

STANDARD CONTRACT FOR SERVICES

STANDARD CONTRACT FOR TECHNOLOGY SERVICES

1. **Parties.** This is a contract for services between the State of Vermont, Green Mountain Care Board (the “State”), and Vermont Association of Hospitals and Health Systems – Network Services Organization, Inc. (VAHHS-NSO) with a principal place of business in Montpelier, Vermont, (the “Contractor”). Contractor’s form of business organization is a non-profit organization. It is Contractor’s responsibility to contact the Vermont Department of Taxes to determine if, by law, Contractor is required to have a Vermont Department of Taxes Business Account Number.

2. **Subject Matter.** The subject matter of this contract is services generally on the subject of data collection and management services for Vermont Uniform Hospital Discharge Data. Detailed services to be provided by Contractor are described in Attachment A.

3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$1,088,116.20.

4. **Contract Term.** The period of Contractor’s performance shall begin on August 8, 2022 and end on June 30, 2027. This contract may be renewed for two additional 12-month periods, as agreed by both parties and reduced to a written amendment.

5. **Prior Approvals.** This Contract shall not be binding unless and until all requisite prior approvals have been obtained in accordance with current State law, bulletins, and interpretations.

6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. **Termination for Convenience.** This contract may be terminated by the State at any time by giving written notice at least thirty (30) days in advance. In such event, Contractor shall be paid under the terms of this contract for all services provided to and accepted by the State prior to the effective date of termination.

8. **Attachments.** This contract consists of 35 pages including the following attachments which are incorporated herein:

Attachment A – Statement of Work

Attachment B – Payment Provisions

Attachment C – “Standard State Provisions for Contracts and Grants” a preprinted form (revision date 12/15/2017)

Attachment D – Other Terms and Conditions for Information Technology Contracts

Attachment E – 130 Record Level Edits

Attachment F – Methodology for Flagging Principal Procedures on Outpatient Records

Attachment G – GMCB Task Order Form

9. **Order of Precedence.** Any ambiguity, conflict or inconsistency between the documents comprising this contract shall be resolved according to the following order of precedence:

- 1) Standard Contract
- 2) Attachment D Other Terms and Conditions for Information Technology Contracts
- 3) Attachment C (Standard State Provisions for Contracts and Grants)
- 4) Attachment A

- 5) Attachment B
- 6) Attachment E
- 7) Attachment F
- 8) Attachment G

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

By the State of Vermont:

8/10/2022

Date: _____

Signature: DocuSigned by: Susan Barrett
A2FE6798B6A4EE

Name: Susan Barrett

Title: Executive Director

By VAHHS-NSO:

8/10/2022

Date: _____

Signature: DocuSigned by: Michael DeITrecco
8B6446B8ED11432

Name: Michael DeITrecco

Title: SR VP Finance and Operations

**ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED**

I. Introduction

1. Under Act 48 of 2011 and 18 V.S.A. Sections 9405, 9410, 9453, and 9454, the Green Mountain Care Board (hereafter called "State" or "GMCB") has broad regulatory authority and responsibilities to maintain a health care database to support analyses of health care resources, expenditures and utilization.

The health care database includes hospital data reported in uniform formats pertaining to financial, scope-of-services and utilization information. In order to discharge these responsibilities, the State requires Vermont's general hospitals to file or make available to the State data, reports, schedules, statistics and other information determined by the State to be necessary (the "Necessary Data"). Necessary Data pertaining to the scope of work under this contract is detailed in the [Vermont Uniform Hospital Discharge Data System Reporting Manual](#) available on the GMCB website. Consistent with Section IX of this Attachment A, the State may change the Necessary Data required under this contract through written notification to Contractor.

2. In executing this contract, Contractor represents and warrants that all hospitals listed below have agreed in writing to be bound by the terms of this contract. Contractor shall provide a copy of the signed addendum and Membership Agreement (titled, "Data Services Agreement") for each hospital within 30 days of Agreement execution. It is Contractor's sole responsibility to ensure that such hospitals are legally bound by this contract. Contractor shall notify the State as soon as practicable and, in no event, in more than 30 days if any of the hospitals listed below are not bound by the terms of this contract or of any other change in hospital obligation that would impact the State's ability to perform its statutory obligations pertaining to the acquisition of the Necessary Data. The fourteen Vermont general hospitals, Brattleboro Retreat and the ambulatory surgical center for which Contractor is responsible for ensuring compliance with this contract are:

Brattleboro Memorial Hospital
Central Vermont Medical Center
Grace Cottage Hospital
Copley Hospital
Gifford Medical Center
Mt. Ascutney Hospital and Health Center
North Country Hospital
Northeastern Vermont Regional Hospital
Northwestern Medical Center
Porter Medical Center
Rutland Regional Medical Center
Southwestern Vermont Health Care
Springfield Hospital
The University of Vermont Medical Center
Green Mountain Surgery Center (ambulatory surgical center)
Brattleboro Retreat
(collectively "current submitters").

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3. During the term of this contract, health care providers or health care facilities other than the current submitters identified in Section 1.2 above may be required to submit, or may choose to submit, Necessary Data for inclusion in the health care database. Contractor will be responsible for the collection of data from any such health care provider or health care facility (“potential submitters”), which may include free standing clinics, ambulatory surgical centers, psychiatric hospitals, or other entities possessing discharge records. Current and potential submitters will hereafter be referred to collectively as “data submitting entities.” Prior to beginning work on adding a potential submitter, Contractor shall complete a Task Order Form (Attachment G). Upon the State’s approval of the Task Order Form and the Contractor’s execution of a data sharing agreement with the potential submitter, Contractor shall initiate onboarding activities with the potential submitter, which shall include:

- Reviewing the Necessary Data file submission layout and accompanying data dictionary,
- Providing assistance to the potential submitter and its vendor to develop and test the data submission extract,
- Quality assurance reporting and review,
- Loading of historical data for a previous period of time agreed upon by the potential submitter, Contractor, and the State, and
- Set up for the potential submitter facility and its users in the Contractor’s data collection system.
- Onboarding activities shall include one-time costs, as specified in an approved Task Order, which shall not exceed \$9,500 for Year 1 with a 2% increase each year over the previous year, per potential submitter. In addition to any amounts payable to Contractor for onboarding of potential submitters, Contractor may charge up to \$5,000 for Year 1 with a 2% increase each year over the previous year per potential submitter for performing the data collection, quality assurance, extract processing, and other activities described in this Attachment A, as specified in Attachment B.

II. Data Collection and Management

Contractor Shall:

1. Collect, process, and aggregate inpatient, outpatient, and emergency department discharge records from data submitting entities and provide files with Necessary Data to the State as specified and defined for the Vermont Uniform Hospital Discharge Data Set (VUHDDS).
 - a. Outpatient records should contain all the Necessary Data inclusive of all outpatient procedures and services performed in any hospital-based setting for delivery of ambulatory services including, but not limited to, operating rooms, emergency rooms, urgent treatment centers, examination and treatment rooms, clinics, surgical and ambulatory surgery centers.

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- b. Submit all the Necessary Data including diagnosis, procedure, and treatment detail as coded for billing purposes using ICD-10 codes (and ICD-9 codes when required for relevant historical data), CPT/HCPC codes as used for billing for outpatient procedures and services, and 3-digit revenue codes in the format required for VUHDDS.
 - c. Include Healthcare Common Procedure Coding System (HCPCS) in the Necessary Data as required for revenue codes included in outpatient hospital discharge records under National Uniform Billing Committee Data Specification Manual.
 - d. Assign a principal procedure flag to every applicable outpatient record based on Resource Based Relative Value Scale (RBRVS) weights assigned to HCPCS/Current Procedural Terminology (CPT) codes as desired in the method for flattening principal outpatient procedures.
 - e. Manage the Necessary Data collected on behalf of the State under this contract in accordance with applicable state and federal laws and rules addressing HIPAA and protection of individual identities and protected health information.
2. Provide the State with current and updated data collection documentation including the file layout, data dictionary, data collection manual (including methodology) and any other pertinent documentation related to changes in the Uniform Billing Code (UBC) specifications and State data submission requirements.
3. Furnish files to the State each quarter beginning with the first discharge record for January 1, 2022 and ending with the final discharge record for the first quarter of CY 2027 ending on March 31, 2027.
4. Perform onboarding duties. At present the fourteen Vermont, general hospitals, Brattleboro Retreat and the Ambulatory Surgical Center have agreements to provide discharge data and current submitters. During the term of the contract, health care providers or health care facilities other than the current submitters may be required to submit or choose to submit, Necessary Data for inclusion in the health care database.
5. Contractor may be requested to collect data from any such health care provider or health care facility and should anticipate onboarding duties for at least one new entity per year throughout the life of the contract.
 - a. Review Necessary Data file submission layout and accompanying data dictionary;
 - b. Provide assistance to the potential submitter and its vendor to develop and test the data submission extract;
 - c. Quality assurance reporting and review;
 - d. Load historical data for a previous period of time agreed upon by the potential submitter, Contractor and the State;
 - e. Set up for the potential submitter facility and its users in the Contractor's data collection system.

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6. Submit data to Health Care Utilization Project (HCUP) on required schedule.

III. Data Quality Assurance

Contractor Shall:

1. Ensure that data submitting entities provide the Necessary Data in an efficient, accurate, complete, and timely manner that meets requirements for uniform coding and formatting. Any additional analytics or reporting services provided by Contractor for or on behalf of data submitting entities are outside the scope of this contract.
2. Audit the data set on monthly, quarterly, and annual bases prior to submitting files to the State to identify potentially duplicate, missing, and miscoded records.
 - a. Ensure no duplicate records for the same patient per discharge and that the total charge equals the sum of all charges reported by revenue code categories on each record.
3. Apply record-level edits to the Necessary Data provided by data submitting entities and request corrections from data submitting entities to achieve acceptable error thresholds determined at the time of review taking into consideration the circumstances related to the errors.
 - a. Work with hospitals/clinics to achieve the thresholds outlined in Attachment E, Section 3.5. Thresholds in Attachment E shall be applied on an entity by entity basis, not solely applied to the data set as a whole, to ensure that ultimately the data as a whole meets data quality standards for completeness, consistency across data submitting entities, and accuracy.
 - b. Prioritize compliance with submission requirements for complete, properly coded and accurate data elements with error thresholds of zero percent as identified in Attachment E. Contractor shall take timely and persistent actions to obtain corrections and data resubmissions from data submitting entities for edits coded as "0% required" that the State has identified as "fatal" errors. Contractor shall also pursue corrections from data submitting entities for submission of a high number of records with poor quality data for data elements with higher level error thresholds that are also important components of the Necessary Data.
 - c. Notify the State in writing within 30 days from the date of notice to data submitting entities requesting corrections in the event such entities do not respond to requests for corrections or refuse to make requested corrections to the Necessary Data. In written notification to the State, Contractor shall specify the data quality problem and actions taken to request corrections. Contractor shall attach copies of any written notification sent requesting corrections.
 - d. The record-level edits in Attachment E may be updated at any time with mutual agreement between the State and the Contractor.
4. Edit and evaluate each data submitting entity's data files, comparing the most current to prior comparable reports to identify variations from expected patterns and trends including, but not limited to record counts by bill type and setting; patient characteristics such as age,

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gender, and ZIP code distribution; payer mix; and utilization patterns by MDC, DRG, CCS, CCSR, and CPT grouped categories as applicable to identify notable variations.

- a. Follow up regarding notable variations from prior patterns and trends to obtain either an explanation or corrections in a timely manner.
 - b. Furnish data integrity reports to the State each quarter that include resolved and unresolved instances of failure to file the Necessary Data and validation reports that describe comparative trends and patterns.
5. Under this contract the quarterly files are defined by the date of discharge within each calendar year for each record in the data set as follows: First quarter includes January 1 through Mar 31; second quarter includes April 1-June 30; third quarter includes July 1 through September 30; and fourth quarter includes October 1 through December 31.
- a. Contractor shall resubmit files that have been updated past the dates of delivery identified in the Table 1 below or the dates of what resulted in file deliveries due to corrective actions and/or resubmissions that significantly change the data in a manner that improves data quality and accuracy.

Table 1: Schedule for Required File Submissions to State:

Data Year	Data Period	Final Due Date
Cycle Year 2022	First Quarter	July 15 of Cycle Year
	Second Quarter	September 15 of Cycle Year
	Third Quarter	December 15 of Cycle Year
	Draft Annual Cycle Year	March 15 of year following Cycle Year
	Final Annual Cycle Year	June 15 of year following Cycle Year
Cycle Year 2023	First Quarter	July 15 of Cycle Year
	Second Quarter	September 15 of Cycle Year
	Third Quarter	December 15 of Cycle Year
	Draft Annual Cycle Year	March 15 of year following Cycle Year
	Final Annual Cycle Year	June 15 of year following Cycle Year
Cycle Year 2024	First Quarter	July 15 of Cycle Year
	Second Quarter	September 15 of Cycle Year
	Third Quarter	December 15 of Cycle Year
	Draft Annual Cycle Year	March 15 of year following Cycle Year
	Final Annual Cycle Year	June 15 of year following Cycle Year
Cycle Year 2025	First Quarter	July 15 of Cycle Year
	Second Quarter	September 15 of Cycle Year
	Third Quarter	December 15 of Cycle Year
	Draft Annual Cycle Year	March 15 of year following Cycle Year
	Final Annual Cycle Year	June 15 of year following Cycle Year
Cycle Year 2026	First Quarter	July 15 of Cycle Year
	Second Quarter	September 15 of Cycle Year

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	Third Quarter	December 15 of Cycle Year
	Draft Annual Cycle Year	March 15 of year following Cycle Year
	Final Annual Cycle Year	June 15 of year following Cycle Year
Cycle Year 2027	First Quarter	June 30 of Cycle Year

- b. Contractor shall notify the State in writing regarding anticipated delays in meeting the file submission due dates stipulated in Section III(5)(a), Table 1 no later than 30 days prior to each deadline. In written notification to the State regarding anticipated delays, Contractor shall include a detailed explanation including identification of the reasons for delayed delivery including specific issues and data submitting entities causing the delay, corrective actions being taken to rectify anticipated delays, and proposed alternative due dates for file submissions that are anticipated to be delayed.
- c. In the event of unanticipated delays in meeting the file submission deadlines stipulated in Section III(5)(a), Table 1, Contractor shall notify the State within two (2) business days regarding the delay and provide a detailed written explanation within five (5) business days for delays anticipated to be more than 10 business days from file submission deadlines.
- d. Failure of Contractor to comply with the submission requirements for the Necessary Data and / or failure to notify the State as required in Sections III(5)(b)-III(5)(c) may, at the sole discretion of the State, be deemed a material breach of this contract. The State reserves the right to decrease payment for failure to provide the Necessary Data, as required by this contract, consistent with applicable law. Failure to meet deadlines and due dates as outlined in these sections may result in up to a 10% reduction in overall payment for the calendar year of data impacted as specified in Attachment B.
- e. Under the direction of the State, Contractor shall notify all data submitting entities in writing regarding changes to the Necessary Data required by the State.

IV. Data Collaboration

Contractor Shall:

1. Manage the Data Coordinators Group and include the State as a member of the group and convene the group as needed or as requested by the State to address the collection, processing, and aggregation of the Necessary Data addressing:
 - Data integrity, completeness, and timeliness of reporting.
 - Data requirements and definitions, coding, edits, error rates, corrections, recurring problems.
 - Any proposed changes to state-mandated reporting requirements.

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2. Consult with the State before making any substantive or technical decisions affecting the scope, collection, processing, and aggregation of the Necessary Data.
 - a. Participate in any group convened by the State to address the scope, collection, aggregation, and quality of the Necessary Data.
 - b. Consult during the term of the contract, as each party deems necessary, to address issues as requested by the State, Contractor, and/or data submitting entities pertaining to the State mandated reported requirements.

V. Data Integration

Contractor Shall:

1. Develop and implement a strategy to collect professional claims (i.e., CMS 1500 claims) that complement discharge data in health care systems research.
2. Consult during the term of the contract, as each party deems necessary, to advance the integration of facility discharge and professional claims data from hospitals and the sites listed in Section I(2).

VI. Ad Hoc Tasks

At the request of the State, the Contractor shall perform ad hoc tasks mutually agreed upon in writing via Task Order. Tasks may include additional reporting to support the GMCB's regulatory duties such as the Health Resource Allocation Plan.

VII. Other General Contract Requirements

1. Contractor shall provide a preliminary response to inquiries from the State related to the scope of work and any issues related to this contract within two business days and a detailed response within five business days, or within a State specified time frame that will ensure timely continuation of work.
2. Contractor's President and Chief Executive Officer and the GMCB Chair, or their designees, shall consult during the term of this contract, as each party deems necessary, to address issues as requested by the State, Contractor, and or data submitting entities pertaining to state mandated reporting requirements.
3. State and Contractor shall work in good faith to meet the spirit and intent of the terms of this contract.
4. State shall pay fees to the Contractor as set forth in Attachment B only after delivery of the Necessary Data in accordance with the provisions set forth in this contract.

VIII. Confidentiality and Data Re-disclosure

1. The Contractor shall manage the Necessary Data collected on behalf of the State under this contract in accordance with applicable state and federal laws and rules addressing HIPAA and protection of individual identities and protected health information. Pursuant to 18

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V.S.A. § 9457, neither individual patients nor providers can be directly or indirectly identifiable through use of the Necessary Data. Starred (“*”) items in the VUHDDS Reporting Manual comprise the “non-public” data elements of the Necessary Data. Non-public data elements at a record level shall only be made available if the State grants a limited use data use agreement to a requestor. Release of data categorized as non-public shall be at the sole discretion of the State.

IX. Modifications

1. The State reserves the right to modify the Necessary Data included in the VUHDDS Reporting Manual at any time and shall give written notice of any such changes to Contractor at the address herein. The State's modifications to the Necessary Data listed in the VUHDDS Reporting Manual, if any, shall be effective ninety (90) days after written notice has been sent.
2. Except as expressly stated in this subsection, only a written agreement signed by both Contractor and the State may modify this contract.

**ATTACHMENT B
 PAYMENT PROVISIONS**

The maximum dollar amount payable under this contract is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually delivered or performed, as specified in Attachment A, up to the maximum allowable amount specified on page 1 of this contract.

1. Prior to commencement of work and release of any payments, Contractor shall submit to the State:
 - a. a certificate of insurance consistent with the requirements set forth in Attachment C, Section 8 (Insurance), and with any additional requirements for insurance as may be set forth elsewhere in this contract; and
 - b. a current IRS Form W-9 (signed within the last six months).
2. Payment terms are **Net 30** days from the date the State receives an error-free invoice with all necessary and complete supporting documentation.
3. Contractor shall submit detailed invoices itemizing all work performed during the invoice period, including the dates of service, rates of pay, hours of work performed, and any other information and/or documentation appropriate and sufficient to substantiate the amount invoiced for payment by the State. All invoices must include the Contract # for this contract.
4. Invoices shall be submitted to the State at GMCB.Invoice@vermont.gov.
5. **EXPENSES:** The fee for services shall be inclusive of Contractor expenses.
6. The payment schedule for delivered products is as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Fixed Price Sections 2.1-2.3 Includes All Functional Requirements	\$ 80,000.00	\$ 81,600.00	\$ 83,232.00	\$ 84,896.64	\$ 86,594.57	\$ 416,323.21
Fixed Price Section 2.4 Form 1500 Development and Implementation	\$ 80,000.00	\$ -	\$ -	\$ -	\$ -	\$ 80,000.00
Fixed Price Section 2.4 Form 1500 Data Collection	\$ 65,000.00	\$ 66,300.00	\$ 67,626.00	\$ 68,978.52	\$ 70,358.09	\$ 338,262.61
Onboarding costs for new entities Assumes 1/year with 2% increase annually	\$ 9,500.00	\$ 9,690.00	\$ 9,883.80	\$ 10,081.48	\$ 10,283.11	\$ 49,438.38
Data collection costs for new entities Assumes 1/year with 2% increase annually	\$ 5,000.00	\$ 10,202.00	\$ 15,606.00	\$ 21,224.00	\$ 27,060.00	\$ 79,092.00
Ad-Hoc Tasks	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 125,000.00
Total Costs	\$264,500.00	\$192,792.00	\$201,347.80	\$210,180.64	\$219,295.77	\$1,088,116.20

- a. **Invoicing for Non-Onboarding Activities:** Contractor shall submit invoices annually following its submission of the Necessary Data. In these invoices,

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Contractor shall separate charges for current and potential submitters, as follows:

- Current Submitters. For each invoicing period described above, the State agrees to pay Contractor \$80,000 for Year 1, with a 2% increase each year over the previous year for the Necessary Data collected from current submitters, following receipt of an invoice showing that Contractor has submitted the Necessary Data according to the schedule in Attachment A, Section III(5)(a), Table 1.
 - Potential Submitters: For each invoicing period described above, the State agrees to pay Contractor \$5,000 for Year 1, with 2% increase over the previous year, each year for the Necessary Data collected from each potential submitter, following receipt of an invoice showing that Contractor has submitted the Necessary Data according to the schedule in Attachment A, Section III(5)(a), Table 1.
- b. Invoicing for the Onboarding of Potential Submitters: Upon completion of all onboarding activities described in an approved Task Order, Contractor shall submit an invoice for payment of those tasks. The State agrees to pay Contractor for the costs described in the approved Task Order, up to a maximum amount of \$9,500 per potential submitter with a 2% increase each year over the previous year. The State anticipates onboarding of at least one Potential Submitter annually.
- c. Reduction of Payment: As specified in Attachment A, Section III(5)(d), Contractor's failure to meet deadlines and due dates in Attachment A, Sections III(5)(b)-III(5)(c) may result in up to a 10% reduction in overall payment for the calendar year of data impacted.
7. Payments for subcontractors will only be made upon approval by State (See Attachment C).

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**ATTACHMENT C: STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS
REVISED DECEMBER 15, 2017**

1. Definitions: For purposes of this Attachment, “Party” shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. “Agreement” shall mean the specific contract or grant to which this form is attached.

2. Entire Agreement: This Agreement, whether in the form of a contract, State-funded grant, or Federally-funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

3. Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial: This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under this Agreement. Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

4. Sovereign Immunity: The State reserves all immunities, defenses, rights or actions arising out of the State’s sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State’s immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State’s entry into this Agreement.

5. No Employee Benefits For Party: The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or Federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

6. Independence: The Party will act in an independent capacity and not as officers or employees of the State.

7. Defense and Indemnity: The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits.

After a final judgment or settlement, the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.

STATE OF VERMONT

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The Party shall indemnify the State and its officers and employees if the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

Notwithstanding any contrary language anywhere, in no event shall the terms of this Agreement or any document furnished by the Party in connection with its performance under this Agreement obligate the State to (1) defend or indemnify the Party or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party or any third party.

8. Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

- Premises - Operations
- Products and Completed Operations
- Personal Injury Liability
- Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

- \$1,000,000 Each Occurrence
- \$2,000,000 General Aggregate
- \$1,000,000 Products/Completed Operations Aggregate
- \$1,000,000 Personal & Advertising Injury

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than \$500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than \$1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

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Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

9. Reliance by the State on Representations: All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with this Agreement, including but not limited to bills, invoices, progress reports and other proofs of work.

10. False Claims Act: The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* If the Party violates the Vermont False Claims Act it shall be liable to the State for civil penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney's fees, except as the same may be reduced by a court of competent jurisdiction. The Party's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.

11. Whistleblower Protections: The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

12. Location of State Data: No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside the continental United States, except with the express written permission of the State.

13. Records Available for Audit: The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

14. Fair Employment Practices and Americans with Disabilities Act: Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

15. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

16. Taxes Due to the State:

- A. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.

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- B.** Party certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
- C.** Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
- D.** Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

17. Taxation of Purchases: All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

18. Child Support: (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date this Agreement is signed, he/she:

- A.** is not under any obligation to pay child support; or
- B.** is under such an obligation and is in good standing with respect to that obligation; or
- C.** has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

19. Sub-Agreements: Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of \$250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 12 ("Location of State Data"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification Regarding Debarment"); Section 30 ("State Facilities"); and Section 32.A ("Certification Regarding Use of State Funds").

20. No Gifts or Gratuities: Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

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21. Copies: Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

22. Certification Regarding Debarment: Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>

23. Conflict of Interest: Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

24. Confidentiality: Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

25. Force Majeure: Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lock-outs) ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

26. Marketing: Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

27. Termination:

A. Non-Appropriation: If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, and in the event Federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.

B. Termination for Cause: Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice.

C. Termination Assistance: Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible,

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shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

28. Continuity of Performance: In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

29. No Implied Waiver of Remedies: Either party's delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

30. State Facilities: If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party's performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

31. Requirements Pertaining Only to Federal Grants and Subrecipient Agreements: If this Agreement is a grant that is funded in whole or in part by Federal funds:

A. Requirement to Have a Single Audit: The Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the subrecipient expends \$500,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends \$750,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

B. Internal Controls: In accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

C. Mandatory Disclosures: In accordance with 2 CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

32. Requirements Pertaining Only to State-Funded Grants:

A. Certification Regarding Use of State Funds: If Party is an employer and this Agreement is a State-funded grant in excess of \$1,001, Party certifies that none of these State funds will be

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used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

B. Good Standing Certification (Act 154 of 2016): If this Agreement is a State-funded grant, Party hereby represents: (i) that it has signed and provided to the State the form prescribed by the Secretary of Administration for purposes of certifying that it is in good standing (as provided in Section 13(a)(2) of Act 154) with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets, or otherwise explaining the circumstances surrounding the inability to so certify, and (ii) that it will comply with the requirements stated therein.

(End of Standard Provisions)

ATTACHMENT D
INFORMATION TECHNOLOGY PROFESSIONAL SERVICES
TERMS AND CONDITIONS (rev. 3/21/19)

1. OWNERSHIP AND LICENSE IN DELIVERABLES

1.1 Contractor Intellectual Property. Contractor shall retain all right, title and interest in and to any work, ideas, inventions, discoveries, tools, methodology, computer programs, processes and improvements and any other intellectual property, tangible or intangible, that has been created by Contractor prior to entering into this Contract (“Contractor Intellectual Property”). Should the State require a license for the use of Contractor Intellectual Property in connection with the development or use of the items that Contractor is required to deliver to the State under this Contract, including Work Product (“Deliverables”), the Contractor shall grant the State a royalty-free license for such development and use. For the avoidance of doubt, Work Product shall not be deemed to include Contractor Intellectual Property, provided the State shall be granted an irrevocable, perpetual, non-exclusive royalty-free license to use any such Contractor Intellectual Property that is incorporated into Work Product.

1.2 State Intellectual Property. The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this Contract as a result of the use by Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by Contractor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, “State Intellectual Property”).

Contractor may not use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

1.3 Work Product. All Work Product shall belong exclusively to the State, with the State having the sole and exclusive right to apply for, obtain, register, hold and renew, in its own name and/or for its own benefit, all patents and copyrights, and all applications and registrations, renewals and continuations thereof and/or any and all other appropriate protection. To the extent exclusive title and/or complete and exclusive ownership rights in and to any Work Product may not originally vest in the State by operation of law or otherwise as contemplated hereunder, Contractor shall immediately upon request, unconditionally and irrevocably assign, transfer and convey to the State all right, title and interest therein.

“Work Product” means any tangible or intangible ideas, inventions, improvements, modifications, discoveries, development, customization, configuration, methodologies or processes, designs, models, drawings, photographs, reports, formulas, algorithms, patterns, devices, compilations,

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databases, computer programs, work of authorship, specifications, operating instructions, procedures manuals or other documentation, technique, know-how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection), that is specifically made, conceived, discovered or reduced to practice by Contractor, either solely or jointly with others, pursuant to this Contract. Work Product does not include Contractor Intellectual Property or third party intellectual property.

To the extent delivered under this Contract, upon full payment to Contractor in accordance with Attachment B, and subject to the terms and conditions contained herein, Contractor hereby (i) assigns to State all rights in and to all Deliverables, except to the extent they include any Contractor Intellectual Property; and (ii) grants to State a perpetual, non-exclusive, irrevocable, royalty-free license to use for State's internal business purposes, any Contractor Intellectual Property included in the Deliverables in connection with its use of the Deliverables and, subject to the State's obligations with respect to Confidential Information, authorize others to do the same on the State's behalf. Except for the foregoing license grant, Contractor or its licensors retain all rights in and to all Contractor Intellectual Property.

The Contractor shall not sell or copyright a Deliverable without explicit permission from the State. If the Contractor is operating a system or application on behalf of the State of Vermont, then the Contractor shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Contractor Intellectual Property or Contractor Intellectual Property developed outside of this Contract with no assistance from State.

2. CONFIDENTIALITY AND NON-DISCLOSURE; SECURITY BREACH REPORTING

2.1 For purposes of this Contract, confidential information will not include information or material which (a) enters the public domain (other than as a result of a breach of this Contract); (b) was in the receiving party's possession prior to its receipt from the disclosing party; (c) is independently developed by the receiving party without the use of confidential information; (d) is obtained by the receiving party from a third party under no obligation of confidentiality to the disclosing party; or (e) is not exempt from disclosure under applicable State law.

2.2 Confidentiality of Contractor Information. The Contractor acknowledges and agrees that this Contract and any and all Contractor information obtained by the State in connection with this Contract are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. The State will not disclose information for which a reasonable claim of exemption can be made pursuant to 1 V.S.A. § 317(c), including, but not limited to, trade secrets, proprietary information or financial information, including any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to the Contractor, and which gives the Contractor an opportunity to obtain business advantage over competitors who do not know it or use it.

The State shall immediately notify Contractor of any request made under the Access to Public Records Act, or any request or demand by any court, governmental agency or other person asserting a demand or request for Contractor information. Contractor may, in its discretion, seek an appropriate protective order, or otherwise defend any right it may have to maintain the confidentiality of such information under applicable State law within three business days of the State's receipt of any such request. Contractor agrees that it will not make any claim against the State if the State makes available to the

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public any information in accordance with the Access to Public Records Act or in response to a binding order from a court or governmental body or agency compelling its production. Contractor shall indemnify the State for any costs or expenses incurred by the State, including, but not limited to, attorneys' fees awarded in accordance with 1 V.S.A. § 320, in connection with any action brought in connection with Contractor's attempts to prevent or unreasonably delay public disclosure of Contractor's information if a final decision of a court of competent jurisdiction determines that the State improperly withheld such information and that the improper withholding was based on Contractor's attempts to prevent public disclosure of Contractor's information.

The State agrees that (a) it will use the Contractor information only as may be necessary in the course of performing duties, receiving services or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of Contractor information as it provides to protect its own similar confidential and proprietary information; (c) except as required by the Access to Records Act, it will not disclose such information orally or in writing to any third party unless that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the Contractor's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity.

Contractor may affix an appropriate legend to Contractor information that is provided under this Contract to reflect the Contractor's determination that any such information is a trade secret, proprietary information or financial information at time of delivery or disclosure.

2.3 Confidentiality of State Information. In performance of this Contract, and any exhibit or schedule hereunder, the Party acknowledges that certain State Data (as defined below), to which the Contractor may have access may contain individual federal tax information, personal protected health information and other individually identifiable information protected by State or federal law or otherwise exempt from disclosure under the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq ("State Data"). Before receiving or controlling State Data, the Contractor will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy of such policy to the State.

State Data shall not be stored, accessed from, or transferred to any location outside the United States. The Contractor agrees that (a) it will use the State Data only as may be necessary in the course of performing duties or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of State Data as it provides to protect its own similar confidential and proprietary information; (c) it will not publish, reproduce, or otherwise divulge any State Data in whole or in part, in any manner or form orally or in writing to any third party unless it has received written approval from the State and that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the State's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity. Contractor will take reasonable measures as are necessary to restrict access to State Data in the Contractor's possession to only those employees on its staff who must have the information on a "need to know" basis. The Contractor shall not retain any State Data except to the extent required to perform the services under this Contract.

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Contractor shall not access State user accounts or State Data, except in the course of data center operations, response to service or technical issues, as required by the express terms of this Contract, or at State's written request.

Contractor may not share State Data with its parent company or other affiliate without State's express written consent.

The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State Data to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order.

3. SECURITY OF STATE INFORMATION.

3.1 Security Standards. To the extent Contractor has access to, processes, handles, collects, transmits, stores or otherwise deals with State Data, the Contractor represents and warrants that it has implemented and it shall maintain during the term of this Contract the highest industry standard administrative, technical, and physical safeguards and controls consistent with NIST *Special Publication 800-53* (version 4 or higher) and *Federal Information Processing Standards Publication 200* and designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures shall include at a minimum: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Contractor employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Data which shall include multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Data; (6) measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

3.2 Security Breach Notice and Reporting. The Contractor shall have policies and procedures in place for the effective management of Security Breaches, as defined below, which shall be made available to the State upon request.

In addition to the requirements set forth in any applicable Business Associate Agreement as may be attached to this Contract, in the event of any actual security breach or reasonable belief of an actual security breach the Contractor either suffers or learns of that either compromises or could compromise State Data (a "Security Breach"), the Contractor shall notify the State within 24 hours of its discovery. Contractor shall immediately determine the nature and extent of the Security Breach, contain the incident by stopping the unauthorized practice, recover records, shut down the system that was breached, revoke access and/or correct weaknesses in physical security. Contractor shall report to the State: (i) the nature of the Security Breach; (ii) the State Data used or disclosed; (iii) who made the unauthorized use or received the unauthorized disclosure; (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and (v) what corrective

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action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. The Contractor shall provide such other information, including a written report, as reasonably requested by the State. Contractor shall analyze and document the incident and provide all notices required by applicable law.

In accordance with Section 9 V.S.A. §2435(b)(3), the Contractor shall notify the Office of the Attorney General, or, if applicable, Vermont Department of Financial Regulation (“DFR”), within fourteen (14) business days of the Contractor’s discovery of the Security Breach. The notice shall provide a preliminary description of the breach. The foregoing notice requirement shall be included in the subcontracts of any of Contractor’s subcontractors, affiliates or agents which may be “data collectors” hereunder.

The Contractor agrees to fully cooperate with the State and assume responsibility at its own expense for the following, to be determined in the sole discretion of the State: (i) notice to affected consumers if the State determines it to be appropriate under the circumstances of any particular Security Breach, in a form recommended by the AGO; and (ii) investigation and remediation associated with a Security Breach, including but not limited to, outside investigation, forensics, counsel, crisis management and credit monitoring, in the sole determination of the State.

The Contractor agrees to comply with all applicable laws, as such laws may be amended from time to time (including, but not limited to, Chapter 62 of Title 9 of the Vermont Statutes and all applicable State and federal laws, rules or regulations) that require notification in the event of unauthorized release of personally-identifiable information or other event requiring notification.

In addition to any other indemnification obligations in this Contract, the Contractor shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure of State Data by the Contractor, its officers, agents, employees, and subcontractors.

3.3 Security Policies. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy of such policy to the State. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

3.4 Operations Security. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor shall cause an audit report to be conducted annually. The audit results and the Contractor’s plan for addressing or resolution of the audit results shall be shared with the State within sixty (60) days of the Contractor's receipt of the audit results. Further, on a biannual basis, within 90 days of the end of the Contractor’s fiscal year, the Contractor shall transmit its biannual audited financial statements to the State.

3.5 Redundant Back-Up. The Contractor shall maintain a fully redundant backup data center geographically separated from its main data center that maintains replication of data from the main data center daily and weekly. The Contractor’s back-up policies shall be made available to the State upon request. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

3.6 Vulnerability Testing. The Contractor shall run quarterly vulnerability assessments and promptly report results to the State. Contractor shall remediate all critical issues within 90 days, all

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medium issues within 120 days and low issues within 180 days. Contractor shall obtain written State approval for any exceptions. Once remediation is complete, Contractor shall re-perform the test.

4. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

4.1 General Representations and Warranties. The Contractor represents, warrants and covenants that:

- (i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.
- (ii) There is no pending litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.
- (iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.
- (iv) The Contractor (a) owns, or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the services as set forth in this Contract; (b) shall be responsible for and have full authority to license all proprietary and/or third party software modules, including algorithms and protocols, that Contractor incorporates into its product; and (c) none of the services or other materials or technology provided by the Contractor to the State will infringe upon or misappropriate the intellectual property rights of any third party.
- (v) The Contractor has adequate resources to fulfill its obligations under this Contract.
- (vi) Neither Contractor nor Contractor's subcontractors has past state or federal violations, convictions or suspensions relating to miscoding of employees in NCCI job codes for purposes of differentiating between independent contractors and employees.

4.2 Contractor's Performance Warranties. Contractor represents and warrants to the State that:

- (i) Each and all of the services shall be performed in a timely, diligent, professional and skillful manner, in accordance with the highest professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment.
- (ii) Any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any software delivered hereunder, Contractor will, upon State's request, provide a new or clean install of the software. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.
- (iii) To the extent Contractor resells commercial hardware or software it purchased from a third party, Contractor will, to the extent it is legally able to do so, pass through any such third party warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will not relieve the Contractor from Contractor's warranty obligations set forth herein.

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5. PROFESSIONAL LIABILITY AND CYBER LIABILITY INSURANCE COVERAGE

In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain (a) Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of \$1,000,000 per claim, \$3,000,000 aggregate. To the extent Contractor has access to, processes, handles, collects, transmits, stores or otherwise deals with State Data, Contractor shall maintain first party Breach Notification Coverage of not less than \$2,000,000.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the foregoing minimum coverages are in effect.

With respect to the first party Breach Notification Coverage, Contractor shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Contract.

- 6. REMEDIES FOR DEFAULT.** In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

7. TERMINATION

7.1 Contractor shall reasonably cooperate with other parties in connection with all services to be delivered under this Contract, including without limitation any successor provider to whom State Data, State Intellectual Property or other State information and materials are to be transferred in connection with termination. Contractor shall assist the State in exporting and extracting any and all State data, in a format usable without the use of the Services and as agreed to by State, at no additional cost. Any transition services requested by State involving additional knowledge transfer and support may be subject to a contract amendment for a fixed fee or at rates to be mutually agreed upon by the parties.

If the State determines in its sole discretion that a documented transition plan is necessary, then no later than sixty (60) days prior to termination, Contractor and the State shall mutually prepare a Transition Plan identifying transition services to be provided.

7.2 Return of Property. Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to State all State Intellectual Property and State Data (including without limitation any Deliverables for which State has made payment in whole or in part), that are in the possession or under the control of Contractor in whatever stage of development and form of recordation such State property is expressed or embodied at that time.

8. ACCESS TO STATE DATA:

The Contractor must allow the State access to information such as system logs and latency statistics that affect its State Materials and or processes.

The Contractor's policies regarding the retrieval of data upon the termination of services have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

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9. AUDIT RIGHTS

Contractor will maintain and cause its permitted contractors to maintain a complete audit trail of all transactions and activities, financial and non-financial, in connection with this Contract. Contractor will provide to the State, its internal or external auditors, clients, inspectors, regulators and other designated representatives, at reasonable times (and in the case of State or federal regulators, at any time required by such regulators) access to Contractor personnel and to any and all Contractor facilities or where the required information, data and records are maintained, for the purpose of performing audits and inspections (including unannounced and random audits) of Contractor and/or Contractor personnel and/or any or all of the records, data and information applicable to this Contract.

At a minimum, such audits, inspections and access shall be conducted to the extent permitted or required by any laws applicable to the State or Contractor (or such higher or more rigorous standards, if any, as State or Contractor applies to its own similar businesses, operations or activities), to (i) verify the accuracy of charges and invoices; (ii) verify the integrity of State Data and examine the systems that process, store, maintain, support and transmit that data; (iii) examine and verify Contractor's and/or its permitted contractors' operations and security procedures and controls; (iv) examine and verify Contractor's and/or its permitted contractors' disaster recovery planning and testing, business resumption and continuity planning and testing, contingency arrangements and insurance coverage; and (v) examine Contractor's and/or its permitted contractors' performance of the Services including audits of: (1) practices and procedures; (2) systems, communications and information technology; (3) general controls and physical and data/information security practices and procedures; (4) quality initiatives and quality assurance, (5) contingency and continuity planning, disaster recovery and back-up procedures for processes, resources and data; (6) Contractor's and/or its permitted contractors' efficiency and costs in performing Services; (7) compliance with the terms of this Contract and applicable laws, and (9) any other matters reasonably requested by the State. Contractor shall provide and cause its permitted contractors to provide full cooperation to such auditors, inspectors, regulators and representatives in connection with audit functions and with regard to examinations by regulatory authorities, including the installation and operation of audit software.

- 10. DESTRUCTION OF STATE DATA.** At any time during the term of this Contract within (i) thirty days of the State's written request or (ii) three (3) months of termination or expiration of this Contract for any reason, and in any event after the State has had an opportunity to export and recover the State Materials, Contractor shall at its own expense securely destroy and erase from all systems it directly or indirectly uses or controls all tangible or intangible forms of the State Materials, in whole or in part, and all copies thereof except such records as are required by law., The destruction of State Data and State Intellectual Property shall be performed according to National Institute of Standards and Technology (NIST) approved methods. Contractor shall certify in writing to the State that such State Data has been disposed of securely. To the extent that any applicable law prevents Contractor from destroying or erasing State Materials as set forth herein, Contractor shall retain, in its then current state, all such State Materials then within its right of control or possession in accordance with the confidentiality, security and other requirements of this Contract, and perform its obligations under this section as soon as such law no longer prevents it from doing so.

Further, upon the relocation of State Data, Contractor shall securely dispose of such copies from the former data location according to National Institute of Standards and Technology (NIST) approved methods and certify in writing to the State that such State Data has been disposed of securely. Contractor shall comply with all reasonable directions provided by the State with respect to the disposal of State Data.

- 11. Cybersecurity Standard 22-01:** Party confirms that all products and services provided to or for the use of the State under this Agreement shall be in compliance with *State of Vermont Cybersecurity Standard 22-01*, which prohibits the use of certain branded products in State information systems or any vendor system supporting that is supporting State information systems, and is available on-line at: <https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives>.

STANDARD CONTRACT FOR SERVICES

Attachment E Record Level Edits

Edit Code	Audit Message Description	Highlighted Field	IP	OP
1010	Date of Birth is a required field.	BDAT	0% Required	0% Required
1020	State is a required field.	ST	0% Required	0% Required
1030	Zip Code is a required field.	ZIP	0% Required	0% Required
1040	Sex is a required field.	SEX	0% Required	0% Required
1050	Race is a required field.	RACE	<2% Required	<2% Required
1060	Point of Origin for Admission is a required field.	ADMS	<2% Required	<2% Required
1070	Priority (Type) of Admission is a required field.	ADMT	0% Required	0% Required
1080	Admission Date is a required field.	ADAT	0% Required	0% Required
1090	Principal Diagnosis is a required field.	DXP	0% Required	<2% Required
1100	Admitting Diagnosis is a required field.	DXA	<2% Required	n/a
1130	Patient Discharge Status is a required field.	PTSTATUS	0% Required	0% Required
1140	Expected Source of Pay is a required field.	SOP1	0% Required	0% Required
1150	Total Charges is a required field.	TC	n/a	n/a
1160	Type of Bill is a required field.	BILLTYPE	0% Required	0% Required
1180	Medical Records Number is a required field.	MRN	<2% Required	<2% Required
1202	Discharge Date is a required field.	DDAT	n/a	n/a
1220	Revenue Code is a required field.	REVCODE	<2% Required	<2% Required
1230	Service Date is a required field.	SERVDATE	<2% Required	<2% Required
1240	Units of Service is a required field when Revenue Charge is greater than zero.	UNITSERV	<2% Required	<2% Required
1250	Revenue Charge is a required field.	REVCHG	n/a	n/a
1260	Additional Diagnosis is a required field.	DX	<2% Required	<2% Required
1270	Additional Procedure is a required field.	PR	<2% Required	<2% Required
1280	Additional Procedure Date is a required field.	PRD	<2% Required	<2% Required
1290	HCPCS/CPT is required when using the Revenue Code specified.	HCPCSRATE	n/a	n/a
1300	Principal Procedure is required when Additional Procedures are present.	PRP	<2% Required	<2% Required
1310	Admission Hour is a required field.	AHOUR	<2% Required	<2% Required
1320	Discharge Hour is a required field.	DHOUR	<2% Required	<2% Required
1330	Ethnicity is a required field.	ETHNICITY	n/a	n/a
1360	Town/County code is a required field.	TOWNCOUNTY	0% Required	0% Required
1370	Readmit Flag is required for this type of patient.	READMIT	<2% Required	n/a
1380	Sub Primary Payer Code is a required field.	SUBPRIMPAY1	<2% Required	<2% Required
1420	Patient First Name is a required field.	FIRSTNAME	n/a	n/a
1430	Patient Last Name is a required field.	LASTNAME	n/a	n/a
1440	Patient Address 1 is a required field.	ADDRESS1	n/a	n/a
2010	Date of Birth does not correspond to a valid date (mmddyyyy).	BDAT	0% Required	0% Required
2020	Admission Date does not correspond to a valid date (mmddyyyy).	ADAT	0% Required	0% Required
2030	Principal Procedure Date does not correspond to a valid date (mmddyyyy).	PRPD	0% Required	0% Required
2050	Statement Covers Period From does not correspond to a valid date (mmddyyyy).	STPERIODF	n/a	n/a
2060	Statement Covers Period To does not correspond to a valid date (mmddyyyy).	STPERIODT	n/a	n/a

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2062	Discharge Date does not correspond to a valid date (mmddyyyy).	DDAT	n/a	n/a
2070	Service Date does not correspond to a valid date (mmddyyyy).	SERVDATE	<2% Required	<2% Required
2080	Additional Procedure Date does not correspond to a valid date (mmddyyyy).	PRD	0% Required	0% Required
2090	Total Charges must reported as nnnnnnnn.nn.	TC	n/a	n/a
2095	Total Charges cannot be a negative value.	TC	n/a	n/a
2100	Units of Service must be numeric data type.	UNITSERV	n/a	n/a
2110	Revenue Charge must reported as 'nnnnnnn.nn'. Symbols and alpha characters are not allowed.	REVCHG	<2% Required	<2% Required
2130	Admission Hour must be two-digit hour of the day (00 to 23).	AHOUR	<2% Required	<2% Required
2140	Discharge Hour must be two-digit hour of the day (00 to 23).	DHOUR	n/a	n/a
2150	Newborn birth weight must be numeric and between 200 and 10,000 grams.	BIRTHWEIGHT	0% Required	n/a
2160	SCU Days must be numeric.	SCU	<2% Required	n/a
3010	Not a valid state code.	ST	0% Required	0% Required
3020	Not a valid Zip Code.	ZIP	0% Required	0% Required
3030	Not a valid Sex code.	SEX	0% Required	0% Required
3040	Not a valid Race code.	RACE	<2% Required	<2% Required
3050	Not a valid Point of Origin code.	ADMS	<2% Required	<2% Required
3060	Not a valid Priority (Type) of Admission code.	ADMT	0% Required	0% Required
3070	Not a valid Principal Diagnosis code.	DXP	0% Required	0% Required
3080	Not a valid Admitting Diagnosis.	DXA	0% Required	0% Required
3081	Not a valid Patient's Reason for Visit code.	REASVISIT1	n/a	n/a
3082	Not a valid Patient's Reason for Visit code.	REASVISIT2	n/a	n/a
3083	Not a valid Patient's Reason for Visit code.	REASVISIT3	n/a	n/a
3110	Attending Physician Provider Number has been blacklisted and will not be accepted.	PINA	n/a	n/a
3120	Operating Physician Provider Number has been blacklisted and will not be accepted.	PINB	n/a	n/a
3130	Referring Physician Provider Number has been blacklisted and will not be accepted.	PINC	n/a	n/a
3140	Not a valid Principal Procedure code.	PRP	<2% Required	<2% Required
3150	Not a valid Patient Discharge Status code.	PTSTATUS	0% Required	0% Required
3160	Not a valid Primary Payer code.	SOP1	0% Required	0% Required
3170	Not a valid Secondary Payer code.	SOP2	0% Required	0% Required
3175	Not a valid Tertiary Payer code.	SOP3	0% Required	0% Required
3180	Not a valid Bill Type.	BILLTYPE	0% Required	0% Required
3210	Not a valid Revenue Code.	REVCODE	<2% Required	<2% Required
3222	Not a valid HCPCS/CPT code modifier.	HCPCSRATE	<2% Required	<2% Required
3230	Not a valid Additional Diagnosis code.	DX	0% Required	<2% Required
3240	Not a valid Additional Procedure code.	PR	0% Required	<2% Required
3260	Not a valid Ethnicity code.	ETHNICITY	n/a	n/a
3280	Town/County code does not match accepted values.	TOWNCOUNTY	0% Required	0% Required
3290	Readmit Flag does not match accepted values.	READMIT	<2% Required	n/a
3300	Not a valid Sub Primary Payer code.	SUBPRIMPAY1	<2% Required	<2% Required
3310	Not a valid Sub Primary Payer code.	SUBPRIMPAY2	<2% Required	<2% Required
3320	Not a valid Sub Primary Payer code.	SUBPRIMPAY3	<2% Required	<2% Required
3341	Not a valid External Cause of Morbidity Code.	DXE1	0% Required	0% Required
3342	Not a valid External Cause of Morbidity Code.	DXE2	0% Required	0% Required
3343	Not a valid External Cause of Morbidity Code.	DXE3	n/a	n/a

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3390	Not a valid Present on Admission code.	DXP_POA	n/a	n/a
3391	Not a valid Present on Admission code.	DXE1_POA	n/a	n/a
3392	Not a valid Present on Admission code.	DXE2_POA	n/a	n/a
3393	Not a valid Present on Admission code.	DXE3_POA	n/a	n/a
3394	Not a valid Present on Admission code.	DX_POA	n/a	n/a
3410	Other Operating Physician Provider Number has been blacklisted and will not be accepted.	PIND	n/a	n/a
4010	Statement Covers Period To Date outside boundaries for selected quarter.	STPERIODT	0% Required	0% Required
4012	Discharge Date outside boundaries for selected quarter.	DDAT	n/a	n/a
4015	Statement From date is after Statement Thru date.	STPERIODF	n/a	n/a
4020	Service Date occurs outside boundaries of the admission and discharge dates (72 hours prior to admission is allowed; 72 hours after discharge is allowed for Medicaid only).	SERVDATE	<2% Required	<2% Required
4030	Principal Procedure Date occurs outside boundaries of the admission and discharge dates (72 hours prior to admission date is allowed).	PRPD	0% Required	0% Required
4040	Date of Birth exceeds human lifespan of 124 years.	BDAT	n/a	n/a
4055	Admit Date must be before or equal to Statement Covers Period To Date.	ADAT	n/a	n/a
4056	Admit Date must be before or equal to Discharge Date.	ADAT	n/a	n/a
4060	This record has been identified as having an inpatient Bill Type but is currently considered outpatient because the third digit is not 1.	BILLTYPE	n/a	n/a
4090	Procedure Date occurs outside boundaries of the admission and discharge dates (72 hours prior to admission date is allowed).	PRD	0% Required	0% Required
4112	Patient Status 30 is not allowed on inpatient records which must contain all admit-to-discharge information.	PTSTATUS	n/a	n/a
4140	Newborn Birth Weight is required if Inpatient and Priority (Type) of Admission = 4 (newborn).	BIRTHWEIGHT	0% Required	n/a
4151	Newborn Birth Weight cannot be specified unless age is less than 28 days.	BIRTHWEIGHT	n/a	n/a
5011	Admission Date must be equal to Birth Date when Principal Diagnosis is Z380x, Z383x, or Z386x.	ADAT	n/a	n/a
5021	Admission Date can be no more than two days after Birth Date when Principal Diagnosis is Z381, Z382, Z384, Z385, Z387, or Z388.	ADAT	n/a	n/a
5030	Sex must match the Procedure for any sex specific procedure.	PRP	<2% Required	<2% Required
5040	Sex must match the Procedure for any sex specific procedure.	PR	0% Required	<2% Required
5070	Date of Birth must be less than or equal to the Admission Date.	BDAT	0% Required	0% Required
5120	Duplicates diagnosis codes are not permitted in Additional Diagnosis.	DX	0% Required	0% Required
5121	Duplicate External Cause of Morbidity Codes are not permitted.	DXE1	n/a	n/a
5122	Duplicate External Cause of Morbidity Codes are not permitted.	DXE2	n/a	n/a
5123	Duplicate External Cause of Morbidity Codes are not permitted.	DXE3	n/a	n/a
5131	Additional Diagnosis of Z37x must have a corresponding Principal Diagnosis of O00x-O9Axx or Z332.	DX	n/a	n/a
5141	Principal Diagnosis code O80 should not appear with Additional Diagnosis codes O00x-O9Axx.	DX	n/a	n/a
5180	The total of all Revenue Charges does not equal the Total Charges.	TC	0% Required	0% Required
5190	Point of Origin for Admission is inconsistent with Priority (Type) of Admission 4 (newborn).	ADMS	n/a	n/a
5192	Point of Origin for Admission not valid for use with this Priority (Type) of Admission and Discharge Date.	ADMS	n/a	n/a
5194	Point of Origin for Admission not valid for Priority (Type) of Admission (newborn) with this Discharge Date.	ADMS	0% Required	0% Required
5201	Principal Diagnosis of Z38x requires Priority (Type) of Admission to be 4 (newborn).	ADMT	n/a	n/a
5210	Operating Physician NPI is required if Principal Procedure has been specified.	PINB	<2% Required	<2% Required
5220	The Zip Code specified does not correspond to the Town/County.	ZIP	n/a	n/a
5230	The Zip Code specified does not correspond to the State.	ZIP	0% Required	0% Required
5240	Principal Diagnosis is gender specific and does not match the Sex specified.	DXP	0% Required	<2% Required

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5250	Admitting Diagnosis is gender specific and does not match the Sex specified.	DXA	<2% Required	n/a
5251	Patient's Reason for Visit is gender-specific and does not match the Sex specified.	REASVISIT1	0% Required	0% Required
5252	Patient's Reason for Visit is gender-specific and does not match the Sex specified.	REASVISIT2	0% Required	0% Required
5253	Patient's Reason for Visit is gender-specific and does not match the Sex specified.	REASVISIT3	0% Required	0% Required
5260	Additional Diagnosis is gender specific and does not match the Sex specified.	DX	<2% Required	n/a
5290	Principal Procedure and Principal Procedure Date must be paired.	PRPD	0% Required	0% Required
5300	At least one revenue record with a valid HCPCS code must exist when Place of Service is 1.	SERVCODE	n/a	n/a
5330	HCPCS/CPT code is gender specific and does not match the Sex specified.	HCPCSRATE	<2% Required	<2% Required
5340	A Revenue Code from 057x through 060x identifies this record as a Home Health visit. This patient record should be removed.	REVCODE	n/a	n/a
5342	This Revenue Code identifies a Hospice Room and Board code. Acute Inpatient Hospice should not be included.	REVCODE	n/a	n/a
5350	At least one revenue code needs to indicate room charges greater than \$0 for records with more than 1-day length of stay.	ALL_REV	<2% Required	n/a
5360	Sum of Room Revenue Charges must be greater than zero when length of stay is greater than 1 day unless the Expected Source of Pay is 10 (No Charge).	ALL_REV	n/a	n/a
5400	Principal Diagnosis does not contain a valid Principal Diagnosis code.	DXP	0% Required	<2% Required
5410	Principal Diagnosis does not match Adult age requirement.	DXP	<2% Required	n/a
5413	Patient's Reason for Visit is adult-specific and does not agree with this patient's age.	REASVISIT1	n/a	n/a
5414	Patient's Reason for Visit is adult-specific and does not agree with this patient's age.	REASVISIT2	n/a	n/a
5415	Patient's Reason for Visit is adult-specific and does not agree with this patient's age.	REASVISIT3	n/a	n/a
5420	Principal Diagnosis does not match Newborn age requirement.	DXP	<2% Required	n/a
5423	Patient's Reason for Visit is newborn-specific and does not agree with this patient's age.	REASVISIT1	n/a	n/a
5424	Patient's Reason for Visit is newborn-specific and does not agree with this patient's age.	REASVISIT2	n/a	n/a
5425	Patient's Reason for Visit is newborn-specific and does not agree with this patient's age.	REASVISIT3	n/a	n/a
5430	Principal Diagnosis does not match Pediatric age requirement.	DXP	<2% Required	n/a
5433	Patient's Reason for Visit is pediatric-specific and does not agree with this patient's age.	REASVISIT1	n/a	n/a
5434	Patient's Reason for Visit is pediatric-specific and does not agree with this patient's age.	REASVISIT2	n/a	n/a
5435	Patient's Reason for Visit is pediatric-specific and does not agree with this patient's age.	REASVISIT3	n/a	n/a
5440	Principal Diagnosis does not match Maternity age requirement.	DXP	<2% Required	n/a
5443	Patient's Reason for Visit is maternity-specific and does not agree with this patient's age.	REASVISIT1	n/a	n/a
5444	Patient's Reason for Visit is maternity-specific and does not agree with this patient's age.	REASVISIT2	n/a	n/a
5445	Patient's Reason for Visit is maternity-specific and does not agree with this patient's age.	REASVISIT3	n/a	n/a
5450	Admitting Diagnosis does not match Adult age requirement.	DXA	<2% Required	n/a
5460	Admitting Diagnosis does not match Newborn age requirement.	DXA	<2% Required	n/a
5470	Admitting Diagnosis does not match Pediatric age requirement.	DXA	<2% Required	n/a
5480	Admitting Diagnosis does not match Maternity age requirement.	DXA	<2% Required	n/a
5490	Additional Diagnosis does not match Adult age requirement.	DX	<2% Required	n/a
5500	Additional Diagnosis does not match Newborn age requirement.	DX	<2% Required	n/a
5510	Additional Diagnosis does not match Pediatric age requirement.	DX	<2% Required	n/a
5520	Additional Diagnosis does not match Maternity age requirement.	DX	<2% Required	n/a
5531	Principal Diagnosis of O80 is inconsistent with C-section (10D00Zx) procedure codes.	DXP	n/a	n/a

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5541	Priority (Type) of Admission of 4 (newborn) requires Principal Diagnosis to be Z38x or P95.	DXP	0% Required	<2% Required
5551	Point of Origin for Admission must be 5 when Principal Diagnosis is Z380x, Z383x, or Z386x; and must be 6 when Principal Diagnosis is Z381, Z382, Z384, Z385, Z387, or Z388.	ADMS	0% Required	<2% Required
6010	Another record from this facility with the same Patient Control Number has been located.	PCONTROL	0% Required	0% Required
6015	Another inpatient record from this facility exists with the same Medical Record Number, Discharge Date, and Place of Service. Duplicates are not allowed.	MRN	n/a	n/a
6016	Another inpatient record from this facility exists with the same Medical Record Number, Admission Date, and Place of Service. Duplicates are not allowed.	MRN	n/a	n/a
6020	Patient record is blank.	PCONTROL	0% Required	0% Required
6021	Unique ID	UNIQ	85% Required	85% Required
6022	Street Address	SA	80% Required	80% Required
6030	Unexpected data was encountered while reading this record from the batch file. Please verify the information below is accurate.	PCONTROL	n/a	n/a
6040	This record is associated to a submission group that has started or completed the verification process. It must either be deleted or modified to associate it to another submission group that is open	PCONTROL	n/a	n/a

Attachment F: Methodology for Flagging Principal Procedures on Outpatient Records



VERMONT ASSOCIATION OF
HOSPITALS AND HEALTH SYSTEMS -
NETWORK SERVICES ORGANIZATION

Methodology for Flagging Principal Procedures: Technical Description for Ranking HCPCS Codes

Due to the elimination of the requirement to report ICD-9 procedure codes on outpatient visits, VAHHS- NSO has developed an algorithm to rank the HCPCS codes in order to ascertain primary procedures.

The ranking algorithm has two parts. The first uses the CMS physician fee schedule payment amount formula to calculate CMS Relative Value Units (RVUs) (see attached RVUPUF13.docx).

Total Procedure RVUs =

[(Work RVU * Work GPCI)

+ (Facility PE RVU * PE

GPCI) +

(MP RVU * MP GPCI)] * Conversion Factor

The RVUs are an indicator of the intensity of the each procedure. An updated version of RVUs is released at the beginning of each calendar year. There are three types of RVUs: Work, Practice Expense (PE) and Malpractice (MP). Work RVUs are a measure of physician work involved in the procedure. PE RVUs are a measure of business overhead attributed to the procedure. MP RVUs are based on malpractice insurance expense attributed to each procedure.

The geographic practice cost index (GPCI) is a multiplier that adjusts each of the RVU amounts based on location. Vermont has only one GPCI for the entire state.

The conversion factor is another multiplier that adjusts for anesthesia procedures based on location.

In cases where no RVUs can be calculated (37% of encounters), the line item charge amount is used to rank procedures, where the highest charge indicates the principal procedure. The website below gives a more detailed explanation of RVUs and their history:

<https://www.federalregister.gov/articles/2013/12/10/2013-28696/medicare-program-revisions-to-payment-policies-under-the-physician-fee-schedule-clinical-laboratory#h-18>

Attachment G GMCB Task Order Form Template

GMCB Task Order Form	
VAHHS-NSO - #43901 – Task Order #	
Start Date:	End Date:
Total Cost: _____	

TASK:

Data Submitting Entity Name (if applicable)

Subtask	Estimated completion date	Comments	Cost

Additional comments:

Contractor Representative: (Name and Title)		
Approval Signature		Date:
State Authorized Rep		
Approval Signature		Date:
GMCB Contract Administrator		
Approval Signature		Date: