utilized to allow employers that share common goals (i.e. lowering or eliminating their employees' financial barriers to, or introducing rewards for preventive care, medication adherence, chronic disease management, and high-quality provider selection, while decreasing absenteeism) to learn informally from each other. The learning collaborative may leverage similar learning collaboratives in the Northeast region to cross-pollinate employer experiences and best practices.

D. ASSESSING AND INDEXING OF CURRENTLY ESTABLISHED VBID PROGRAMS, IN AND OUT OF STATE

The Respondent will review successful corporate, public, and health plan initiated VBID programs to assess which factors make VBID programs improve health, reduce waste, reduce overall healthcare spend, and achieve a significant percentage of consumer

uptake and satisfaction. In addition, this review will specifically look at the following features of VBID programs:

- Incentives to better engage consumers in high value health care services
- Designs to encourage utilization of ACOs, PCMH practices, and other providers engaged in high-value services and total population health management
- Penalties to navigate consumers away from low value health care services
- Patient-centered health behavior incentives that encourage patients to engage in healthier lifestyles (e.g. smoking cessation, diet and exercise)
- Patient-centered health behavior incentives that encourage patients to engage in effective chronic illness self-management.

The Respondent will be required to index knowledge bases for the various groups identified through this initiative and build a repository that will include a toolkit providing detailed information on specific design models. The repository should include initiatives either currently underway or being contemplated in other states regarding Medicare and Medicaid populations.

E. ASSESSING VBID MODELS FOR CONNECTICUT

The Respondent will review successful corporate, public and health plan initiated VBID programs to assess which factors make VBID programs improve health, reduce waste, and reduce overall healthcare spend. This review will specifically look at the following features of VBID programs:

- Incentives to better engage consumers in high value health care services
- Designs to encourage utilization of ACOs, PCMH practices, and other providers engaged in high value services and total population health management
- Penalties or other behavioral economics applications to steer consumers away from low value health care services
- Designs to encourage patients to engage in healthier lifestyles (e.g. smoking cessation, diet and exercise)
- Patient-centered health behavior incentives that encourage patients to engage in effective chronic illness self-management.

In assessing which models would be appropriate for both employer-based plans and insurance policies offered directly to consumers the Respondent must conduct a survey of plan designs offered by employers and commercial carriers to those market segments.

The Respondent shall provide consultative support to the OSC and PMO on establishing a baseline of business intelligence regarding (a) self-insured employer reimbursement strategies for care delivery innovations, and (b) use of VBIDs in the state by employers and private exchanges, including: # of employers with a VBID for employees in CT; # of

employee-consumers currently enrolled in a VBID; size and composition of employer workforces enrolled in VBIDs; VBID plan designs offered by CT's health plans, level of employer readiness to implement or expand VBIDs; types of incentives and disincentives currently used in established VBIDs / under consideration; extent to which current VBIDs focus on conditions specified in the SIM: diabetes, obesity, tobacco use, asthma, hypertension, ACSCs; impact of established VBIDs on utilization, costs; and employer reported barriers to VBID implementation. Baseline data collection will be designed, performed, analyzed, synthesized, and reported by the SIM program evaluator.

The Respondent will assess barriers to VBID uptake in Connecticut, and propose solutions and resources available to address these barriers, which may include, but are not limited to regulatory levers identifying evidence of clinical and economic return on investment; positive health, customer satisfaction, and other outcomes; and the value of specific VBID services.

F. CREATING PROTOTYPE VBID

As a product of the assessment of VBID models and current plan designs offered in Connecticut the Respondent will recommend **VBID plan designs and strategies** that would be appropriate to different market segments and populations in Connecticut. The designs should be applicable to a variety of employer contexts and address their barriers and align with State Innovation Model payment and care delivery reforms. The designs shall be created with active feedback and engagement from the Consortium, OSC and the PMO, and include their feedback and comments.

The Respondent shall develop a **template for a minimum recommended VBID benefit plan** for use by (1) self-insured employers, (2) fully insured employers, and (3) private and public health insurance exchanges, and recommendations for technical assistance to accelerate employer uptake. The employer-led consortium, supported by the Respondent, will assess VBIDs in the marketplace and create a universal template that aligns with SIM aims for self-insured employers contemplating a VBID for the first time. It is critical that the recommended VBID avoid being overly prescriptive in order for it to be feasible across employers with a variety of benefit plan designs and employee populations. The recommended VBID must also be administratively viable for employers and their contracted health plans. Due to regulatory requirements and limitations, fully-insured employers will be encouraged to adopt off-the-shelf VBID benefit plan offerings available through their contracted health plans. Recommendations should consider staged approaches to VBID implementation, beginning with simple engagement incentives to more complex incentive models.

The Respondent shall develop **employer guidance for value based payment arrangements** that can be applied to contract negotiations between self-insured employers and their health plans. Guidance may include promoting the adoption of advanced primary care models such as Connecticut's Advanced Medical Home (AMH), including support for providers that are participating in the SIM Glide Path program; supporting the adoption of associated primary care services and activities through

contractual requirements and options for financing such services and activities; utilizing pay for performance strategies for providers that are in the early stages of advancement or which lack sufficient attributed consumers; utilizing shared savings programs or other total cost of care accountable payment methods for providers that have minimally sufficient attributed lives (e.g., 5,000+) and pursuing methods for pooling to achieve such minimum threshold.

The respondent shall develop a **VBID Implementation Tool Kit** to provide technical assistance to accelerate employer uptake. The employer-led consortium, in collaboration with the Respondent, will create a VBID tool kit for corporate/municipal leadership and HR/Benefits decision makers. The tool kit may include: strategies and tactics for assessing the costs and benefits of implementing a VBID and selling the concept to the CFO; guidance on customizing the VBID template for employer cultural context considerations; implementation approaches to engage and educate employees; day-to-day administrative considerations; and ROI /program measurement methods.

G. DEVELOPING COMMUNICATIONS AND MARKETING MATERIALS

Once proposed plan designs have been recommended for adoption by the Healthcare Innovation Steering Committee, the Respondent shall develop marketing and communications material for employers, employees, and consumers to promote VBID and to assist adopters in implementing VBID programs. The Respondent shall provide a mechanism for sharing best practices to accelerate the adoption of VBID plans. The Respondent will also be required to provide regular status updates to the Healthcare Innovation Steering Committee, OSC, PMO and consortium members that marks the progress made on each area of this initiative.

III. OVERVIEW OF THE PROCUREMENT PROCESS

A. ISSUING OFFICE AND CONTRACT ADMINISTRATION

The PMO is issuing this Request for Proposal (RFP) and is the only contact in the State of Connecticut (State) for this competitive bidding process. The address of the issuing office is as follows:

Name: Mark Schaefer
 Address: P.O. Box 1543
 Hartford, CT 06144
 E-Mail: mark.schaefer@ct.gov

B. PROCUREMENT SCHEDULE

Milestones	Ending Dates
RFP Released	June 26, 2015
Deadline for Letter of Intent 3:00 PM EST	July 8, 2015

Deadline for Questions	July 24, 2015
Applications Due by 3:00 PM EST	July 31, 2015
Successful Respondent Announced	August 13, 2015
Contract Work Begins	On or after September 1, 2015

C. CONTRACT TERM

The PMO seeks to implement this consultation contract on or after September 1, 2015 for an initial maximum term of one year with the option of three extensions, each of no more than one year’s duration and subject to the continued availability of funds.

D. RESPONDENTS’ QUESTIONS

The PMO encourages Respondents to submit questions seeking clarification of the RFP requirements. The PMO will respond to all questions in one or more official addenda that will be posted to the Department of Administrative Services (DAS) website.

Respondents should submit questions to the PMO as they arise. The PMO will accept questions submitted to the PMO until 3:00 PM EST on July 24, 2015. Questions must be submitted to the PMO by e-mail (mark.schaefer@ct.gov). The PMO will not respond to questions received after the above deadline. The PMO will make every effort to respond to questions within 5 business days of receipt. Respondents are advised to raise questions early in the process so that responses will be received well in advance of the proposal due date.

E. LETTER OF INTENT

Interested Respondents may submit a Letter of Intent to the PMO to advise the PMO of their intention to present a response to this RFP. Letters of intent should be directed to the PMO by 3:00 PM EST on July 8, 2015. Letters of intent may be sent via mail, e-mail or fax. Submission of a letter of intent is not required in order to submit a Response.

F. EVALUATION AND SELECTION

It is the intent of the PMO to conduct a comprehensive, fair and impartial evaluation of the Responses received to this competitive procurement. Only those submissions found to be responsive to the RFP requirements will be evaluated and scored. A responsive submission must comply with all instructions listed in this RFP, including the general consideration requirements.

G. CONTRACT EXECUTION

The contract developed as a result of this RFP is subject to State contracting procedures for executing a contract, which includes approval by the Connecticut Office of the Attorney General. Contracts become executed upon the signature of the Office of the

Attorney General and no financial commitments can be made until and unless the contracts have been approved by the Office of the Attorney General. The Office of the Attorney General reviews the contract only after the Program Director and the Contractor have agreed to the provisions.

H. ACCEPTANCE OF CONTENT

If acquisition action ensues, the contents of this RFP and the Response of the successful Respondent will form the basis of contractual obligations in the final contract.

The resulting contract will be a Personal Service Agreement (PSA) contract between the successful Respondent and the PMO. The Respondent's submission must include a Statement of Acceptance, embedded as a hyperlink, [Procurement Agreement Signatory Acceptance](#) (Appendix B), without qualification of all terms and conditions within this RFP and the Mandatory Terms and Conditions, embedded as a hyperlink, [mandatory terms and conditions](#) (Appendix A), for a PSA contract.

Any Response that fails to comply in any way with this requirement may be disqualified as non-responsive. The PMO is solely responsible for rendering decisions in matters of interpretation on all terms and conditions.

I. DEBRIEFING

The PMO will notify all Respondents of any award issued as a result of this RFP. Unsuccessful Respondents may, within thirty (30) days of the signing of the resultant contract(s), request a Debriefing of the procurement process and its submission by contacting the Official Contact in writing at the address previously given. A Debriefing may include a request for a copy of the evaluation tool, and a copy of the Respondent's scores including any notes pertaining to the Respondent's submission. Debriefing information that has been properly requested shall be released within five (5) business days of the PMO's receipt of the request.

Respondents may request a Debriefing meeting to discuss the procurement process by contacting the Official Contact in writing at the address previously given. Debriefing meetings that have been properly requested shall be scheduled within fifteen (15) days of the PMO's receipt of a request.

A Debriefing will not include any comparisons of unsuccessful proposals with other proposals.

J. APPEAL PROCESS

The Respondent may appeal any aspect of the competitive procurement; however, such appeal must be in writing and must set forth facts or evidence in sufficient and convincing detail for the PMO to determine whether – during any aspect of the competitive procurement – there was a failure to comply with the State's statutes, regulations, or standards concerning competitive procurement or the provisions of the

Procurement Document. Appeals must be submitted by the Respondent to Victoria Veltri (victoria.veltri@ct.gov), with a copy to the Contract Administrator.

Respondents may submit an Appeal to the PMO any time after the submission due date, but not later than thirty (30) days after the PMO notifies Respondents about the outcome of a competitive procurement. The e-mail sent date or the postmark date on the notification envelope will be considered “day one” of the thirty (30) days.

Following the review process of the documentation submitted, but not later than thirty (30) days after receipt of any such Appeal, a written decision will be issued and delivered to the Respondent who filed the Appeal and any other interested party. The decision will summarize the PMO’s process for the procurement in question; and indicate the Agency Head’s finding(s) as to the merits of the Respondent’s Appeal.

Any additional information regarding the Debriefing and/or the Appeal processes may be requested from the Official Contact for this RFP.

K. CONTEST OF SOLICITATION OR AWARD

Pursuant to Section 4e-36 of the Connecticut General Statutes, “Any Respondent or RESPONDENT on a state contract may contest the solicitation or award of a contract to a subcommittee of the State Contracting Standards Board...” Refer to the State Contracting Standards Board website at www.ct.gov/scsb.

L. DISPOSITION OF RESPONSES- RIGHTS RESERVED

Upon determination that its best interests would be served, the PMO shall have the right to the following:

1. **Cancellation:** Cancel this procurement at any time prior to contract award.
2. **Amend procurement:** Amend this procurement at any time prior to contract award.
3. **Refuse to accept:** Refuse to accept, or return accepted Responses that do not comply with procurement requirements.
4. **Incomplete Business Section:** Reject any Response in which the Business Section is incomplete or in which there are significant inconsistencies or inaccuracies. The State reserves the right to reject all Responses.
5. **Prior contract default:** Reject the submission of any Respondent in default of any prior contract or for misrepresentation of material presented.
6. **Received after due date:** Reject any Response that is received after the deadline.
7. **Written clarification:** Require Respondents, at their own expense, to submit written clarification of their Response in a manner or format that the PMO may require.
8. **Oral clarification:** Require Respondents, at their own expense, to make oral presentations at a time selected and in a place provided by the PMO. Invite

Respondents, but not necessarily all, to make an oral presentation to assist the PMO in their determination of award. The PMO further reserves the right to limit the number of Respondents invited to make such a presentation. The oral presentation shall only be permitted for clarification purposes and not to allow changes to be made to the submission.

9. **No changes:** Allow no additions or changes to the original Response after the due date specified herein, except as may be authorized by the PMO.
10. **Property of the State:** Own all Responses submitted in response to this procurement upon receipt by the PMO.
11. **Separate service negotiation:** Negotiate separately any service in any manner necessary to serve the best interest of the State.
12. **All or any portion:** Contract for all or any portion of the scope of work or tasks contained within this RFP.
13. **Most advantageous Response:** Consider cost and all factors in determining the most advantageous Response for the PMO when awarding the right to negotiate a contract.
14. **Technical defects:** Waive technical defects, irregularities and omissions, if in its judgment the best interests of the PMO will be served.
15. **Privileged and confidential communication:** Share the contents of any Response with any of its designees for purposes of evaluating the Response to make an award. The contents of all meetings, including the first, second and any subsequent meetings and all communications in the course of negotiating and arriving at the terms of the Contract shall be privileged and confidential.
16. **Best and Final Offers:** Seek Best and Final Offers (BFO) on price from Respondents upon review of the scored criteria. In addition, the PMO reserves the right to set parameters on any BFOs it receives.
17. **Unacceptable Responses:** Reopen the bidding process if the PMO determines that all Responses are unacceptable.

M. QUALIFICATION PREPARATION EXPENSES

The PMO assumes no liability for payment of expenses incurred by Respondents in preparing and submitting Responses in response to this procurement.

N. RESPONSE DATE AND TIME

To be considered for selection a Response must be received by the PMO by the date and time stated in the Procurement Schedule of this RFP. Respondents should not interpret or otherwise construe receipt of a Response after the closing date and time as acceptance of the Response, since the actual receipt of the document is a clerical

function. The PMO suggests the Respondent e-mail the proposal with receipt confirmation. Respondents must address all RFP communications to PMO.

O. ASSURANCES AND ACCEPTANCES

1. **Independent Price Determination:** By submission of a Response and through assurances given in its Transmittal Letter, the Respondent certifies that in connection with this procurement the following requirements have been met.
 - a. **Costs:** The costs proposed have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such process with any other organization or with any competitor;
 - b. **Disclosure:** Unless otherwise required by law, the costs quoted have not been knowingly disclosed by the Respondent on a prior basis directly or indirectly to any other organization or to any competitor;
 - c. **Competition:** No attempt has been made or will be made by the Respondent to induce any other person or firm to submit or not to submit a Response for the purpose of restricting competition;
 - d. **Prior Knowledge:** The Respondent had no prior knowledge of the RFP contents prior to actual receipt of the RFP and had no part in the RFP development; and
 - e. **Offer of Gratuities:** The Respondent certifies that no elected or appointed official or employee of the State of Connecticut has or will benefit financially or materially from this procurement. Any contract arising from this procurement may be terminated by the State if it is determined that gratuities of any kind were either offered to or received by any of the aforementioned officials or employees from the contractor, the contractor's agent or the contractor's employee(s).
2. **Valid and Binding Offer:** Each Response represents a valid and binding offer to the PMO to provide services in accordance with the terms and provisions described in this RFP and any amendments or attachments hereto.
3. **Press Releases:** The Respondent agrees to obtain prior written consent and approval from the PMO for press releases that relate in any manner to this RFP or any resulting contract.
4. **Restrictions on Communications with PMO Staff:** The Respondent agrees that from the date of release of this RFP until the PMO makes an award that it shall not communicate with PMO staff on matters relating to this RFP except as provided herein through the PMO. Any other communication concerning this RFP with any of the PMO's staff may, at the discretion of the PMO, result in the disqualification of that Respondent's Submission.

5. **Acceptance of the PMO's Rights Reserved:** The Respondent accepts the rights reserved by the PMO.
6. **Experience:** The Respondent has sufficient project design and management experience to perform the tasks identified in this RFP. The Respondent also acknowledges and allows the PMO to examine the Respondent's claim with regard to experience by allowing the PMO to review the related contracts or to interview contracting entities for the related contracts.

P. INCURRING COSTS

The PMO is not liable for any cost incurred by the Respondent prior to the effective date of a contract.

Q. STATUTORY AND REGULATORY COMPLIANCE

By submitting a proposal in response to this RFP, the proposer implicitly agrees to comply with all applicable State and federal laws and regulations, including, but not limited to, the following:

1. Freedom of Information, C.G.S. § 1-210(b). The Freedom of Information Act (FOIA) generally 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). Proposers are generally advised not to include in their proposals any confidential information. If the proposer indicates that certain documentation, as required by this RFP, is submitted in confidence, the State will endeavor to keep said information confidential to the extent permitted by law. The State has no obligation to initiate, prosecute, or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information pursuant to a FOIA request. The proposer has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. While a proposer may claim an exemption to the State's FOIA, the final administrative authority to release or exempt any or all material so identified rests with the State. In no event shall the State or any of its employees have any liability for disclosure of documents or information in the possession of the State and which the State or its employees believe(s) to be required pursuant to the FOIA or other requirements of law.
2. Contract Compliance, C.G.S. § 4a-60 and Regulations of CT State Agencies § 46a-68j-21 thru 43, inclusive. CT statute and regulations impose certain obligations on State agencies (as well as contractors and subcontractors doing business with the State) to insure that State agencies do not enter into contracts with organizations or businesses that discriminate against protected class persons.
3. Consulting Agreements, C.G.S. § 4a-81. Proposals for State contracts with a value of \$50,000 or more in a calendar or fiscal year, excluding leases and licensing agreements of any value, shall include a consulting agreement affidavit attesting

to whether any consulting agreement has been entered into in connection with the proposal. As used herein "consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (a) Providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State, (b) Contacting, whether in writing or orally, any executive, judicial, or administrative office of the State, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction, requests for information or (c) Any other similar activity related to such contract. Consulting agreement does not include any agreements entered into with a consultant who is registered under the provisions of C.G.S. Chapter 10 as of the date such affidavit is submitted in accordance with the provisions of C.G.S. § 4a-81. The Consulting Agreement Affidavit (OPM Ethics Form 5) is available on OPM's website at http://www.ct.gov/opm/fin/ethics_forms

IMPORTANT NOTE: A proposer must complete and submit OPM Ethics Form 5 to the Department with the proposal.

4. Gift and Campaign Contributions, C.G.S. §§ 4-250 and 4-252(c); Governor M. Jodi Rell's Executive Orders No. 1, Para. 8 and No. 7C, Para. 10; C.G.S. § 9-612(g)(2). If a proposer is awarded an opportunity to negotiate a contract with an anticipated value of \$50,000 or more in a calendar or fiscal year, the proposer must fully disclose any gifts or lawful contributions made to campaigns of candidates for statewide public office or the General Assembly. Municipalities and CT State agencies are exempt from this requirement. The gift and campaign contributions certification (OPM Ethics Form 1) is available on OPM's website at http://www.ct.gov/opm/fin/ethics_forms

IMPORTANT NOTE: The successful proposer must complete and submit OPM Ethics Form 1 to the Department prior to contract execution.

5. Nondiscrimination Certification, C.G.S. §§ 4a-60(a)(1) and 4a-60a(a)(1). If a proposer is awarded an opportunity to negotiate a contract, the proposer must provide the Department with written representation or documentation that certifies the proposer complies with the State's nondiscrimination agreements and warranties. A nondiscrimination certification is required for all State contracts—regardless of type, term, cost, or value. Municipalities and CT State agencies are exempt from this requirement. The nondiscrimination certification forms are available on OPM's website at http://www.ct.gov/opm/fin/nondiscrim_forms

IMPORTANT NOTE: The successful proposer must complete and submit the appropriate nondiscrimination certification form to the awarding Department prior to contract execution.

R. KEY PERSONNEL

The PMO reserves the right to approve any additions, deletions, or changes in key personnel, with the exception of key personnel who have terminated employment. The department also reserves the right to approve replacements for key personnel who have terminated employment. The PMO further reserves the right to require the removal and replacement of any of the proposer's key personnel who do not perform adequately, regardless of whether they were previously approved by the PMO.

S. OTHER

Bidding on and/or being awarded this contract shall not automatically preclude the Respondent from bidding on any future contracts related to the SIM.

Continued funding is contingent upon the ongoing availability of funds, satisfactory program performance, and demonstrated need for these services. Applicants should note that any contracts developed as a result of this RFP are subject to the PMO's contracting procedures that include approval by the Office of the Attorney General.

IV. RESPONSE FORMAT REQUIREMENTS

A. GENERAL FORMAT REQUIREMENTS

Responses must follow the requirements of this RFP including the requirements of form and format that have been established in order to facilitate the PMO's evaluation process. Format requirements and the content requirements are listed in Section V of this RFP. Responses are required for each content requirement that begins with "THE RESPONDENT SHALL" and those responses must reference the RFP request citation.

1. **RESPONSE Component One** must contain the transmittal requirements.
2. **RESPONSE Component Two** must contain organizational information as it relates to the Respondent's ability to perform the activities as presented in the RFP and a discussion of their proposed approach. It must describe the background and experience of the Respondent and include details regarding its experience relevant to the functions to be performed under this contract or recent contracts for similar services.
3. **RESPONSE Component Three** must contain the Respondent's cost proposal.
4. Where a response to a specific requirement reflects the response to another requirement, the Respondent may cite the response instead of reproducing it.
5. Respondents that propose the use of subcontractors must present the same information about the proposed subcontractors as requested for the Respondents.

B. DELIVERY CONDITION

The Respondent must submit the proposal electronically to the attention of Mark Schaefer, at email address mark.schaefer@ct.gov. Submission file should be named "CT State Innovation Model Consultant Services RFP" and must be submitted by the deadline.

The original submission must carry original signatures. Unsigned submissions will not be evaluated. The original submission must be complete, properly formatted and outlined, and ready for evaluation by the Evaluation Team. The submission must be compatible with Microsoft Office Word. Required forms and appendices may be scanned and submitted in Portable Document Format (PDF) or similar file format.

C. RESPONSE CONSTRUCTION REQUIREMENTS

- a) *Response must coincide with the RFP Table of Contents. The official name of the organization must appear on each page of the proposals. Location of the name is at the Respondent's discretion.*
- b) *Page Format – The standard format to be used throughout the Response is as follows:*
 - a. Text shall be on 8 ½" x 11" paper in the "portrait" orientation.
 - b. Text shall be single-spaced.
 - c. Font shall be a minimum of twelve (12) point font (non-condensed) as used in Microsoft® Word.
 - d. Graphics may have a "landscape" orientation, bound along the top (11") side.
 - e. Graphics may have a smaller text spacing, pitch, and font size.
 - f. Resumes are considered text not graphics.

V. RESPONSE CONTENTS

A. COMPONENT ONE: TRANSMITTAL LETTER

The original Response must include a Transmittal Letter of no more than two (2) pages that addresses:

1. The Respondent Assurances and Acceptance (RFP Section III – O);
2. The identification of any proprietary information (RFP Section III – Q.1);
3. Acceptance without qualification, of all PSA Mandatory Terms and Conditions, (Attachment A);
4. Brief statement outlining experience and qualifications to undertake this project;
5. A statement that any submitted response and cost shall remain valid for one hundred twenty (120) days after the proposed due date or until the contract is approved, whichever comes first; and

6. The following identifying information (may use Attachment B):
 - a. Full Legal name of the Respondent and address;
 - b. Federal Taxpayer Identification Number
 - c. Name, title, telephone number, fax number and e-mail address of the individual with the authority to bind the Respondent to sign a contract with the PMO; and
 - d. Name, title, telephone number, fax number and e-mail address of the Respondent's principal contact to receive amendments to the RFP and requests for clarification.

B. COMPONENT TWO: PROPOSED APPROACH AND ORGANIZATIONAL QUALIFICATIONS

1. Proposed Approach

(8 page limit, excluding work samples)

THE RESPONDENT SHALL describe its overall proposed approach to the provision of services detailed in this RFP. Specifically, the Respondent shall provide a detailed description of how it will undertake the activities below as detailed in Section II:

- A. Stakeholder Identification, Recruitment, and Engagement
- B. Providing Support for Employer-Led Consortium
- C. Establishing and Conducting Learning Collaborative
- D. Assessing and Indexing Of Currently Established VBID Programs, In And Out Of State
- E. Assessing VBID Models for Connecticut
- F. Creating Prototype VBID
- G. Developing Communications and Marketing Materials

THE RESPONDENT SHALL propose a timetable for completing these activities no later than June 1, 2016.

2. Organizational Qualifications

(3 page limit, excluding resumes)

THE RESPONDENT SHALL describe its background including details regarding its experience providing services that are similar and relevant to the scope of services described in this RFP.

THE RESPONDENT SHALL describe its experience in producing communication and marketing materials geared toward consumers, employers, providers and other stakeholders. Preference will be given to those respondents that have experience in

promoting VBID programs. The RESPONDENT shall provide real examples of materials developed for projects having a similar scope of work.

THE RESPONDENT SHALL describe its experience and expertise in developing VBID programs.

THE RESPONDENT SHALL explain the staffing and management model of its organization as well as for the specific team who would be working with the OSC and the PMO in order to fulfill the responsibilities outlined in Section II of this RFP; the roles, functions and time commitment of key staff and subcontractors; and their relevant expertise. The description should identify any and all subcontractors.

THE RESPONDENT SHALL provide resumes of the executive or management personnel proposed to complete the tasks identified in this RFP, whether those of the Respondent or its subcontractor(s). Resumes are limited to two (2) pages per resume. Resumes must include:

- a. Relevant education and training;
- b. Project management experience for project(s) of a similar nature; and
- c. For each project referenced above, identification of the customer and a brief description of the responsibility of the individual to the project.

The resultant contractor must receive written approval from the PMO for changes in management staff. These changes must not negatively impact the PMO, or adversely affect the ability of the Contractor to meet any requirement or deliverable set forth in this RFP and/or the resultant contract.

3. References

THE RESPONDENT SHALL include *at least* three references for the lead organization and additional references for subcontractors that it proposes for substantial involvement in the provision of services. References should be individuals able to comment on the project(s) referenced in the resume.

The reference must be an individual familiar with the Respondent and should be familiar with the proposed personnel.

References must include the organization's name, address, current telephone number, e-mail address and name of a specific contact person.

References should be able to comment on the following issues:

1. Capability to deliver required services;
2. Reputation/ethics/integrity;
3. Organizational approach;
4. Interpersonal skills; and
5. Ability to problem-solve.

The PMO expects to use these references in its selection process therefore Respondents are strongly encouraged to contact their planned references to ensure the accuracy of their contact information and their willingness and ability to serve as references.

The PMO will disqualify any Respondent from competing in the RFP process if the PMO discovers that the Respondent had any influence on the references in completing the evaluation.

4. Evidence of Qualified Entity

THE RESPONDENT SHALL provide written assurance to the PMO from its legal counsel that 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.

5. Sanction – Disclosure

THE RESPONDENT SHALL provide a statement that attests that no sanction, penalty or compliance action has been imposed on the Respondent within three years immediately preceding the date of this RFP. If the Respondent proposes the use of a subcontractor, each proposed subcontractor must provide the same statement.

6. Subcontracts

Respondents that propose the use of subcontractors must comply with this section.

THE RESPONDENT SHALL provide the following information about each proposed subcontractor:

- a. Legal Name of Agency, Address, FEIN
- b. Contact Person, Title, Phone, Fax, E-mail
- c. Services To Be Provided Under Subcontract
- d. Resumes and Qualifications (Section B 4); and

7. Small, Minority or Women’s Business Enterprise

Section 32-9e of the Connecticut General Statutes, superseded by Section 4a-60g sets forth the requirements of each executive branch agency relative to the Connecticut Small Business Set-Aside program. Pursuant to that statute, twenty-five (25%) of the average total of all contracts let for each of the three previous fiscal years must be set aside.

The PMO requires that the Resultant Contractor make a “good-faith effort” to set aside a portion of this contract for a small, minority or women’s business enterprise as a subcontractor. Such subcontractors may supply goods or services. Prospective Respondents may obtain a list of firms certified to participate in the Set-Aside program by contacting the Department of Administrative Services at the DAS website.

THE RESPONDENT SHALL describe its intention to set aside a portion of this contract for a small, minority or women's business enterprise as a subcontractor.

8. PMO Responsibilities

THE RESPONDENT SHALL propose specific support the Respondent will require from the PMO to perform the tasks proposed in any resultant contract. Notwithstanding any Respondent's proposed tasks for the PMO to the contrary, the PMO will retain ultimate decision making authority required to ensure project tasks are completed. Specific PMO responsibilities are:

a) Program Management

A Program Director has been appointed by the Lt. Governor. This individual will be responsible for monitoring program progress and will have final authority to approve/disapprove program deliverables.

b) Approval of Deliverables

The Program Director or his designee will review, evaluate, and approve all deliverables prior to the contractor being released from further responsibility.

C. COMPONENT THREE: COST PROPOSAL

The Respondent's submission must include *two* cost proposals as laid out in 1 and 2:

1. Presentation of Hourly Rates

If this method is chosen by the PMO, the contract between the resultant contractor and the PMO shall include payment provisions wherein the contractor shall be compensated at an all-inclusive hourly rate for actual services performed by level of employee. Travel costs may be billed separately.

THE RESPONDENT SHALL identify all proposed personnel with a corresponding all-inclusive hourly rate of compensation and an estimate of hours to be expended by each individual in support of the project and an estimated total for the entire project.

AND

2. Total Fixed Cost:

If this method is chosen by the PMO, the contract between the resultant contractor and the PMO shall include payment provisions wherein the contractor will be compensated a fixed all-inclusive cost for the contract period for the services of the consultation team, wherein each member of the team will be dedicated in full or in part, to support the scope described in section II. The contract will specify the % effort associated with each team member. The scope and pace of activities will be adjusted to the maximum capability of the team.

3. Withhold

Although the payments to the Contractor shall be based on the actual number of hours worked (option 1) or fixed cost (option 2) as negotiated and agreed to by the PMO and the Contractor, the PMO shall withhold a percentage of the total contract value to be paid to the Contractor that shall only be paid to the Contractor upon the Contractor’s completion and submission of all deliverables to the PMO and the PMO’s acceptance of the same. The amount of the withhold and contingencies for payment of the withhold shall be agreed to during contract negotiations. The amount of the withhold shall be no more than 10% of the total contract value.

THE RESPONDENT SHALL acknowledge and agree to a withhold of 10% of the total contract value and to negotiate, in good faith, the terms of the contract including but not limited to the contingencies for release of the withhold.

Note well: The “direct salary and institutional base salary” for contracted staff are limited to the Executive Level II of the Federal Executive Pay scale. FY15 Appropriations law increased the Executive Level II salary to \$183,300. Professionals who are working for a consulting services organization and providing consulting services, typically based on hourly rates, are exempt from this rule. Such entities must meet the definition of a consulting services organization, which is typically established in an organization’s articles of incorporation.

VI. EVALUATION

A. EVALUATION OF OBJECTIVES

The PMO will conduct a comprehensive, fair and impartial evaluation of responses received in response to this competitive procurement effort.

B. EVALUATION OF ORGANIZATION

An Evaluation Team will be established to assist the PMO in selection of a Contractor. The PMO reserves the right to alter the composition of this Team. The Evaluation Team will be responsible for the review and scoring of all Responses. This group will be responsible for the recommendation to the Program Director. The Program Director will notify the selected Respondent(s) that the organization(s) has been awarded the right to negotiate a contract with the PMO for this project. The State reserves the right to reject any and all Responses.

For all proposals that meet the minimum requirements, the following selection criteria will be used to judge the merits of the proposals and select the top proposal:

PROPOSAL CRITERIA AND SCORING	Value (out of 100)
<u>Proposed Approach</u>	35
Stakeholder Identification, Recruitment, and Engagement	2
Providing Support for Employer-Led Consortium	6

Establishing and Conducting Learning Collaborative	5
Assessing and Indexing Of Currently Established VBID Programs, In And Out Of State	4
Assessing VBID Models for Connecticut	5
Creating Prototype VBID	8
Developing Communications and Marketing Materials	5
<u>Organizational Qualifications</u>	35
Experience and subject matter expertise with VBID Programs	10
Staffing and management model of organization	10
Experience in preparing healthcare marketing and educational materials directly to consumers	5
Experience in preparing healthcare marketing and educational materials for employer plans that promote VBID	5
Resumes of executive and management personnel of Respondent and subcontractors	5
<u>Cost</u>	30

After the Evaluation Team has scored each response, the points awarded will be totaled to determine the ranking. Recommendations, along with pertinent supporting materials, will then be conveyed to the PMO Director.

The PMO may elect to conduct interviews with the finalists prior to awarding the right to negotiate a contract. Any expenses incurred by the Respondent to participate in such interview shall be the responsibility of the Respondent.

ATTACHMENT A

OTHER 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, unmaturing, 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. **“Personal 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, Personal Information shall also include any information regarding clients that the Department classifies as “confidential” or “restricted.” Personal 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.
13. **“Personal Information Breach”** shall mean an instance where an unauthorized person or entity accesses Personal Information in any manner, including but not limited to the following occurrences: (1) any Personal 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 Personal Information that is not encrypted or protected without prior written authorization from the State; (3) the unauthorized acquisition of encrypted or protected Personal Information together with the confidential process or key that is capable of compromising the integrity of the Personal Information; or (4) if there is a substantial risk of identity theft or fraud to the client, the Contractor, the Department or State.
14. **“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.
15. **“Services”** shall mean the performance of Services as stated in Part I of this Contract.
16. **“State”** shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.

17. “**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.

- (a) The Agency or its authorized representative shall at all times have the right to enter into the Contractor or Contractor Parties’ premises, or such other places where duties under the Contract are being performed, to inspect, to monitor or to evaluate the work being performed in accordance with Conn. Gen. Stat. §4e-29 to ensure compliance with this Contract. 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.
- (b) The Contractor must incorporate this section verbatim into any Contract it enters into with any subcontractor providing services under this Contract.

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. 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.

- 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 this Contract and for the one hundred eighty (180) days following its date of Termination and/or Cancellation, the Contractor shall upon the Agency's request provide copies of the following documents within ten (10) Days after receipt of the request:
- (a) its most recent IRS Form 990 submitted to the 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.

This provision shall continue to be binding upon the Contractor for one hundred and eighty (180) Days following the termination or cancellation of the Contract.

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 it 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 cancellation or termination of this Contract.

- (2) 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.
- (c) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
- (d) 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 cancel or 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.
- (d) The Contractor must incorporate this section verbatim into any Contract it enters into with any subcontractor providing services under this Contract.

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; and

(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. Protection of Personal Information.

- (a) Contractor and Contractor Parties, at their own expense, have a duty to and shall protect from a Personal Information Breach any and all Personal 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.

<http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968>
<http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968>

- (b) Each Contractor or Contractor Party shall implement and maintain a comprehensive data security program for the protection of Personal Information. The safeguards contained in such program shall be consistent with and comply with the safeguards for protection of Personal 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 Personal Information. Such data-security program shall include, but not be limited to, the following:

- (1) A security policy for employees related to the storage, access and transportation of data containing Personal Information;
 - (2) Reasonable restrictions on access to records containing Personal Information, including access to any locked storage where such records are kept;
 - (3) A process for reviewing policies and security measures at least annually;
 - (4) Creating secure access controls to Personal Information, including but not limited to passwords; and
 - (5) Encrypting of Personal Information that is stored on laptops, portable devices or being transmitted electronically.
- (c) 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 Personal Information which Contractor or Contractor Parties possess or control has been subject to a Personal Information Breach. If a Personal 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 Personal 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 Personal 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.
- (d) The Contractor shall incorporate the requirements of this Section in all subcontracts requiring each Contractor Party to safeguard Personal Information in the same manner as provided for in this Section.
- (e) 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.

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.

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 OAG.
- (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 cancellation 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 cancellation date, no further action shall be required of any party to effect the cancellation as of the stated date. If the notice does not set forth an effective Contract cancellation date, then the non-breaching party may cancel 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 or cancelled. 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.14, 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 or cancelled 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 or cancellation 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, cancelled 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), 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, 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(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 or terminate 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) For purposes of this Section, the following terms are defined as follows:
 - i. "Commission" means the Commission on Human Rights and Opportunities;
 - ii. "Contract" and "contract" include any extension or modification of the Contract or contract;
 - iii. "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
 - iv. "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.
- v. "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
 - vi. "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;
 - vii. "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
 - viii. "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;
 - ix. "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
 - x. "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.

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. 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.

9. 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:

www.ct.gov/seecwww.ct.gov/seec

ATTACHMENT B

SIM PROGRAM MANAGEMENT OFFICE

REQUEST FOR PROPOSALS (RFP)

CT SIM VBID

PROPOSAL FACE SHEET

1	<p>RESPONDING AGENCY (Legal name and address of organization as filed with the Secretary of State):</p> <p>Legal Name: _____</p> <p>Street Address: _____</p> <p>Town/City/State/Zip: _____</p> <p>FEIN: _____</p>
2	<p>DIRECTOR/CEO</p> <p>Name: _____ Title: _____</p> <p>Telephone: _____ FAX: _____</p> <p>Email: _____</p>
3	<p>CONTACT PERSON</p> <p>Name: _____ Title: _____</p> <p>Telephone: _____ FAX: _____</p> <p>Email: _____</p>