

STATE OF VERMONT CONTRACT SUMMARY AND CERTIFICATION ----- Form AA-14 (7/1/2016)

Note: All sections must be completed. Incomplete forms will be returned to the originating department.

I. CONTRACT INFORMATION:

Agency/Department: Green Mountain Care Board/ **Contract #:** 35452 **Amendment #:**
Vendor Name: Mathematica Policy Research, Inc. **VISION Vendor No:** 331790
Vendor Address: 955 Massachusetts Avenue, Suite 801, Cambridge, MA 02139
Starting Date: 1/1/2018 **Ending Date:** 11/30/2019 **Amendment Date:**
Summary of agreement or amendment: Analytics, calculations and reporting for VT All-Payer Accountable Care Organization Model

II. FINANCIAL & ACCOUNTING INFORMATION

Maximum Payable: \$3,190,159.00 **Prior Maximum:** \$ **Prior Contract # (If Renewal):**
Current Amendment: \$ **Cumulative amendments:** \$ **% Cumulative Change:**
Business Unit(s): 3330; ; - [notes:] **VISION Account(s):** 507600;

Estimated Funding Split: ☒ 24 % GF ☒ 36 % SF ☐ % EF ☐ % Other
☐ % TF ☒ 40 % GC-FUND ☐ % FF **IDT (SIM) (name)**

III. PROCUREMENT & PERFORMANCE INFORMATION (section A & B)

A. The agency has taken reasonable steps to control the price of the contract and to allow qualified organizations to compete for the work authorized by this contract. The agency has done this through:

☒ Standard bid or RFP ☐ Simplified Bid ☐ Sole Sourced ☐ Qualification Based Selection ☐ Statutory

B. Does this contract include **performance measures** to evaluate the quality and/or results of the service? ☐ Yes ☒ No

IV. TYPE OF AGREEMENT (select all that apply)

☐ Personal Service ☐ Construction ☐ Arch/Eng. ☐ Marketing ☐ Info. Tech. ☒ Prof. Service ☐ Data Use
☒ Non-Personal Service ☐ Retiree/Former SOV EE ☐ Financial Trans ☐ Zero-Dollar ☐ Privatization ☐ Other
☐ Commodity

V. SUITABILITY FOR CONTRACT FOR SERVICE

☒ Yes ☐ No ☐ n/a Does this contract meet the federal determination of an Independent Contractor? If "NO", the contractor must be set up and paid on payroll through the VTHR system.

VI. CONTRACTING PLAN APPLICABLE

Is any element of this contract subject to a pre-approved Agency/Dept. Contracting Waiver Plan? ☐ Yes ☒ No

VII. CONFLICT OF INTEREST

By signing below, I (Agency/Dept. Head) certify that no person able to control or influence award of this contract had a pecuniary interest in its award or performance, either personally or through a member of his or her household, family, or business.

☐ Yes ☒ No Is there an "appearance" of a conflict of interest so that a reasonable person may conclude that this party was selected for improper reasons: (If yes, explain)

VIII. PRIOR APPROVALS REQUIRED OR REQUESTED

☒ Yes ☐ No Agreement must be Certified by the Attorney General under 3 V.S.A. § 342 (sign line #4 below)
☒ Yes ☐ No I request the Attorney General review this agreement As To Form _____ (AAG initial)
☒ Yes ☐ No Agreement must be approved by the Comm. of DII; for IT hardware, software or services and Telecommunications over \$500,000
☐ Yes ☒ No Agreement must be approved by the CMO; for Marketing services over \$25,000
☐ Yes ☒ No Agreement must be approved by Comm. Human Resources (Privatization, Retirees & Former Employees)
☒ Yes ☐ No Agreement must be approved by the Secretary of Administration

IX. AGENCY/DEPARTMENT HEAD CERTIFICATION; APPROVAL

I have made reasonable inquiry as to the accuracy of the above information (sign in order):

e-Signed by Susan Barrett on 2017-12-27 17:18:36 GMT		e-Signed by Bradley Ferland on 2018-01-04 13:38:34 GMT	
1-Date	1-Agency/Department Head	2-Date	2-Agency Secretary (if required)
e-Signed by John Quinn on 2018-01-02 19:08:49 GMT			
3a-Date	3a-CIO	3b-Date	3b-CMO
e-Signed by Jacob Humbert on 2018-01-03 14:03:02 GMT		3c-Date	3c-Commissioner DHR
4-Date	4-Attorney General	5-Date	5-Secretary if Administration

e-Signed by Erin Collier
on 2017-12-27 16:05:48 GMT

e-Signed by SOV ITcontracting-ADS
on 2017-12-27 17:09:43 GMT

e-Signed by Kelly Murphy
on 2018-01-04 13:09:50 GMT

Green Mountain Care Board
89 Main Street
Montpelier, VT 05620

[phone] 802-828-2177
www.gmcboard.vermont.gov

Kevin Mullin, Chair
Jessica Holmes, PhD
Robin Lunge, JD, MHCDS
Maureen Usifer
Tom Pelham
Susan Barrett, JD, Executive Director

TO: Susanne R. Young, Secretary of Administration
FROM: Susan Barrett, Executive Director
DATE: December 4, 2017
RE: Request for approval to execute a contract with Mathematica Policy Research, Inc.

This is a request for approval for the Green Mountain Care Board (GMCB) to execute an analytics, calculations and reporting contract with Mathematica Policy Research in the amount of \$3,190,159.00. This contract's term will run from January 1, 2018 thru November 30, 2019 with an option of two one-year extensions.

On April 18, 2017, the GMCB issued a Request for Proposal soliciting competitive sealed, fixed price proposals for its analytic services to support implementation of Vermont's All-Payer Accountable Care Organization ("ACO") Model Agreement. Bids were scored by the review team and GMCB chose the highest scoring consultant to perform in assisting the GMCB with the APM implementation. Mathematica Policy Research was specifically chosen due to their technical experience expertise in state and federal health policy.

Contract details:

The Vermont All-Payer Accountable Care Organization (ACO) Model ("All-Payer ACO Model" or "Model") is based on the Vermont All-Payer ACO Model Agreement ("Agreement") between the State and the Centers for Medicare and Medicaid Services (CMS). The Model allows Vermont to explore new ways of financing health care with Medicare's participation, through an ACO-based delivery model. The Model commenced on January 1, 2017 (the beginning of Performance Year Zero) and will end on December 31, 2022 (the end of Performance Year Five).

Mathematica will perform ten major functions for the State:

1. Accessing, Processing and Validating Data;
2. Assessment of All-Payer and Medicare Financial Performance Relative to Required Benchmarks;
3. Review of Payment Arrangements Between ACOs and Payers;
4. Payer Differential Reporting;
5. Scale Target Reporting;
6. Calculation and Reporting of Quality Measures;
7. Report Design and Generation, Data Visualization;
8. Ad Hoc Reporting;
9. Contract Management, Project Management, Staffing;
10. General Analytic Approach, Quality Assurance and Contract Administration.

Within each of these major areas, the Contractor will engage in multiple activities, as further defined in the contract Scope of Work.



This contract complies with all mandatory provisions of AOA Bulletin 3.5. Funding for this contract will be 24% General Fund, 36% GMCB Regulatory and Admin Fund and 40% Global Commitment Fund.



MEMO

Date: 12/22/2017

To: John Quinn - CIO

VIA: Peter J Kipp

From: ADS Procurement Advisory Team (PAT)

Subject: GMCB Mathematica Policy Research Contract 35452 Analytics

This contract is with the Green Mountain Care Board (GMCB) to execute an analytics, calculations and reporting contract with Mathematica Policy Research in the amount of \$3,190,159.00. This contract's term will run from January 1, 2018 thru November 30, 2019 with an option of two one-year extensions.

On April 18, 2017, the GMCB issued a Request for Proposal soliciting competitive sealed, fixed price proposals for its analytic services to support implementation of Vermont's All-Payer Accountable Care Organization ("ACO") Model Agreement. Bids were scored by the review team and GMCB chose the highest scoring consultant to perform in assisting the GMCB with the APM implementation. Mathematica Policy Research was specifically chosen due to their technical experience expertise in state and federal health policy.

This contract allows Vermont to explore new ways of financing health care with Medicare's participation, through an ACO based delivery model.

Critical to all-payer model and the future plans to have live plug-in to the data after extracts.

The business provided all the routing documents and PAT checked in with AGO – Jacob Humbert to make sure he is ok prior to routing in Silanis.

The PAT team has no objections with this Contract moving forward.



ADS Review Verification Sheet

Project Name:	Mathematica Policy Research Contract 35452
Agency/Dept.	GMCB

ADS Reviewer Summary & Sign-off

Reviewer	ABC Review			
	Reviewer Name	Date Received	Date Review Completed	Ok to Proceed to with project from Reviewer's perspective?
EPMO/OPM	Rick Steventon			
Enterprise Architecture	John Hunt			
Security	Glenn Schoonover			
IT Leader				
CTO	Mark Combs			
Deputy Secretary	Shawn Nailor			
CIO	John Quinn			Date e-signed approval:

	RFP			
	Reviewer Name	Date Received	Date Review Completed	Ok to Post RFP from Reviewer's perspective?
IT Contracting Specialist	Peter J Kipp/Jonathan Provost			
EPMO/OPM				
Enterprise Architecture	John Hunt			
Security	Glenn Schoonover			
IT Leader				N/A
Data Management Officer	Andrew Laing			
CTO	Mark Combs			
Deputy Secretary	Shawn Nailor			
CIO	John Quinn			Date e-signed approval:

	Independent Review	
	Response	Date
CIO Approved IR Report		
CIO Approved Project to Proceed		

	Gartner Review			
	Business Process	Inquiry Date	Review Date	Business -Completion Date
Inquiry - RFI				
Document Review - RFP/Generic				
Contract Review				

	Contract			
	Reviewer Name	Date Received	Date Review Completed	Ok to Sign Contract from Reviewer's perspective?
IT Contracting Specialist	Peter J Kipp/Jon Provost	12/18/2017	12/21/2017	Yes
EPMO/OPM	Sandra Vachon	12/18/2017		
Enterprise Architecture	John Hunt	12/18/2017	12/21/2017	Yes
Security	Glenn Schoonover	12/18/2017	12/21/2017	Yes
IT Leader	Erin Collier	12/18/2017	12/18/2017	Yes
Data Management Officer	Andrew Laing	12/18/2017	12/21/2017	Yes
CTO	Mark Combs	12/18/2017	12/21/2017	Yes
Deputy Secretary	Shawn Nailor	12/18/2017		
CIO	John Quinn	12/18/2017		Date e-signed approval:

1. **Parties.** This is a contract for services between the State of Vermont, Green Mountain Care Board (hereafter called "GMCB" or "State"), and Mathematica Policy Research, with principal place of business at 955 Massachusetts Avenue, Suite 801, Cambridge, MA 02139 (hereafter called "Contractor"). Contractor's form of business organization is a corporation. It is the Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, the 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 analytics, calculations, and reporting. Detailed services to be provided by the Contractor are described in Attachment A.

3. **Maximum Amount.** In consideration of the services to be performed by the Contractor, the State agrees to pay the Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$3,190,159 for two base contract years and two optional extension years.

- The maximum amount for the Base Year 1 and Base Year 2 of the contract is \$1,568,139.
- If the State exercises its option to extend the contract term pursuant to section 4 below, the maximum amount of the two extension years shall be \$1,622,020.

4. **Contract Term.** The period of the Contractor's performance shall begin on January 1, 2018 and end on November 30, 2019, with the potential for two one-year extensions at the option of the State. The terms of each contract year are as follows:

Base Year 1 (11 mo.):	1/1/2018-11/30/2018
Base Year 2:	12/1/2018-11/30/2019
Year 3/Option Year 1:	12/1/2019-11/30/2020
Year 4/Option Year 2:	12/1/2020-11/30/2021

5. **Prior Approvals.** If approval by the Attorney General's Office, the Secretary of Administration, or the State Chief Information Officer (CIO) is required, (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by either or both such persons.

-Approval by the Attorney General's Office is required.

-Approval by the Secretary of Administration is required.

-Approval by the CIO/Commissioner is required.

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 this Standard Contract for Services and the following attachments which are incorporated herein:

Attachment A – Statement of Work (includes three Appendices)

Appendix 1: Vermont All-Payer ACO Model Agreement

Appendix 2: All-Payer ACO Model Reporting Timeline

Appendix 3: Ad Hoc Workplan Approval Form

Attachment B – Payment Provisions

Attachment C – "Standard State Provisions for Contracts and Grants" a preprinted form (revision date 07/01/2016)

Attachment D – Information Technology Professional Services Terms and Conditions

Attachment E – Data Use Agreement

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

- (1) Standard Contract for Services
- (2) Attachment D (if applicable)
- (3) Attachment C
- (4) Attachment A
- (5) Attachment B
- (6) Attachment E

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

By the State of Vermont:

Date:

Signature:  e-Signed by Susan Barrett
on 2017-12-27 17:18:36 GMT

Name:

Title:

By the Contractor:

Date:

Signature  e-Signed by Margo Rosenbach
on 2018-01-04 23:05:48 GMT

Name:

Title:

**Vermont Statewide Analytics Related to the
All-Payer Accountable Care Organization Model Contract**

Attachment A: Statement of Work

Background

The Vermont All-Payer Accountable Care Organization (ACO) Model (“All-Payer ACO Model” or “Model”) is based on the Vermont All-Payer ACO Model Agreement (“Agreement”) between the State and the Centers for Medicare and Medicaid Services (CMS). The Model allows Vermont to explore new ways of financing health care with Medicare’s participation, through an ACO-based delivery model. The Model commenced on January 1, 2017 (the beginning of Performance Year Zero) and will end on December 31, 2022 (the end of Performance Year Five).

The All-Payer ACO Model is an alternative payment model for ACOs, that enables the three main payers of health care in Vermont—Medicaid, Medicare, and commercial insurance—to pay for health care differently than fee-for-service reimbursement, and provides an opportunity for alignment across payers. The Model initially includes Medicare Part A and Part B services and their commercial and Medicaid equivalents. Previously in Vermont, the ACO delivery model has been paired with a shared savings payment model that has a fee-for-service foundation.

The Agreement envisions a statewide All-Payer ACO Model that aligns and amplifies incentives across all payers to promote participation, by Model’s end, by a majority of providers in the State. The goal is to transition Vermont’s provider reimbursement model from one that incentivizes quantity to a value-based system that rewards positive health outcomes. Offering a more predictable and flexible revenue stream should support providers in initiating additional delivery system reforms that improve quality and reduce costs.

The Agreement contains a number of reporting requirements that will be essential for the State and CMS to monitor and evaluate the Model. This monitoring and evaluation activity will also inform State policy decisions. The State released a Request for Proposals in April 2017 seeking an independent, third-party vendor to assume responsibility for statewide analytics activities related to planning, implementation, monitoring, collection and validation of data, reporting, and evaluation of the All-Payer ACO Model.

The State will provide direction to the Contractor to assume analytic responsibilities for the Model. Work may be performed at the Contractor’s office location; regular phone calls will be required, with the likelihood of periodic in-person meetings.

State of Vermont Key Personnel for Contract #35452:

- Pat Jones, Health Care Project Director, GMCB – Contract Manager
- Kate O’Neill, Payment Reform Program Evaluator, GMCB – Contract management support
- Sarah Kinsler, Health Policy Advisor, GMCB – Contract management support
- Sarah Lindberg, Health Services Researcher, GMCB – Subject Matter Expert, Data and Analytics
- Ena Backus, Chief of Health Policy, GMCB – Subject Matter Expert, Policy
- Alicia Cooper, Health Care Project Director, DVHA – Subject Matter Expert, Medicaid

The State will notify the contractor of any personnel changes in writing within 30 days, and will file changes to the contract file.

Task 1: Accessing, Processing and Validating Data; Ensuring Data Security

1.1 Accessing, Process, and Validating Data: The Contractor shall be responsible for meeting all requirements that permit it to access All-Payer data (including Medicare, Medicaid, Commercial and self-insured data) through a variety of potential data sources, including but not limited to:

1. Vermont's all-payer claims database (APCD) known as the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES).
2. Claims extracts for ACO-attributed members and beneficiaries and/or financial data from up to three participating payers.
3. Vermont's Uniform Hospital Discharge Data Set (VUHDDS). The Contractor may acquire VUHDDS to calculate population health measures listed in the Agreement and, if appropriate and feasible, link these measures with summary statistics obtained from other data sources. The Contractor shall also receive results of analyses from VUHDDS from the State, as appropriate.
4. Clinical data from electronic health records, clinical registries, the health information exchange, an ACO's analytics platform, and/or random sampling of medical records, most likely collected by the ACO. If a random sampling methodology is used, the Contractor shall be responsible for annually generating a sample of measure-eligible patients for whom medical records shall be reviewed by the ACO for each clinical data-based measure that the ACO is required to report. The State will define the sample size.
5. ACO Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey results. The Contractor shall not be responsible for fielding the ACO CAHPS survey.
6. Vermont Department of Health and Centers for Disease Control and Prevention studies and results from: Vital Statistics data, the Behavioral Risk Factor Surveillance System (BRFSS) survey, the Vermont Prescription Monitoring System (VPMS), Alcohol and Drug Abuse Program (ADAP) data, the Household Health Insurance Survey, and other data sources. Data sources will be provided in summary form by the agencies responsible for data collection. The Contractor shall assist with validation of this summary data if requested by the State, and if appropriate and feasible, link the data to claims at the provider or geographic level, depending on the level of detail available in the source data. The Contractor shall not be responsible for fielding surveys or collecting Vital Statistics, VPMS or ADAP data.

1.2 Data Use Agreements: Throughout the contract period, the Contractor shall obtain, execute, maintain, and comply with all necessary Data Use Agreements and/or Business Associate Agreements with individuals and organizations that submit and use data and that have access to personal health information (PHI), personally identifiable information (PII), or other confidential information. Such individuals and organizations include but are not limited to the State, other state agencies, participating payers and participating ACO(s).

The Contractor shall be prohibited from using the data provided to it except as directed within this contract and as directed by the State to address the stated objectives of the Model. Any unauthorized use of data obtained through the contract shall be grounds for contract termination.

1.3 Data Security: The Contractor shall meet all federal and state privacy and confidentiality requirements, and provide adequate health information technology infrastructure and data security plans. The Contractor shall provide secure, web-based file transfer tools and/or a data enclave for exchange of data from and to the State, Participating Payers and ACO(s), as needed. The Contractor shall ensure that its information security program is compliant with the Health Insurance Portability and Accountability Act (HIPAA), follows the National Institute of Standards and Technology (NIST) guidelines or other national guidelines, and is vetted by third-party security firms. The Contractor shall also ensure that data

are always encrypted in motion and at rest, sensitive data elements are viewed only when necessary by individuals who appropriately have access because of their roles, and access to electronic PHI is monitored to ensure that it is not being viewed more than necessary.

Task 2: Assessment of All-Payer and Medicare Financial Performance Relative to Required Benchmarks

2.1 Financial Performance Assessments Required by APM Agreement: The Agreement requires the State to report on and adhere to two different measures of financial performance, as follows:

1. All-Payer Total Cost of Care per Beneficiary Growth: The Agreement states that “Vermont shall limit All-payer Total Cost of Care per Beneficiary Growth to 3.5 percent” and “All-Payer Total Cost of Care per Beneficiary Growth will be calculated by Vermont and CMS in aggregate as a compounded annualized growth rate of All-payer Total Cost of care per beneficiary...”
2. Medicare Total Cost of Care per Beneficiary Growth: The Agreement specifies that Vermont’s Medicare Total Cost of Care per Beneficiary Growth will be calculated relative to the Projected National Medicare Total Cost of Care per Beneficiary Growth. The target for Vermont varies according to the national projected growth rate, with adjustments for age differences and the proportion of beneficiaries with End-Stage Renal Disease. CMS will calculate the Medicare Total Cost of Care per Beneficiary Growth Target.

2.2 All-Payer Total Cost of Care per Beneficiary Growth Target Results: The Contractor shall be responsible for assisting the State in refining specifications for calculating All-payer Total Cost of Care per Beneficiary Growth Target (All-Payer TCOC) results. The specifications for estimating the total cost of care must be as consistent as possible across payers, accommodating differences in services covered and in populations served. Calculations may incorporate performance payments, case management payments, and other payments outside the claims system into the calculations. The State will provide information on non-claim-based adjustments to the contractor in aggregate amounts, by payer. The specifications may need to evolve as ACO models and other developments in the health care sector motivate new types of payment arrangements and as new payers join the model. Working closely with the State, the Contractor shall review the specifications, ensure that included and excluded services (including Medicaid services) are correctly defined and aligned among payers to the extent permitted by the Agreement, request clarification to ensure that specifications comply with the Agreement, and continuously refine and improve the assumptions.

The Agreement requires quarterly reports to CMS on the State’s performance on the All-Payer TCOC beginning as soon as July 2018, and an annual report on the same subject by June 30th of the year following each performance year. To allow for testing of specifications and to initiate periodic monitoring, the Contractor shall provide initial reports to the State prior to July 2018, according to a timeframe specified by the State.

The Contractor shall be responsible for calculating All-Payer TCOC results, using the specifications reviewed and approved by the State, for the purposes of periodic interim monitoring and required reporting during each Performance Year. In performing the All-Payer Total Cost of Care per Beneficiary Growth Rate calculations, the Contractor shall apply the specifications to the calculations and produce key utilization and cost metrics as reviewed and approved by the State on a quarterly basis.

The Contractor shall calculate quarterly All-Payer Total Cost of Care per Beneficiary Growth Rates by comparing the performance-period quarter to the base year quarter to adjust for seasonal trends. In its calculations, the Contractor shall use service dates with at least a 3-month run-out period if possible given CMS timelines; if not possible, the Contractor shall shorten the run-out period for quarterly reports. The

Contractor shall produce base year 2017 quarterly calculations for the first quarterly report. The Contractor shall refresh the reporting within 10 weeks of when data extracts become available with no changes to specifications. To adjust for shorter run-out periods, the Contractor shall calculate completion factors to provide as accurate a trend as possible.

For annual calculations, the Contractor shall use at least a 3-month run-out period, and will incorporate adjustments listed in section 9.2.c of the Agreement, such as ACO shared savings and losses, payments made under the Multi-payer Advanced Primary Care Practice Demonstration, payments made outside the claims system, adjustments for Medicaid rate changes, and others determined by the State and reported by ACOs or payers. The State will provide information on non-claim-based adjustments to the contractor in aggregate amounts, by payer. The Contractor shall recalculate annual All-Payer TCOC growth rates at the end of the performance period; claims run-out periods may affect early calculations, and quarterly reports may not provide an accurate picture of annual performance without recalculation. The Contractor shall also recalculate cost and utilization statistics on an annual basis to correct for any unforeseen changes in payment schedules or reporting timelines.

The Contractor shall provide detailed quarterly and annual calculations of All-Payer TCOC by service categories and by payer to monitor trends over time. The Contractor shall assist the State in identifying service categories, and payer categories will include but are not limited to: Medicare fee-for-service, Medicare eligibility subgroups (e.g., beneficiaries with End Stage Renal Disease [ESRD] or disabilities), Medicaid beneficiaries with full coverage (based on eligibility categories), dual eligible beneficiaries, and members with commercial insurance as the primary payer (e.g., by insurer and by fully-insured, self-insured, Medicare Advantage). The Contractor shall determine payer categories with primary payer categories to avoid double-counting beneficiaries who are covered by more than one type of insurance. The Contractor shall review the algorithms used to flag primary payers for beneficiaries to confirm the classifications, and shall adjust the algorithms as needed to meet report specifications.

The Contractor shall perform calculations using either VHCURES claims data submitted by participating payers supplemented with aggregated non-claim-based amounts, or claims or financial data provided directly by participating payers to the Contractor using specified file formats. Upon receipt of files from VHCURES and/or participating payers, the Contractor shall determine whether the All-Payer TCOC benchmarks were achieved, using the methodologies defined within the Agreement and specified by the State. Should questions arise while interpreting those methodologies, the Contractor shall seek guidance from the State. The Contractor shall complete calculations in full in accordance with the timelines specified within the Agreement and Attachment B, and shall report findings in writing to the State in a format reviewed with and approved by the State.

The methodologies for calculation of All-Payer TCOC are subject to change. The State will inform the Contractor in writing of any modifications. As described above, initial specifications for TCOC measures will be determined by the State, and refined and finalized by the State and Contractor in Contract Years 1 and 2. If requested by the State, the Contractor shall provide additional analytic modeling for proposed changes to All-Payer TCOC methodologies starting in Contract Year 3 (Option Year 1).

2.3 Medicare Total Cost of Care per Beneficiary Growth Target Results: The Contractor shall be responsible for validating, verifying and evaluating the CMS target and Vermont's performance against the target for the Medicare Total Cost of Care per Beneficiary Growth (Medicare TCOC) measure quarterly and annually during each performance year. This activity will be conducted by the Contractor using Medicare claims data from VHCURES, or claims data provided directly by CMS to the State or the Contractor.

As directed by the State, the Contractor shall develop a request for aggregate level data from CMS to use in validation and evaluation of the Medicare TCOC. The request may include information relevant to all metrics the Contractor develops for the All-Payer TCOC calculations, as well as additional information to help with validation, such as Medicare TCOC for ESRD beneficiaries. The Contractor shall work with the State to request supporting numbers for the target calculations, such as age and ESRD distribution of Medicare beneficiaries in Vermont, and shall compare these distributions with the data from VHCURES or other sources. The Contractor may also request summary utilization and cost metrics at the county or regional level information.

The Contractor shall request data on a quarterly basis, as directed by the State.

The Contractor shall use the VHCURES or CMS data to independently calculate Medicare TCOC, using CMS's definition. In addition to standard utilization and cost metrics, the Contractor shall work with CMS to obtain additional information to account for differences in data sources, such as claims processing dates and claims excluded from VHCURES, to verify the Medicare TCOC. The Contractor shall review the calculation of benchmarks, such as age adjustment and ESRD, as well as calculations of Vermont's Medicare TCOC. In doing so, the Contractor shall review the Vermont-specific calculations and assumptions in the national projections used to establish the Medicare benchmark.

The Contractor shall provide detailed quarterly and annual calculations of Medicare TCOC results by service categories, payer, demographics, and region/county to monitor trends over time and to validate, verify, and evaluate CMS' Medicare TCOC calculations.

In addition to beneficiary counts and average total cost per beneficiary included in the calculations, the Contractor shall develop detailed key metrics such as per capita spending by service category to analyze and verify trends. As requested by the State, and according to specifications reviewed and approved by the State, the Contractor shall conduct analyses of related utilization, cost, and prevalence measures to enhance understanding of results for required financial performance measures; and analyses comparing results of required financial performance measures over time or relative to control groups.

The methodology for calculation of the Medicare TCOC is subject to change. The State will inform the Contractor in writing of any modifications. As described above, initial specifications for TCOC measures will be determined by the State and refined and finalized by the State and Contractor in Contract Years 1 and 2. If requested by the State, the Contractor shall provide additional analytic modeling for proposed changes to All-Payer TCOC methodologies starting in Contract Year 3 (Option Year 1). Given the experience of other states, and the complexity of the Medicare benchmark and calculations, analytical modeling for specification changes might be required for Medicare benchmarks. If so, the Contractor shall work with the State to identify modeling parameters. The Contractor shall use key metrics developed for the quarterly and annual reports to construct specification models. For example, the Contractor shall evaluate growth trends for all Vermont Medicare beneficiaries for the first two years from the regular quarterly reports, even though the benchmarks will be set only for ACO-aligned Medicare beneficiaries. Information for all Medicare beneficiaries will be needed for verification and calculation of All-Payer TCOC.

2.4 Key Utilization, Cost and Prevalence Metrics: The Contractor recognizes that key metrics on cost, utilization, and prevalence developed as part of quarterly reporting will help the State and other stakeholders understand the dynamics of total cost trends. The Contractor shall develop a set of measures to be calculated regularly rather than on an ad hoc basis to ensure a consistent analysis of total costs and to reduce costs and additional time associated with ad hoc production. The Contractor will track trends in total cost per beneficiary by payer, payer type, and service category (see Table 1). The Contractor shall review these measures with the State, and with other stakeholders as directed by the State, to refine and

finalize the list of measures during the first six months of the contract. Inclusion of Medicaid as a payer category will enable the Contractor to provide routine reports to the Department of Vermont Health Access (DVHA) for findings specific to Medicaid.

Table 1: Proposed metrics to track total cost of care per beneficiary

Dimensions	Measures
Beneficiary ACO alignment	Average cost per beneficiary
Payer	Utilization rates per 1,000 beneficiaries
Service category	Inpatient admissions
	Outpatient emergency visits
	Primary care encounters*
	Specialist encounters*
	Chronic condition prevalence for up to 10 conditions, to include COPD, diabetes, and hypertension*

*These measures will be produced annually.

2.5 Comparison Group Analysis: To evaluate total cost trends for the ACO-aligned beneficiaries, the Contractor shall construct a comparison group with characteristics to be approved by the State. The Contractor will report on similarities and discrepancies between this comparison group and ACO-aligned beneficiaries in the quarterly and annual reports, if requested by the State. Experience with other CMS demonstration models suggests CMS will construct a comparison group for the model evaluation. The Contractor shall compare trends of ACO-aligned beneficiaries to other beneficiaries in the state until the first year CMS evaluation report. The Contractor shall adjust in-state comparisons for demographic factors such as age, gender, and payer. If requested by the State as an ad hoc task, the Contractor shall consider characteristics of ACO programs that influence quality and cost. As ACO enrollment grows over time, the in-state comparison group may be inadequate. If that is the case, the Contractor shall replace the in-state comparison group with a national sample based on CMS methodology developed in its evaluation or with another suitable comparison group.

Task 3: Review of Payment Arrangements Between ACOs and Payers

Task 3 is considered an ad hoc task, only to be initiated, performed, and completed upon the written direction of the State using the Ad Hoc Workplan Approval Form (Attachment A, Appendix 3). The State will provide 30 days written notice prior to initiation of Tasks 3.1-3.2.

3.1 Review of Payment Arrangements between ACOs and DVHA: Vermont's Act 113 of 2016 requires the State to "review any all-inclusive population-based payment arrangement between the Department of Vermont Health Access and an accountable care organization for 2017. The GMCB's review shall include the number of attributed lives, eligibility groups, covered services, elements of the per-member, per-month payment, and any other nonclaims payments. The review shall be nonbinding on the Agency of Human Services..." It is likely that this advisory review will occur annually through Performance Year Five. If requested by the State, the Contractor shall be responsible for providing consultation and subject matter expertise regarding the annual review of population-based payment arrangements between DVHA and the ACO(s) to the State and its actuarial contractor.

3.2 Review of Payment Arrangements between ACOs and Commercial Payers: The State will annually perform a similar review for arrangements between commercial Participating Payers and the ACO(s). The Contractor's commercial review will be similar to the Medicaid (DVHA) review described in the preceding paragraph. As requested by the State, the Contractor shall be responsible for providing

consultation and subject matter expertise regarding the annual review of population-based payment arrangements between Commercial payers and the ACO(s) to the State and its actuarial contractor.

For both the DVHA and Commercial payer reviews, the Contractor shall meet with the State to discuss the content of the review and identify any issues or challenges that arise, and to help develop strategies to overcome these challenges. As requested by the State, the Contractor shall review draft documents, including the full review reports; offer comments and suggestions on the drafts; and meet with the State to discuss the reviews' findings and conclusions.

Task 4: Payer Differential Reporting

4.1 Payer Differential Analyses: "Payer differential" relates to differences in ACO Benchmark increases between Participating Payers. Such differences can be caused by differences in payment rates, utilization, attributed populations or other factors. The Agreement includes the following payer differential reporting requirements:

1. "Beginning in Performance Year 2, the GMCB, after collaboration with AHS [Vermont's Agency of Human Services], shall submit to CMS, no later than 90 days after the start of each Performance Year, the percent ACO Benchmarks will increase by payer for Vermont ACOs, an explanation for any differences in ACO Benchmark increases between payers, and the impact such differences may have on the Payer Differential as it affects Vermont ACOs."
2. "The GMCB, after collaboration with AHS, shall submit to CMS by the end of Performance Year 2 an assessment of the Payer Differential as it affects Vermont ACOs. This assessment may include, but is not limited to, payment rates and ACO profit margins by payer."
3. "The GMCB and AHS shall submit to CMS by the end of Performance Year 3 a report on options to reduce the Payer Differential between payers during and after the Performance Period."

The Contractor shall work with the State to establish, define and specify metrics for the quantitative elements of the required reports described above. After the metrics have been approved by the State, the Contractor shall carry out the necessary calculations and conduct the required analyses according to agreed-upon timelines, using information provided by participating payers and ACOs. The Contractor shall also provide review and consultation to the State on interpretation and assessment of analytic results.

Assessing the payer differential for the second report may include, but is not limited to, payment rates and ACO profit margins. As the comparison of payment rates relies on accurate risk-adjustment methods across payers and uniform definition of services, the Contractor recognizes the need to use the same risk-adjustment methodology and similar service inclusions to process claims-level data to create risk-adjusted payment amounts. In addition to payment rates for individual services, differences in utilization rates will impact ACO benchmarks. Calculating per beneficiary risk-adjusted payment rates will provide an assessment of ACO benchmark differential, which combines both rate differences and utilization. The Contractor shall evaluate options with the State (e.g., 3M's Clinical Risk Groupings [CRGs], CMS's Hierarchical Condition Category [HCC], the Department of Health and Human Services' risk-adjustment model [HHS-HCC]), and model the option selected. In addition to claims-based calculations of total cost, the Contractor shall develop a method to incorporate supplemental payments to Medicaid rates. To evaluate profit margins by payer (if needed), the Contractor shall develop cost estimates using cost-to-charge ratios developed by the Agency for Healthcare Research and Quality. The State shall provide the contractor with ACO Annual Reports and Budgets, and any other actuarial payer-specific ACO reports for the analyses in this report.

For the final report, the Contractor shall solicit input from the State, and stakeholders as directed by the State, to develop a list of options and construct analytical models to estimate the impact on the differential.

Task 5: Scale Target Reporting

In the Agreement, Scale Target refers to goals for the percentages of All-payer and Medicare beneficiaries that are aligned with (i.e., attributed to) the ACO. Attribution of beneficiaries is described as follows:

- *Commercial*: All Vermonters with commercial coverage attributed to an ACO that is contracted with a participating commercial insurer.
- *Medicaid*: All Medicaid beneficiaries who are attributed to an ACO that is contracted with the Department of Vermont Health Access will be considered to be part of the Model; excluded populations consist of those dually eligible for Medicare and selected other smaller Medicaid populations.
- *Medicare*: All Medicare beneficiaries attributed to an ACO that is contracted with Medicare will be considered to be part of the Model, including those who are dually eligible for Medicaid and Medicare. Of note, Medicare Advantage recipients are not included in the Medicare Scale Target.

The Agreement contains the following Scale Targets (Table 2, below), characterized by increasing attribution over the length of the Agreement:

Table 2: All-Payer and Medicare Scale Targets by Performance Year (PY)

Percent (%)	By end of PY1 (2018)	By end of PY2 (2019)	By end of PY3 (2020)	By end of PY4 (2021)	By end of PY5 (2022)
Vermont All-Payer Scale Target Beneficiaries	36%	50%	58%	62%	70%
Vermont Medicare Beneficiaries	60%	75%	79%	83%	90%

5.1 Calculating All-Payer and Medicare Scale Target Performance Results: The Agreement requires annual reports to CMS on the State's performance on the All-Payer Scale Target by June 30th of the year following each performance year. The Contractor shall be responsible for assisting the State in refining specifications for All-Payer Scale Target Performance measures and for calculating ACO All-payer Scale Target performance results (using specifications reviewed and approved by the State) for the purposes of semi-annual interim monitoring and required reporting during each Performance Year. The Contractor shall also be responsible for verifying, validating and evaluating Medicare Scale Target performance results calculated by CMS.

The Contractor shall review proposed reporting and report specifications with the State, and with CMS and other stakeholders as directed by the State, and incorporate feedback into the specifications for data reporting and aspects of the development of the annual ACO Scale Target and Alignment Report.

Aligning the interim reporting for this task with financial monitoring, the Contractor shall generate interim monitoring data reports quarterly to estimate the number of Vermont beneficiaries aligned with scale target ACOs.

In addition to all-payer and Medicare beneficiary counts required by CMS, the Contractor shall calculate payer subgroups in the annual and quarterly reporting to evaluate segments of the populations aligned or not aligned with ACOs. The Contractor shall use unique beneficiaries with no duplication for the

denominator and numerator. Because beneficiaries can have partial enrollment during the year or payers might experience a shift in beneficiaries during a calendar year, the Contractor shall also report average beneficiary years. The Contractor shall use Calendar Year 2017 data as a baseline to evaluate progress from the start of the model.

The methodology for attribution and calculation of Scale Targets is subject to change. The State will inform the Contractor in writing of any modifications. Initial specifications for TCOC measures will be determined by the State and refined and finalized by the State and Contractor in Contract Years 1 and 2. If requested by the State, the Contractor shall provide additional analytic modeling for proposed changes to All-Payer TCOC methodologies starting in Contract Year 3 (Option Year 1).

Anticipating that the attribution methodology might change over time and might depend on the agreements for the Vermont Modified Next Generation ACO or the Vermont Medicare ACO, the Contractor shall draw on its experience on other projects to advance the methods on this task. Such experience includes developing claims-based attribution methodologies for measuring provider quality and efficiency. As directed by the State, the Contractor shall model changes in how patients are attributed to ACOs, including numbers of patients attributed and impact on the size and composition (demographic and clinical factors) of the patient panel of each ACO.

5.2 Additional Scale Target Analyses: In addition to payer-specific reporting, and as requested by the State, the Contractor shall propose other subpopulation categories, perform calculations, and conduct analyses of related scale measures to enhance understanding of results for required scale target measures. Such subpopulation categories might include specific ACO scale analyses; analyses by age group, gender, geography, or benefit plan/product type (as available in VHCURES or in data extracts from Participating Payers).

Task 6: Calculation and Reporting of Quality Measures

6.1 Calculation and Reporting of Statewide Health Outcomes and Quality of Care Targets: The Contractor shall calculate results for the Statewide Health Outcomes and Quality of Care Targets outlined in Appendix 1 of the Agreement for the purposes of interim monitoring and required reporting (see Table 3, below).

Table 3: Statewide Health Outcomes and Quality of Care Targets
(adapted from APM Agreement – see Attachment A, Appendix 1 of this contract)

Population-Level Health Outcomes
Substance Use Disorder Target - Deaths related to drug overdose (Vital Statistics)
Suicide Target - Deaths related to suicide (Vital Statistics)
Chronic Conditions Target – COPD prevalence (BRFSS)
Chronic Conditions Target – Diabetes prevalence (BRFSS)
Chronic Conditions Target – Hypertension prevalence (BRFSS)
Access to Care Target - Percentage of adults with personal doctor or care provider (BRFSS)
Health Care Delivery System Quality Targets
Suicide and Substance Use Disorder Target – Initiation of alcohol and other drug dependence treatment (HEDIS; claims data)
Suicide and Substance Use Disorder Target – Engagement of alcohol and other drug dependence treatment (HEDIS; claims data)
Suicide and Substance Use Disorder Target –Follow-up after discharge from ED for mental health (HEDIS; claims data)

Suicide and Substance Use Disorder Target – Follow-up after discharge from ED for alcohol or other drug dependence (HEDIS; claims data)
Suicide and Substance Use Disorder Target – Number of mental health and substance abuse-related ED visits (Vermont hospital discharge data, target rate under development)
Chronic Conditions Target – Composite: Diabetes HbA1c poor control; controlling high blood pressure; and all-cause unplanned admissions for patients with multiple chronic conditions (MSSP; claims and clinical data)
Access to Care Target - Composite: Getting Timely Care, Appointments and Information (MSSP; survey data)
Access to Care Target – Medicaid patient caseload for specialist and non-specialist physicians (methodology under development)
Process Milestones
Substance Use Disorder Milestone - Percent of Vermont providers checking prescription drug monitoring program before prescribing opioids (Vermont Prescription Drug Monitoring Program data)
Substance Use Disorder Milestone – Medication Assisted Treatment (MAT) utilization per 10,000 for population ages 18-64 (Vermont Department of Health data)
Suicide Milestone - Screening for clinical depression and follow-up plan (MSSP; clinical data)
Chronic Conditions Milestone - Tobacco use assessment and cessation intervention (MSSP; clinical data)
Chronic Conditions Milestone – Medication management for people with asthma (HEDIS; claims data)
Access to Care Milestone – Medicaid adolescents with well-care visits (HEDIS; claims data)
Access to Care Milestone – Medicaid beneficiaries aligned to a Scale Target ACO (ACO, Payer, or Claims data)

The Contractor shall ensure that the measures are specified and produced in accordance with the specifications in the Agreement (including post-Agreement revisions made by the State). The Contractor shall review and finalize the specifications in the Agreement, adding detail where missing and including technical specification specific to the input data, and coordinate approval and changes with the State. The Contractor shall review proposed specifications with the State as needed to confirm or clarify any questions about data sources, measure specifications, and data limitations.

The Contractor shall confirm which measures will require sampling and chart review or abstraction, and discuss whether there are opportunities to create some measures from the currently linked Vermont Clinical Registry or other electronic sources for efficiency purposes. If a random sampling methodology is used, the Contractor shall generate an annual sample of patients eligible for each clinical measure, according to a process and timeframe developed with and approved by the State. For claims-based and linked clinical measures that the Contractor has generated for Vermont and other clients, the Contractor shall thoroughly validate the measures, which includes conducting a software code walkthrough, sampling results against claims, and comparing results to benchmarks.

The Contractor shall lead measure calculation and report development as specified in the tasks above, and ensure data quality and product integrity. The Contractor shall perform calculations in accordance with the methodologies and specifications defined within the Agreement and refined by the Contractor, and reviewed and approved by the State. Should questions arise while interpreting those methodologies and specifications, the Contractor shall seek guidance from the State. The Contractor shall complete calculations in full in accordance with the timelines specified within the Agreement and Attachment B, and report findings in writing to the State in a format reviewed with and approved by the State. The Contractor shall report findings specific to Medicaid directly to DVHA.

The Contractor shall align the claims-based measures interim reporting with the financial and cost quarterly reporting timelines and include similar dimensions, such as payer and beneficiary alignment, in the reports when possible and as directed by the State. The contractor shall produce one interim report for all the claims-based measures. As requested by the State, the Contractor shall calculate additional measures, validate measure results, and/or conduct additional analyses comparing results over time or to comparison groups. The Contractor shall report Medicaid-specific results to DVHA.

The Contractor shall assist the State in developing and specifying up to one new measure of moderate difficulty beginning in Contract Year 1 (additional measures may be requested as an ad hoc task). The Contractor shall generate this additional measure beginning in Option Year 1, Contract Year 3. A potential new measure referenced in Section 7 of the Agreement involves monitoring Medicaid patient caseload for specialist and non-specialist physicians. The Contractor shall work with the State to determine the specifications for this measure, potentially using taxonomy codes identified by the Contractor to distinguish specialist and non-specialist visits.

Should the State decide to add new measures, or improve data collection for the measures in the Agreement, the Contractor shall provide expertise in measure development, testing, maintenance and implementation of clinical quality measures, including the development and testing of electronic clinical quality measures (eCQMs).

The measures, specifications and methodologies for calculation of Statewide Health Outcomes and Quality of Care Targets are subject to change. The State will inform the Contractor in writing of any modifications.

6.2 Additional Quality Measure Analyses: ACOs participating in Scale Target ACO Initiatives may be responsible for reporting additional measures to Participating Payers, including but not limited to reporting Next Generation ACO Model measures to CMS. If requested and as directed by the State, the Contractor shall integrate results for these additional performance measures, provided to the Contractor by ACOs or the State, into selected reports.

Task 7: Report Design and Generation, Data Visualization

7.1 Report Design and Generation, and Data Visualization: The Contractor shall work with the State to design reporting templates to present analytic findings. Intended audiences include but are not limited to the State, other state agencies such as DVHA and AHS, CMS, participating payers and ACOs, policymakers, and other interested stakeholders, including the general public. The Contractor shall assist with designing multiple report formats and content as appropriate to satisfy the needs of diverse audiences. The Contractor shall develop and propose effective data visualization techniques for presenting results. The Contractor shall ensure that all reports and analyses have graphics to illustrate the content, and contain accurate information on the implementation progress as well as deliberations regarding the complex nature of the All-Payer ACO Model. After the State and the Contractor have agreed upon reporting templates and data visualization techniques, the Contractor shall provide reports to the State for review. The Contractor shall make changes to the reports as requested by the State.

The Contractor shall complete calculations and reporting for required reports in full in accordance with the timelines specified within the Agreement and Attachment B, and findings shall be reported in writing to the State in format(s) reviewed with and approved by the State.

The Contractor shall design and deliver reliable, timely, and consumable reporting called for in the Agreement and this contract. The Contractor shall generate reporting products efficiently, and shall assist

in designing the reporting templates and data visualization to ensure they are most effective for state policy makers and other potential users.

The Contractor's approach to effective report design, development, and delivery shall include allowing for regular stakeholder input and engagement as directed by the State, ensuring data quality at all stages of the process, taking an iterative approach to design and development, and training end users.

- **Stakeholder input and engagement.** The Contractor shall involve the State in all stages of the process, including defining requirements, designing reports, reviewing report data sets, and reviewing and approving final reporting products. The Contractor shall involve other stakeholders as requested by the State.
- **Taking an iterative approach.** The Contractor shall use an agile, iterative development approach in developing reports, to ensure that the end product meets clients' and consumers' expectations. The Contractor anticipates three to five iterations prior to producing the template for the initial report, and two iterations during each reporting cycle (draft and final) when producing final reports. An iteration shall consist of building a report template, generating the data that will flow into the report, and creating an example of what the report will look like with the data. At each phase (template, data, report), the Contractor shall work with the State as requested to ensure design, development, and data quality all align with expectations. To ensure timely production of the first quarterly report in July 2018, the Contractor shall start the template development process early in 2018 after the test data are available. The Contractor shall follow a similar timeline for the development of annual reports in 2019; the annual reports will benefit from the design of preceding quarterly reports.
- **End-user training.** Throughout this process, the Contractor shall work with consumers of the data and reporting products, as directed by the State, to ensure they are able to effectively understand and use the analytic work product. The Contractor shall incorporate training on the effective use of analytical products in the change management plan discussed in Section 10.5.
- **Proposed technical solution.** The Contractor's technical solution shall be aimed at cost-effectively delivering the data and reporting that will meet the needs of the program, envisioning two primary consumers of the analytics generated under this contract. The first consumer is an "executive" user and the second is a "power" user. The executive user is interested in reviewing easy-to-read key data points, including graphics, to evaluate the overall progress of the model. The power user is interested in both the summary-level visualizations and the underlying data used to generate the reports and flexibility to do their own drill-downs.
 - **Executive-user solution.** Working with the State, the Contractor shall design a number of presentation-ready graphics that communicate the most important points from the analyses of costs, scale targets, and quality. Some graphics, such as summaries of cost and enrollment trends, may repeat with each quarterly report, while others may highlight unique topics. The Contractor shall augment these graphics with a short excel workbook converted to pdf format, offering the specific data from the graphs along with other metrics of interest. The Contractor shall summarize the main findings for the quarterly and annual reports.
 - **Power-user solution.** For power-users who would like to work with the detailed data, the Contractor shall develop standard excel workbooks with access to the underlying analytic files used to generate the pdf reports, along with additional detail. Should State staff prefer to access data via the analytical enclave, the Contractor shall provide training and role-based access to data, and ensure that each power user completes data security training and a DUA/BAA, depending on the data provided. Alternatively, the Contractor may provide the reports via a shared website if preferred by the State.

During the kick-off meeting and first few months of the project, the Contractor shall work with the State to design an approach to reporting that fits the needs of the various audiences in Vermont.

Task 8: Other Measures, Analyses, and Studies; Ad Hoc Reporting

The Contractor shall work with the State to specify the other activities, establish work plans, identify appropriate staffing, and prepare budgets. In addition to Contractor staff, the Contractor shall work with its actuarial consultant and wide network of colleagues should services be required in areas that require additional expertise.

8.1 Ad Hoc Reports: The Contractor shall design and generate ad hoc reports during the contract period as requested by the State. Examples of potential topics for ad hoc reports include the effect of changes in medical coding practices on ACO expenditures and analyses of potential changes in Payer and ACO populations. Prior to initiating any work on ad hoc reporting, the Contractor shall complete and submit to the State's contract manager an Ad Hoc Work Plan Approval Form (Attachment A, Appendix 3 of this contract). The Contractor shall propose a methodology for performing the analysis, as well as a budget, and a timeline for completing the work. The Contractor may not begin working on any ad hoc reporting without written authorization from the State's contract manager. The Contractor's pricing assumes up to one monthly ad hoc analysis of cost and utilization starting in Contract Year 2. Additional ad hoc analyses may not exceed the dollar amount specified in Attachment B (Payment Provisions).

Although the Contractor has the expertise to conduct highly sophisticated studies, the Contractor also understands that straightforward methods and timely delivery are often key to relevance, and shall always seek simple and efficient solutions where available. In order to streamline the production of ad hoc studies without compromising other work, for each ad hoc task, the Contractor shall designate a task leader who will work closely with the project manager and other key staff to fulfill ad hoc requests. The task leader shall be responsible for defining the goals and methods for each ad hoc report, discussing plans with the State and ensuring that the Contractor is authorized to proceed, completing studies, and preparing appropriate reports.

Task 9: Contract Management, Project Management, and Staffing

9.1 Designated Project Manager: The State's contract manager shall serve as the point of contact for the Contractor. The Contractor shall identify a project manager, subject to approval by the State. If requested by the State, the Contractor shall change the project manager. Performance instructions shall be communicated by the State's contract manager, and the Contractor shall send all deliverables to the State's contract manager (and to DVHA's project lead, when applicable).

9.2 Project Management Framework: The Contractor recognizes the importance placed by the State on project management activities to provide transparent and timely communications and resolution of issues, and will work closely with the State to ensure that project management activities are aligned with State needs. The Contractor's project manager shall work with project management support staff to establish routine project management processes and deliverables in accordance with State specifications.

The Contractor shall employ a strong project management framework (see Figure 1 below), with the overarching objective of conducting a high-quality project for the State on time and within budget. The Contractor shall ensure support from skilled project managers, a project management toolkit, corporate resources (including the Contractor's Project Management Center of Excellence that develops, executes, and trains staff on consistent and proven project management processes based on industry best practices such as the Project Management Body of Knowledge), a project review committee, and a quality assurance program. The Contractor shall describe and discuss the project plan at the project kickoff meeting and modify it frequently, as new project needs and challenges arise.

Figure 1: Project management framework



9.3 Relationship Between Contractor and DVHA: Because selected contract deliverables are to be utilized by DVHA, including but not limited to the ad hoc reports referenced in Task 8, the Contractor's project manager shall respond to queries and requests by DVHA-designated personnel and contractors, and shall deliver DVHA-identified reports directly to DVHA. The Contractor shall copy the State's contract manager on all communications with DVHA unless indicated otherwise by the State's contract manager in specific circumstances.

9.4 Project Kick-Off Meeting and Semi-Annual Meetings:

- **Kick-Off Meeting:** The Contractor's project manager, project coordinator, task leads, and other key staff shall participate in a project kick-off meeting with State and DVHA staff within 30 days of contract execution. The project manager and two other project representatives approved by the State shall attend in person; other task leads will attend by phone. The Contractor shall submit a draft agenda and a list of in-person attendees to the State for approval within 15 days of contract execution, or as otherwise specified by the State. The Contractor shall provide the State with meeting notes, next steps and a summary for review and comment within 15 days of the kick-off meeting, or as otherwise specified by the State. The Contractor shall incorporate State comments and changes and finalize these documents within 30 days of the kick-off meeting, or as otherwise specified by the State.
- **Semi-Annual Meetings:** The Contractor's project manager and one other project representative approved by the State shall meet with the State and DVHA in person up to twice per year, as requested by the State, to discuss performance objectives, review performance to date, and plan for upcoming activities. The State may invite Participating Payers and ACOs to participate in these meetings. The Contractor shall submit a draft agenda and a list of in-person attendees to the State for approval 30 days prior to each meeting, or as otherwise specified by the State. The Contractor shall provide the State with meeting notes and a summary for review and comment within 15 days of each meeting, or as otherwise specified by the State. The Contractor shall incorporate State comments and changes and finalize these documents within 30 days of each meeting, or as otherwise specified by the State.

9.5 Work Plan Development: The Contractor's project manager shall develop, with input from the State, a detailed analytics work plan with deliverables and timelines. The Contractor's project manager shall

regularly monitor and communicate progress on the work plan. If there is a risk that a particular deadline will not be met, the Contractor's project manager shall communicate that risk to the State in advance, and propose an alternative deadline. Deadlines required by CMS in the Agreement must be met. The Contractor shall draft the work plan in MS Project format and share it with the State during the kickoff meeting. Following State feedback on the draft, the Contractor shall finalize the work plan and then update it regularly (at least weekly).

9.6 Project Management Plan: The Contractor shall share a draft Project Management Plan (PMP) to discuss during the kickoff meeting. Following feedback from the State, the Contractor shall modify the PMP. The Contractor shall update the PMP before the start of each contract year or more frequently if necessary.

9.7 Project Team Meetings: The Contractor shall hold regular project team meetings with the State and others as invited by the State. Before the meetings, the Contractor shall share a draft agenda; following the meeting, the Contractor shall develop a log of topics discussed, decisions made, and action items (including assignment of responsibility) to address. The Contractor assumes that these meetings will take place weekly during the first four months of the contract and biweekly thereafter.

9.8 Project Status Reports, Issues Log, and Risk Log:

- **Project Status Reports:** The Contractor shall submit a weekly project status report to the State each Friday, or as otherwise specified by the State, according to a template developed by the Contractor and approved by the State. The Contractor's status reports shall detail work streams which are accomplished, in process, or behind schedule; activities planned for the subsequent two weeks; the Microsoft Project work plan indicating percentage of tasks completed and resources assigned; achievements to date; risk management activities; issues to address; action items; and any significant changes to staffing or the deliverable schedule. The Contractor shall share a template of the project status report during the kickoff meeting and modify it based on feedback from the State.
- **Issues Log:** The Contractor shall maintain a project issues log throughout the term of the project to identify any issues for the State to consider and to record guidance from the State's contract manager. The Contractor shall include the project issues log in the project status report to alert the State to any issues encountered in the previous week or other time frame.
- **Risk Log:** The Contractor shall maintain a risk log throughout the term of the project to track any aspects of the project that might pose a risk to the deliverable schedule or to the budget. The Contractor shall notify the State's project manager immediately regarding any such risks. The Contractor shall update the risk log as new issues arise or risks are mitigated.

9.9 Project Timeline and Deliverable Schedule: The Contractor shall have a forward-focused approach to address the interdependencies and timing of project tasks, and use a detailed work breakdown structure (WBS) to identify the activities, staffing, and schedule for all project tasks, as well as task interdependencies. The Contractor's WBS shall include (1) a project timeline, with details on key task activities and their duration; (2) a staffing plan; and (3) procedures to ensure that all deliverables meet or exceed GNCB's standards.

Key deliverables and due dates for Years 1 and 2 of the contract are described in Attachment B, Payment Provisions. The Contractor shall refine the timeline and deliverable schedule in consultation with the State and based on the Agreement during the initial stages of the project. The Contractor shall incorporate the refined timeline and deliverable schedule into the Project Management Plan (PMP) and update it regularly.

9.10 Staffing Requirements: The Contractor shall ensure that it provides adequate staffing for this work. In addition to numbers of hours and staff members, adequate staffing may include, but is not limited to, individuals with expertise in: claims data, other types of health care data (e.g., surveys, clinical data), data validation techniques, measure specification, quantitative analysis, statistical techniques, actuarial science, financial calculations, quality measures, data security, and data visualization and presentation.

The Contractor's project team shall consist of individuals with substantive knowledge of claims data, total cost measurement, and ACOs and with direct experience accessing, validating, and using the data needed to support GMCB's implementation of the All-Payer ACO Model.

The Contractor is required to notify the State of any changes in project staffing within 30 days.

The following "key personnel" are considered to be essential to the performance of this contract:

- Sule Gerovich, Project Manager
- Nancy McCall, Senior Advisor
- Karl Finison, Senior Advisor
- Carolyne Conrad, Project Management Support

At least 30 days prior to diverting any of the key personnel to other programs or contracts (or as soon as possible, if an individual must be replaced, for example, as a result of leaving the employ of the Contractor), the Contractor shall notify the State's project manager and shall submit a comprehensive justification for the diversion or replacement request (including proposed substitutions for key personnel) to permit evaluation by the State of the impact on performance under this contract. The Contractor shall not divert or otherwise replace any key personnel without the written consent of the State's project manager.

9.11 Project Staffing Plan: The Contractor shall establish a team of experts who will actively engage in multiple tasks and coordinate the processes and information obtained across the tasks required in this project. The Contractor shall provide adequate staffing at the right level and at the right time to meet the project deliverables. Table 4 below displays the Contractor's proposed staff hours for each base year of the contract. The Contractor shall enter this staffing plan into a staffing projections database upon contract award and monitor it monthly by comparing staffing projections with actual staff utilization, to help identify and resolve staff shortfalls quickly.

Table 4: Proposed staff hours for the base period

General labor	Base Year 1	Base Year 2	Total
Subject Matter Expert V	32	46	78
Subject Matter Expert IV	512	633	1,145
Subject Matter Expert III	194	132	326
Subject Matter Expert II	1286	1231	2517
Subject Matter Expert I	388	553	941
Analyst II	166	462	628
Analyst I	356	250	606
Research Assistant	46	16	62
Communications Manager I	16	16	32
Administrative Production	32	88	120
Editor	8	54	62
Total	3,036	3,481	6,517

Task 10: General Analytic Approach, Quality Assurance, and Contract Administration

10.1 Analytical Framework and Data Processing Systems: The Contractor shall build an analytical reporting framework for tracking the progress of the model and meeting the Agreement requirements. The Contractor shall ensure that the framework generates relevant and timely analyses for the State. The Contractor shall provide consulting services to the State based on its experience with APCDs if separate arrangements with payers are needed to collect claims from self-funded plans.

The Contractor shall review specifications for measures outlined in the Agreement and leverage existing data processing systems when appropriate, to create reliable data in a timely and efficient manner. As an example, the subcontractor's Measures Engine generates a wide variety of utilization, quality, and expenditure measures in addition to disease/condition flagging. Upon approval of the State, the Contractor may use the Measures Engine to process data and generate measure results to support assessments of Model performance and related reporting if the Measures Engine's specifications match the measure specifications outlined in the Agreement or are agreed upon by the State and CMS.

The Contractor shall create a list of key metrics for understanding the total cost per beneficiary dynamics in Task 2, the scale targets in Task 5, and reporting of quality measures in Task 6.

10.2 Change Management: As policies are transforming health care financing and delivery, transformation among regulatory agencies is also necessary to perform effectively and efficiently in this new environment. The Contractor shall focus its change management efforts on helping State staff and stakeholders (ACO[s], payers, Vermont health care providers, members of the public, federal officials, etc.) to understand analyses and results, training State staff to use the analytics tools developed under this contract, and facilitating discussions on the use of the results to effect change in Vermont. Examples of areas for transformation may include instituting new best practices in data management and report production.

To assist the State in defining and instilling new values, attitudes, norms, and behaviors, the Contractor shall develop a change management plan with input from the State and facilitate quarterly discussions with the state's management team and annual discussions with the staff during each year of the contract (a total of 4 meetings per year). During these discussions, the Contractor shall also provide training sessions in data tools used for the project. Other possible training topics include alternative payment models, total cost analysis, benchmarking and population health, and quality measures. In addition to conducting the annual discussions, the Contractor shall meet quarterly with the State to identify and strategize about the State's change management training needs. The scope of Task 10.2 may also include review of documents for accuracy, meetings, and presentations to meet the goals described above.

10.3 Amendment Process: The Contractor shall work with the State to establish an appropriate process for implementing Contract Amendments if the need arises, with a goal of avoiding delays in the project schedule.

10.4 Financial Management: As noted in the project management framework, the Contractor has corporate mechanisms in place to support financial management. Each month, the Contractor shall ensure that its project review committee, which consists of the senior management and members of the contracts and accounting departments, shall review performance under this contract, focusing on risks to the schedule, budget, or technical quality of the work. The Contractor shall integrate project management protocols with rigorous budgeting and accounting procedures.

10.5 *Quality Assurance:* The Contractor shall ensure the quality of the information produced under this contract. The Contractor shall ensure adherence to contract specifications, validity and reliability of measure results, accessibility and usability of the information for the intended audiences, and timeliness of the information produced. The Contractor shall develop and implement procedures that ensure that all deliverables meet federal and State reporting requirements in accordance with the Agreement.

The Contractor shall establish well-defined procedures for conducting effective quality assurance (QA) reviews of all products, whether developed by the Contractor or by a subcontractor. The reviews shall focus on whether the deliverables are of high quality and meet the needs of the project, and whether they are useful, readable, accessible, impactful, and actionable. The Contractor's project manager shall review each deliverable to ensure it aligns with the State's guidance and to establish consistency across the project. In addition, the Contractor's QA reviewer will review all major deliverables for technical quality. The Contractor's project manager shall lead routine communications with the State, and shall be available for ad hoc communications should the need arise.

The Contractor's project review procedure shall include a focus on quality risk. Each month, the Contractor's review committee shall ask the project director to assess the project's quality risks. If the project director identifies risks, the Contractor's committee and project team shall establish a process to address and reduce the risk.

10.6 *Subcontractor Management:* The Contractor shall develop a subcontractor management plan that will seamlessly integrate subcontractor staff into the Contractor's project team. The Contractor shall ensure that all project management components discussed in this contract and specified in the RFP will also apply to the subcontractor. The Contractor shall identify subcontractor scope of work and level of effort and communicate this information to the subcontractor and the State. The Contractor shall establish a subcontract with the subcontractor parallel to the prime contract between the Contractor and the State, so that the subcontractor clearly understands its statement of work, including the scope, quality, schedule, and budget.

The Contractor and subcontractor staff shall conduct regular telephone meetings throughout the project. The Contractor shall ensure that subcontractor staff participate in internal project meetings to share information and results, identify issues of concern, and discuss future work. The Contractor's subcontract agreements shall specify formal monitoring tasks, including monthly progress reports and QA procedures. The Contractor shall measure the subcontractor's progress, as well as its own, against the work plan and schedule of deliverables. The Contractor shall monitor subcontractor costs to compare them against the budget, and the Contractor's progress reports shall incorporate information on the subcontractor's activities and costs.

10.7 *Programming and Results QA:* The Contractor recognizes that although concepts such as total cost of care, payment differentials, ACO enrollment, and health care quality are common in health policy, many metrics exist, and the State must use very specific metrics established by law or the Agreement. Moreover, even where some degree of latitude may exist, the State will want to adhere to the specifications as much as possible. The Contractor shall work closely with the State to refine all specifications, and to adhere to the specifications. The Contractor shall document any changes to the specifications (for example, due to updates by CMS or the measure steward), and keep them in change logs for the duration of the project.

The Contractor shall update the standard specifications for measures each year when applicable, including the annual updates from the NCQA for HEDIS measures. The Contractor shall ensure that the subcontractor reviews the changes and updates the code and value sets in its Measures Engine to ensure consistency. With each update to a measure, a new measure ID shall be assigned to ensure that it is clear

which measure was run for an analysis along with the specification year of the measure (e.g., HEDIS 2017). The Contractor shall ensure that the procedure provides the flexibility to run previous versions of a measure if desirable.

The Contractor's procedures for ensuring the quality of its programming and reports shall include the following:

Development of detailed programming specifications. The Contractor shall ensure that there are detailed specifications that communicate to the programmer how a measure should be constructed or a report should be structured, to allow confirmation that the products adhere to agreed-upon specifications.

Initial data quality checks. The Contractor shall implement initial data quality checks to confirm that data will support analytic use from a data availability, completeness, and accuracy standpoint prior to programming a measure or report. For example, before programming a diabetes measure (e.g., SSP ACO 27), to ensure consistency and completeness of ICD and CPT coding over time, the Contractor shall perform trending analyses by diagnosis and procedure code within VHCURES for participating payers and benchmark results against a comparison population.

Software code review. The Contractor shall perform a systematic code review, which focuses on validating all steps in the software development process (including the use of value sets), and ensures that the code is appropriately implementing the documented measure specifications. During this process, the Contractor shall pay close attention to special exclusions, continuous enrollment requirements, and the assignment of anchor dates.

Comparison to benchmarks. The Contractor shall use national benchmarks, when available, to assess whether state or local measure results are within a reasonable range of external results (such as Medicaid or commercial HEDIS® benchmarks). When possible, the Contractor shall identify benchmarks at the payer type level (e.g., commercial, Medicaid, or Medicare). The Contractor shall also use internal benchmarks when available to validate results.

Record-level check. The Contractor shall conduct record-level checks by picking a random sampling of members and their associated records (to include outlier results) and following those members through each step in the programming process to verify the accuracy of results at each step (e.g., a member with 120 hospital visits, considered an outlier, is investigated to verify that the number of visits is correct).

Member-level QA. The Contractor shall conduct member-level QA checks to verify the inclusion or exclusion of individual members at the record level in the numerator and denominator of the measure. The Contractor shall identify random sets of members, and analyze their claims to verify that they were appropriately assigned to the numerator and the denominator of the measure.

10.8 Compliance with Data Security Policies: The Contractor shall comply with all provisions of the DUA, HIPAA business associate agreement (if applicable), and the requirements set forth in Attachment D and the contract. The Contractor shall protect the privacy and security of the data that the State provides to the Contractor. In the event of a breach, the Contractor shall notify the State immediately.

The Contractor shall assign security and privacy subject matter experts to its project team and ensure and leverage secure computing infrastructure and secure data handling practices. The Contractor shall comply with federal standards for data use, protection, processing, and storage. The Contractor shall develop, maintain, and regularly update its security policies, procedures, and technical safeguards, which shall be consistent with the Privacy Act, the Federal Information Security Management Act, Office of

Management and Budget memoranda regarding data security and privacy, and National Institute of Standards and Technology security standards.

Data confidentiality and security shall be ensured by the Contractor by key-card access to the facilities, lockable storage areas for sensitive documents, and controlled access to computerized files and systems. The Contractor shall ensure that all remote operations connected via the Internet use Internet protocol security with standard 256-bit encryption, and that virtual private network access is restricted by two-factor authentication. The Contractor shall back up all confidential data and preserve them on secure media separate from the processing infrastructure.

The Contractor shall grant access to data on a need-to-know basis, with approval required from the Contractor's project director. In addition, the Contractor shall ensure that data are encrypted in transit and at rest using Federal Information Processing Standard 140-2-compliant cryptographic modules and are securely destroyed at the earliest opportunity. The Contractor shall ensure that all staff receive data security training, and each project has a data security plan.

The Contractor shall ensure that its security practices are regularly reviewed, continuously improved upon, and vetted by third parties to ensure the confidentiality, integrity, and availability of its clients' data.

10.9 *Additional Meetings and Presentations.* Beyond the requirements of tasks 9.4, 9.7, and 10.2, the Contractor shall participate as requested by the State in additional meetings that pertain to the scope of work.

As requested by the State, the Contractor shall present analytic results to diverse audiences, such as the State, other state agencies (e.g., DVHA and AHS), CMS, participating ACOs and payers, and policymakers. The Contractor shall work with the State to develop slides, infographics, and talking points for such occasions, to select one or more qualified staff members to deliver the presentation. The Contractor shall participate in up to 11 additional telephone meetings in the first base year and up to 12 additional meetings in future years. Each meeting shall take place by phone and last up to 1 hour. The contractor shall participate in up to 6 presentations per year. Each presentation shall take place by phone and last up to 1 hour. The presentations will cover data and results already prepared; no new analysis will be required for these presentations. If participation is required by the State for additional meetings and presentations beyond that specified here and in Task 9.4 above, time and travel expenses will be reimbursed as described in Attachment B and in accordance with the ad hoc task process (see Attachment A, Appendix 3).

10.10 *Review of Methods and Results:* As requested by the State, the Contractor shall work with participating payers and/or ACOs to reconcile any inconsistencies in results or methodological or data quality concerns identified by the Contractor or participating ACOs and payers. As requested by the State, the Contractor shall present proposed methods to various audiences and gather their input as part of refining the specifications. Once the results are available, at the request of the State, the Contractor shall continue to work with participating payers and ACOs to seek to understand any inconsistencies in results or concerns about data quality and to reconcile these issues if possible. Telephonic participation shall generally be considered acceptable, although the State may require in-person participation for some meetings. If participation in meetings or presentations beyond the requirements of Tasks 9.4, 9.7, 10.2, and 10.9 is required by the State, time and travel expenses will be reimbursed as incurred as described in Attachment B, except travel expenses will not be reimbursed for the Project Kick-Off Meeting or the Semi-Annual Meetings described in Task 9.4 above.

The Contractor shall provide detailed documentation of the analytic processes or procedures used in fulfilling its responsibilities under this contract. The Contractor shall develop and provide detailed specifications to the State for any measures and reporting generated under this contract in accordance with the provisions of Section 1 of Attachment D. Specifications shall be sufficiently detailed to enable adaptation to or recreation in the State's preferred tools or technology. The Contractor shall also provide any stand-alone software, code and specifications written specifically to support the requirements of this contract and not already-existing. Software code associated with measures embedded in the Contractor's Measures Engine may rely on pre-existing systems, procedures, value sets, and licensed third-party tools, and may not be usable in isolation. For those measures where code would not be transferable, the Contractor will provide detailed specifications and technical support to ensure a smooth transition to the State or another contractor. The Contractor shall share any analytic files or spreadsheets used to produce the reports under this contract. Exact specifications for these files have yet to be determined; however, it is anticipated that the analytic files will be produced in SAS and the spreadsheets will be produced in Excel. During the kick-off meeting, the Contractor shall discuss the approach to sharing analytic files and documentation produced under this contract to allow the State to continue production after the contract ends.

10.11 Provision of Reports, Information, and Data to CMS and Other Federal Partners: As requested by the State, the Contractor shall assist the State in providing CMS with reports, information and data produced under this contract, as outlined in the Data Sharing Section (Section 15) of the Agreement. The Contractor shall also provide assistance with the Model evaluation, as requested by the State and as outlined in Section 17 of the Agreement. The Agreement states that "The State must make available to CMS and CMS' contractors, for validation and oversight purposes, the datasets and methodologies used by the State to make calculations required under this Agreement, including and as applicable, access to contractors, contract deliverables, and software systems used to make calculations required under this Agreement." Upon request, the Contractor shall assist the State in meeting these obligations to the extent that it is qualified to do so and in accordance with the provisions of Section 1 of Attachment D. Assisting with CMS evaluation activities outside the performance of items and deliverables specifically outlined in the Scope of Work would be performed as an ad hoc task.

10.12 Assistance in Meeting Confidentiality, CMS Monitoring, and Maintenance of Records Requirements: The Contractor shall assist the State in meeting the Confidentiality, CMS Monitoring, and Maintenance of Records requirements in the Agreement (Sections 16, 18 and 19 of the Agreement). Assisting with CMS monitoring activities outside the performance of items and deliverables specifically outlined in the Scope of Work would be performed as an ad hoc task.

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. The payment schedule for services performed, and any additional reimbursements, are included in this Attachment. The following provisions specifying payment are:

1. Prior to commencement of work and release of any payments, Contractor shall submit to the State:
 - 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
 - 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. Payments for subcontractors, if any, will only be made upon approval (See Attachment C, #15).
3. The Contractor agrees to a 10% retainage of the total annual contract fee subject to review, approval, and acceptance of Contractor's annual report by the State. The State shall determine retainage, including any withholding or proration, of the total contract fee by deciding whether the Contractor's performance has met, to the State's satisfaction, the Contractor's requirements under Attachment A. Upon satisfactory completion of all tasks outlined in Table 4 for each contract year, the Contractor shall submit a retainage statement to request any funds withheld for the completed contract year.
4. The Contractor will be paid based on documentation and itemization of work performed and included in invoicing as required by 32 VSA §463. On a monthly basis, the Contractor shall submit an invoice to the State for all services rendered as outlined in Payment Schedule Tables 3 and 4 below, or as approved in a corresponding Task Order(s) for Ad Hoc work (see the Ad Hoc Work Plan Approval Form in Appendix 3 of Attachment A) above and beyond the monthly 1 ½ days per month for the cost and utilization analysis beginning in Year 2 of this contract (see Task 8 in Attachment A). Each invoice must include a unique invoice number, include the Contract #35452 for this contract, dates of service, itemized billing which is documented to reflect either the deliverable fee or itemized hours by assigned staff multiplied by hourly rates for agreed upon Ad Hoc Assistance. Payments to the Contractor relating to this contract as outlined in the scope by work will be rendered only after review and acceptance from the State's Health Care Project Director. The hourly rates of the assigned staff of the Contractor are outlined in Table 1, on the following page:

Table 1: Hourly Rates Inclusive of Travel for Ad Hoc Deliverables (Task 8.1)

Staff Class	Base Year 1	Base Year 2	Year 3/ Option Year 1	Year 4/ Option Year 2
	12/1/2017- 11/30/2018	12/1/2018- 11/30/2019	12/1/2019- 11/30/2020	12/1/2020- 11/30/2021
Subject Matter Expert V	\$399.03	\$399.03	\$414.99	\$431.59
Subject Matter Expert IV	\$319.97	\$319.97	\$332.77	\$346.08
Subject Matter Expert III	\$276.80	\$276.80	\$287.87	\$299.39
Subject Matter Expert II	\$221.52	\$221.52	\$230.38	\$239.59
Subject Matter Expert I	\$183.58	\$183.58	\$190.92	\$198.56
Analyst II	\$133.09	\$133.09	\$138.41	\$143.95
Analyst I	\$113.43	\$113.43	\$117.97	\$122.69
Research Assistant	\$89.34	\$89.34	\$92.92	\$96.63
Communications Manager I	\$161.93	\$161.93	\$168.41	\$175.14
Administrative Production	\$103.48	\$103.48	\$107.62	\$111.93
Editor	\$121.16	\$121.16	\$126.00	\$131.04

The maximum amount payable under the Ad Hoc tasks of this contract shall not exceed \$316,202 over four years, or annual amounts as presented in Table 2 below. The State does not guarantee the assignment of any minimum number of hours or other work under this contract. Additional description of potential ad hoc tasks is included in Attachment A, Tasks 3, 8, and 10.

5. **Travel:** The contractor may bill for travel related to this contract only when expressly approved by the State in writing in advance of travel.
 - Transportation costs will be reimbursed as incurred, including air transportation, ground transportation, and parking. The Contractor shall seek the lowest rates available when booking airfare and ground transportation.
 - All travel mileage, meals, and lodging expenses shall not exceed State-approved mileage and per diem rates at the time the expense occurred. The contractor/grantee is responsible for submitting invoices within 30 days in compliance with the current per diem and mileage rates, which change periodically. As of December 2017, these rates are as follows:
 - i. Mileage reimbursement: \$0.535 per mile. Current rates are available at: <http://humanresources.vermont.gov/compensation/expense-reimbursement>.
 - ii. Meal reimbursement: \$5.00 for breakfast; \$6.00 for lunch; \$12.85 for dinner. Current rates are available at: <http://humanresources.vermont.gov/compensation/expense-reimbursement>.
 - iii. Lodging: The contractor is responsible for ensuring the reasonableness of all lodging expenses. When arranging travel, employees and departments may reference the U.S. General Services Administration's website (<http://www.gsa.gov/perdiem>) of per diem lodging rates for Montpelier, VT, to evaluate the reasonableness of lodging costs for the travel destination.
 - iv. Additional expenses (e.g., incidentals) are not reimbursable.
 - Travel expenses will be reimbursed within the existing total amount of the agreement.

6. **Invoices:** Contractor shall submit invoices to the State in accordance with the schedule set forth in this Attachment B. Unless a more particular schedule is provided herein, invoices shall be submitted not more frequently than monthly.
7. Invoices shall be submitted to the State at the following address:

Green Mountain Care Board, Attn: Business Office
89 Main Street, 3rd Flr City Center Bldg
Montpelier, VT 05620
8. The payment schedule for delivered products, or rates for services performed, and any additional reimbursements, are as follows:

Payment Schedule

Table 2: Base Years 1 and 2 Budget Summary

	Monthly Tasks (Table 3)	Tasks Payable Upon Completion (Table 4)	Sum Available for Ad Hoc Tasks	Total Task Budget for Contract Year
Base Year 1 (1/1/18-11/30/18)	\$209,352	\$463,915	\$83,713	\$756,980
Base Year 2 (12/1/18-11/30/19)	\$199,704	\$535,419	\$76,036	\$811,159
Year 3/Option Year 1 (12/1/19-11/30/20)	\$167,520	\$575,197	\$77,477	\$820,194
Year 4/Option Year 2 (12/1/20-11/30/21)	\$178,008	\$544,842	\$78,976	\$801,826
TOTAL	\$754,584	\$2,119,373	\$316,202	\$3,190,159

Table 3: Payment Schedule, Monthly - invoiced the first of every month

Task	Deliverable	Monthly Total	Base Year Total Amount
1	Accessing, Processing and Validating Data; Ensuring Data Security	\$13,287	\$146,157
9.7	Project Team Meetings	\$2,385	\$26,235
9.8	Project Status Reports, Issues Log, and Risk Log	\$3,360	\$36,960
	Base Year 1 Totals for Monthly Tasks (11 months)	\$19,032	\$209,352
1	Accessing, Processing and Validating Data; Ensuring Data Security	\$7,664	\$91,968
8.2	Ad hoc Reports - Monthly Analysis	\$3,949	\$47,388
9.7	Project Team Meetings	\$1,726	\$20,712
9.8	Project Status Reports, Issues Log, and Risk Log	\$3,303	\$39,636
	Base Year 2 Totals for Monthly Tasks (12 months)	\$16,642	\$199,704

Table 4: Payment Schedule, Tasks Invoiced Upon Completion

Base Year 1			
Date	Task	Deliverable	Amount
Jan-18	9.4	Project Kick-Off Meeting	\$21,333
Jan-18	9.5	Project Work Plan	\$61,675
Jan-18	9.6	Project Management Plan	\$11,309
Jan-18	10.2	Change Management Plan	\$4,473
Apr-18	10.2	Change Management Plan	\$4,473
Jul-18	2.2	All-Payer Total Cost of Care per Beneficiary Growth Target Results	\$39,353
Jul-18	2.3	Medicare Total Cost of Care per Beneficiary Growth Target Results	\$18,392

Jul-18	2.4	Key Utilization, Cost and Prevalence Metrics	\$39,353
Jul-18	5.1	Calculating All-Payer and Medicare Scale Target Performance Results	\$46,159
Jul-18	7.1	Report Design & Generation; Data Visualization	\$37,724
Jul-18	9.4	Semi-Annual Meeting	\$18,392
Jul-18	10.2	Change Management Plan	\$4,473
Sep-18	6.1	Calculation and Reporting of Statewide Health Outcomes and Quality of Care Targets	\$62,449
Sep-18	7.1	Report Design & Generation; Data Visualization	\$37,724
Sep-18	10.2	Change Management Plan	\$4,473
Oct-18	2.2	All-Payer Total Cost of Care per Beneficiary Growth Target Results	\$11,502
Oct-18	2.3	Medicare Total Cost of Care per Beneficiary Growth Target Results	\$4,948
Oct-18	2.4	Key Utilization, Cost and Prevalence Metrics	\$11,502
Oct-18	7.1	Report Design & Generation; Data Visualization	\$24,208
Base Year 1 Totals for Tasks Payable Upon Completion			\$463,915

Base Year 2			
Date	Task	Deliverable	Amount
Dec-18	9.4	Semi-Annual Meeting	\$10,958
Dec-18	9.6	Project Management Plan	\$46,889
Jan-19	2.2	All-Payer Total Cost of Care per Beneficiary Growth Target Results	\$11,502
Jan-19	2.3	Medicare Total Cost of Care per Beneficiary Growth Target Results	\$4,948
Jan-19	2.4	Key Utilization, Cost and Prevalence Metrics	\$11,502
Jan-19	5.1	Calculating All-Payer and Medicare Scale Target Performance Results	\$16,282
Jan-19	7.1	Report Design & Generation; Data Visualization	\$24,208
Jan-19	10.2	Change Management Plan	\$3,434
Apr-19	2.2	All-Payer Total Cost of Care per Beneficiary Growth Target Results	\$11,502
Apr-19	2.3	Medicare Total Cost of Care per Beneficiary Growth Target Results	\$4,948
Apr-19	2.4	Key Utilization, Cost and Prevalence Metrics	\$11,502
Apr-19	4.1	Payer Differential	\$47,540
Apr-19	6.1	Calculation and Reporting of Statewide Health Outcomes and Quality of Care Targets	\$57,859
Apr-19	7.1	Report Design & Generation; Data Visualization	\$24,208
Apr-19	10.2	Change Management Plan	\$3,434
Jun-19	2.2	All-Payer Total Cost of Care per Beneficiary Growth Target Results	\$11,502
Jun-19	2.3	Medicare Total Cost of Care per Beneficiary Growth Target Results	\$4,948
Jun-19	5.1	Calculating All-Payer and Medicare Scale Target Performance Results	\$16,282
Jun-19	7.1	Report Design & Generation; Data Visualization	\$24,208
Jul-19	2.4	Key Utilization, Cost and Prevalence Metrics	\$11,502
Jul-19	7.1	Report Design & Generation; Data Visualization	\$24,208
Jul-19	9.4	Semi-Annual Meetings	\$10,958
Jul-19	10.2	Change Management Plan	\$3,434
Sep-19	6.1	Calculation and Reporting of Statewide Health Outcomes and Quality of Care Targets	\$57,859
Sep-19	7.1	Report Design & Generation; Data Visualization	\$24,208
Sep-19	10.2	Change Management Plan	\$3,434
Oct-19	2.2	All-Payer Total Cost of Care per Beneficiary Growth Target Results	\$11,502
Oct-19	2.3	Medicare Total Cost of Care per Beneficiary Growth Target Results	\$4,948
Oct-19	2.4	Key Utilization, Cost and Prevalence Metrics	\$11,502
Oct-19	7.1	Report Design & Generation; Data Visualization	\$24,208
Base Year 2 Totals for Tasks Payable Upon Completion			\$535,419

9. Upon full payment by the State, all products of the Contractor's work, including outlines, reports charts, sketches, drawings, art work, plans, photographs, specifications, estimates, computer programs, or similar documents, become the sole property of the State of Vermont and may not be copyrighted or resold by Contractor.

**ATTACHMENT C: STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS
REVISED JULY 1, 2016**

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 the 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. In the event the State withholds approval to settle any such claim, then the Party shall proceed with the defense of the claim but under those circumstances, the Party’s indemnification obligations shall be limited to the amount of the proposed settlement initially rejected by the State.

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.

The Party shall indemnify the State and its officers and employees in the event that 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.

The Party agrees that in no event shall the terms of this Agreement nor any document required by the Party in connection with its performance under this Agreement obligate the State to defend or indemnify the Party or otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party except to the extent awarded by a court of competent jurisdiction.

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 the 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.

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 the Contract, 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. Federal Requirements Pertaining to Grants and Subrecipient Agreements:

A. Requirement to Have a Single Audit: In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, 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 the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, 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 the case that this Agreement is a Grant funded in whole or in part by Federal funds, in accordance with 2CFR 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.

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.
- B.** Party certifies under the pains and penalties of perjury that, as of the date the 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 the 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 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 23 ("Certification Regarding Use of State Funds"); Section 31 ("State Facilities"); and Section 32 ("Location of State Data").

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.

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. Certification Regarding Use of State Funds: In the case that 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 used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

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

25. 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.

26. 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.

27. 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.

28. Termination: In addition to any right of the State to terminate for convenience, the State may terminate this Agreement as follows:

- 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. No Implied Waiver of Remedies:** A 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.

29. 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.

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

31. 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.

32. 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 continental United States, except with the express written permission of the State.

(End of Standard Provisions)

ATTACHMENT D
INFORMATION TECHNOLOGY PROFESSIONAL SERVICES
TERMS AND CONDITIONS (rev. 3/10/17)

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, 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.

1.4 Ownership of Subcontractor System.

The State has approved Contractor to subcontract certain work under this Contract to Onpoint Health Data (“Onpoint”). Onpoint has developed a proprietary data management system, which includes all internal processing systems and hardware, external interfaces, and tracking, communication and administration features thereof, as well as all software, code and/or algorithms incorporated therein which enable generation of standardized and validated data along with a broad set of analytic value-adds that support analytic use of the data (e.g., analytic flags, groupings, categorizations, performance measures, attribution), each as updated from time to time (“the System”). For the avoidance of doubt, the State hereby acknowledges and agrees that the System (including any improvements made thereto and any intellectual property rights associated therewith) is owned exclusively by Onpoint.

Nothing in this Contract shall be construed to limit the ability of the State to contract with a vendor other than Onpoint to collect, process, edit, map, integrate, validate, consolidate and

manage data within the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES).

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 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"). In addition to the provisions of this Section, the Contractor shall comply with the requirements set forth in the State's Data Use Agreement, attached hereto as Attachment E. 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.

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. In addition to the requirements set forth in the Data Use Agreement, 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 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 3 days of its discovery, unless a shorter notification period is required (e.g., under the Data Use Agreement). 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 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.

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.

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, \$2,000,000 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. DESTRUCTION OF STATE DATA. At any time during the term of this Contract within thirty days of (i) the State's written request or (ii) termination or expiration of this Contract for any reason, Contractor shall securely dispose of all copies, whether in written, electronic or other form or media, of State Data 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. 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.

ATTACHMENT E DATA USE AGREEMENT

This Agreement is entered into by and between the State of Vermont, Green Mountain Care Board (“the GMCB”), and Mathematica Policy Research (“Contractor”) as of 01/01/2018 (“Effective Date”). The Agreement supplements and is made a part of the contract to which it is attached.

1. Definitions

For purposes of this Agreement,

- A. “Agent” means a person who is an agent of Contractor, in accordance with the federal common law of agency.
- B. “Agreement” means this data use agreement detailing the Contractor’s commitment to data privacy and security and setting forth restrictions, limitations, and conditions on the use and disclosure of the Data Set. The Agreement includes the following attachments:
 - 1. the GMCB’s data use agreement with CMS (Appendix 1); and
 - 2. the GMCB’s data use agreement with DVHA (Appendix 2).
- C. “CMS” means the Centers for Medicare & Medicaid Services, an agency within the United States Department of Health and Human Service (HHS).
- D. “Data Set” means the VHCURES Limited Use Health Care Claims Research Data Set being provided to Contractor to perform Services, and all data therein.
- E. “Disclose” means to release, transfer, provide access to, or divulge in any manner information outside of the entity holding the information.
- F. “DVHA” means the State of Vermont, Department of Vermont Health Access.
- G. “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, including the Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164 (“Privacy Rule”) and the Security Standards at 45 CFR Parts 160 and 164 (“Security Rule”), as amended by subtitle D of the Health Information Technology for Economic and Clinical Health Act.
- H. “IUA” means an Individual User Affidavit, a form maintained by the GMCB.
- I. “Services” includes all work performed by Contractor for or on behalf of the GMCB pursuant to the contract to which this Agreement is attached that requires the use and/or disclosure of the Data Set.

- J. “Subcontractor” means a person or organization to whom Contractor delegates a function, activity, or service, other than in the capacity of a member of the Contractor’s Workforce.
- K. “VHCURES” means the Vermont Health Care Uniform Reporting & Evaluation System, a health care database maintained by the GMCB pursuant to 18 V.S.A. § 9410.

All capitalized terms used but not otherwise defined in this Agreement have the meanings set forth in HIPAA.

2. Authority and Purpose

Under 18 V.S.A. § 9410, the GMCB maintains certain health care claims and eligibility data within VHCURES. The GMCB is permitted to use this data to carry out its statutory duties, including determining the capacity and distribution of existing resources; identifying health care needs and informing health care policy; evaluating the effectiveness of intervention programs on improving patient outcomes; comparing costs between various treatment settings and approaches; providing information to consumers and purchasers of health care; and improving the quality and affordability of patient health care and health care coverage.

As specified in the contract to which this Agreement is attached, Contractor has agreed to perform Services for or on behalf of the GMCB that require Contractor to use and/or disclosure VHCURES data. While the GMCB is not a “Covered Entity” for purposes of HIPAA, the GMCB desires to protect VHCURES data to same extent that HIPAA would require if the GMCB were a Covered Entity. Furthermore, the Medicaid and Medicare data within VHCURES is governed by agreements the GMCB has entered into with CMS and DVHA. The GMCB must ensure that contractors and subcontractors comply with the terms of these agreements. Therefore, the purpose of this Agreement is to ensure that Contractor and its Subcontractor(s) will access, maintain, use, and disclose VHCURES data in compliance with HIPAA and all statutory, regulatory, and contractual requirements that apply to the data.

3. Data Referenced by this Agreement

The table below identifies the types of data that will be disclosed to Contractor (i.e., the Data Set):

FOR GMCB USE ONLY

File Type	Commercial Insurers	Medicaid	Medicare
Medical Eligibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medical Claims	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pharmacy Eligibility	<input type="checkbox"/>	<input type="checkbox"/>	Not applicable
Pharmacy Claims	<input type="checkbox"/>	<input type="checkbox"/>	Not applicable
Medical Eligibility- 5% Medicare National	Not	Not	<input type="checkbox"/>

Sample	applicable	applicable	
Medical Claims- 5% Medicare National Sample	Not applicable	Not applicable	<input type="checkbox"/>
<u>Medicare Part D Event</u> - VT Residents	Not applicable	Not applicable	<input type="checkbox"/>
<u>Medicare Part D Event</u> - 5% National Sample	Not applicable	Not applicable	<input type="checkbox"/>
Medicare <u>MEDPAR</u>	Not applicable	Not applicable	<input type="checkbox"/>

4. Permitted Uses and Disclosures

Contractor may only use and disclose the Data Set to perform Services, as specified in the underlying contract with the GMCB. Contractor's uses and disclosures of the Data Set must be limited to the minimum necessary to perform Services. Contractor shall not use or disclose the Data Set in any manner that would, if the Data Set were used or disclosed by the GMCB in that manner, constitute a violation of the Privacy Rule or the agreements the GMCB has entered into with CMS and DVHA. Contractor may not use or disclose the Data Set other than as permitted or required by this Agreement or as Required by Law.

Contractor may grant access to the Data Set to those of its employees who need access to the Data Set to perform Services, provided Contractor makes such employees aware of the use and disclosure restrictions in this Agreement and, through a IUA, binds them to comply with such restrictions. Contractor shall ensure that the GMCB has an IUA on file for each individual that will be given access to the Data Set. Contractor may only disclose the Data Set for the purposes authorized by this Agreement: (a) to its Agents and Subcontractors, (b) as otherwise permitted by this section.

Contractor shall be directly liable for its impermissible uses and disclosures of the Data Set, and for its Subcontractor(s)' impermissible uses and disclosures of the Data Set.

Contractor shall comply with any reasonable policies and procedures the GMCB implements with respect to VHCURES data.

5. Safeguards

Contractor, its Agent(s) and Subcontractor(s) shall implement and use appropriate safeguards to prevent the use or disclosure of the Data Set other than as provided for by this Agreement. With respect to any data that is maintained in or transmitted by electronic media, Contractor and its Subcontractor(s) shall comply with 45 CFR sections 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards) and 164.316 (policies and procedures and documentation requirements). Contractor and its Agent(s) and Subcontractor(s) shall identify in writing upon request all of the safeguards that it uses to prevent impermissible uses or disclosures of the Data Set.

6. Restrictions, Limitations, and Conditions of Use and Disclosure

Contractor will ensure compliance with the following restrictions, limitations, and conditions with respect to the Data Set:

- A. Contractor may not use, sell, disseminate, or otherwise disclose the Data Set or any derivative data, including statistical tabulations derived from the data,
 - i. in a manner that is contrary to law; or
 - ii. for purposes other than those expressly permitted by this Agreement, without the express written consent of the GMCB.
- B. Contractor may not disclose the identity of enrollees, members, beneficiaries, patients, employer groups, purchaser groups, or abortion services providers, and may not disclose any direct findings, listings, or other information that could be used to identify one or more of these individuals or groups.
- C. Contractor must obtain the express written approval of the GMCB before attempting to link the Data Set in any manner with other data containing personally identifiable information that may enable the identification of enrollees, members, beneficiaries, patients, employer groups, purchaser groups, providers of abortion services, or physicians.
- D. Contractor may not disclose, with or without direct physician identifiers, direct findings, listings, or information derived from Medicare data, if such findings, listings, or information can, by themselves or in combination with other data, be used to deduce a physician's total Medicare reimbursements.
- E. Prior to calculating aggregated values based on observations or elements, Contractor must censor any cell in a data table with a count of 10 or fewer along with another cell in the same row and another cell in the same column to prevent the identification of the cell with a count of 10 or fewer in a table.
- F. Contractor may not decrypt or attempt to decrypt any encrypted data for any purpose or disclose any information that has been encrypted or removed from the Data Set, except as required to perform under the contract and with express written approval of the GMCB.
- G. Contractor may not produce, publish, disseminate, or make public any information that could be used to determine or ascertain information about insurers or providers that would be deemed proprietary, such as the amount paid by identified insurers or to identified providers for individual procedure codes. This prohibition on public reporting is not applicable to reporting paid amounts at aggregate service levels such as service bundles, episodes of care, and other types of service aggregations.

6. Periodic Reporting

Contractor must file periodic reports, at times specified by the GMCB, with updated information on the status of each individual data user for whom an IUA has been filed; proposed new users who will require access to the Data Set and who will be filing IUAs prior to gaining access to the Data Set; and details about data disposition and location, as required by the GMCB.

7. Notification of Unauthorized Access, Uses and Disclosures; Mitigation

- A. Contractor must immediately report to the GMCB whenever it (or any of its employees or Agents) becomes aware and/or has an understanding that the Data Set has been accessed, used, or disclosed in a way that is not permitted by state or federal law or that otherwise violates the terms of this Agreement. Contractor must require each Subcontractor to immediately report to the Contractor whenever it becomes aware and/or has an understanding that the Data Set has been accessed, used, or disclosed in a way that is not permitted by state or federal law or that otherwise violates the terms of this Agreement.
- B. In addition to the requirements of subsection A of this section, Contractor must report any release, disclosure, or publication of personally identifiable information (PII) from Medicare data, including loss of these data or disclosure to any unauthorized persons, as a potential security or privacy breach to the GMCB and to the CMS Action Desk by telephone at (410) 786-2580 and by e-mail notification at cms_it_service_desk@cms.hhs.gov within one hour of the discovery of the breach by any individual data user, and must cooperate fully in the federal security incident process.
- C. Contractor must mitigate, to the extent practicable, any harmful effect that is known to it of an impermissible use or disclosure of the Data Set. Mitigation may include providing notices to affected individuals. Contractor shall draft and carry out a plan of corrective action to address any incident of impermissible use or disclosure of the Data Set. If requested by the GMCB, Contractor shall make its mitigation and corrective action plans available to the GMCB. Contractor shall require each Subcontractor to agree to these same terms and conditions.

8. Minimum Necessary

Contractor must limit access to the Data Set to the minimum number of individuals, data elements, and records necessary for Contractor perform Services, or, when disclosing the Data Set to a Subcontractor, for the Subcontractor to perform its obligations under the Subcontractor's agreement with Contractor.

9. Ownership

The Data Set is the sole property of the GMCB, or, where applicable, DVHA or CMS. Contractor has a license to use the Data Set pursuant to this Agreement only for the term established herein, and does not obtain any right, title, or interest in the Data Set.

10. Attribution

Contractor must acknowledge the GMCB and VHCURES as the source of the data in any public reports, publications, presentations, or other materials generated from the Data Set.

11. Termination of Individual Users' Access; Certificates of Destruction

Contractor must notify the GMCB at least fifteen (15) days prior to the date an individual user will no longer need access to the Data Set and follow procedures to ensure that the individual user's access has been terminated by this date.

Contractor must file certificates of data destruction with the GMCB for terminated users with data or data tables that were generated using the Data Set and were stored in distributed data systems external to Contractor.

12. Sub-Agreements

Contractor shall not assign any of its rights or obligations under this Agreement or the contract to which it is attached and may not disclose the Data Set to a Subcontractor without the prior written approval of the GMCB. Contractor must ensure that any Subcontractor to whom it provides the Data Set is bound by a written agreement to the same restrictions and conditions that apply to Contractor under this Agreement. The written agreement must identify the GMCB and, if the Data Set includes Medicaid data, DVHA, as direct and intended third-party beneficiaries with the right to enforce any breach of the agreement upon request.

In seeking the approval of the GMCB to disclose the Data Set to a Subcontractor, Contractor must provide the following information to the GMCB:

- A. an electronic copy of the agreement between Contractor and Subcontractor;
- B. an IUA for each proposed individual data user; and
- C. any other information requested by the GMCB.

13. Enforcement; Penalties

Contractor understands that: (a) there may be civil or criminal penalties for misuse or misappropriation of the Data Set (e.g., 18 V.S.A. § 9410; 33 V.S.A. § 1902a; and 42 U.S.C. §§ 1320d-5 and 1320d-6) and (b) violations of this Agreement may result in notification by the GMCB to law enforcement officials and regulatory, accreditation, and licensure organizations.

In addition to or in lieu of termination under section 17 of this Agreement, in the event that Contractor or an individual data user fails to adhere to the terms of this Agreement, the GMCB and, if the Data Set includes Medicaid and/or Medicare data, DVHA and/or CMS, may take any or all of the following actions: recall some or all of the data; revoke Contractor's permission to use the data; and pursue civil and criminal sanctions under applicable state and federal laws and regulations.

14. Location of Data Set

The Data Set may not be transmitted, stored, or transferred by any means outside the continental United States without the express written permission of the GMCB and, if applicable, DVHA.

15. Destruction of the Data Set; Certificates of Destruction

In connection with the expiration or termination of the contract, Contractor must ensure that the Data Set, in whatever form or medium in which it is maintained, is deleted, destroyed, or otherwise rendered unreadable, as directed by the GMCB. Contractor shall not retain any copies of the Data Set. Contractor shall certify that the Data Set has been deleted, destroyed, or otherwise rendered unreadable by submitting a written certificate of destruction to the GMCB.

Contractor shall provide the GMCB notification of any conditions that Contractor believes make the destruction of the Data Set infeasible. If the GMCB agrees that destruction is infeasible, Contractor shall extend the protections of this Agreement to the Data Set and limit further uses and disclosures of the Data Set to those purposes that make the destruction infeasible for so long as Contractor maintains the Data Set. This shall also apply to all Agents and Subcontractors of Contractor.

16. Books and Records.

Subject to the attorney-client and other applicable legal privileges, Contractor shall make its internal practices, books, and records (including policies and procedures and PHI) relating to the use and disclosure of the Data Set available to the Secretary of HHS in the time and manner designated by the Secretary. Upon request, Contractor shall make the same information available to the GMCB and, if the Data Set includes Medicaid data, DVHA.

17. Termination.

This Agreement commences on the Effective Date and shall remain in effect until terminated by the GMCB or until the Data Set and all data therein is destroyed.

If Contractor breaches any material term of this Agreement, the GMCB may either: (a) provide an opportunity for Contractor to cure the breach and, if Contractor does not cure the breach within the time specified by the GMCB, terminate the contract without liability or penalty; or (b) immediately terminate the contract without liability or penalty if the GMCB believes that cure is not reasonably possible. The GMCB has the right to seek to cure any breach by Contractor and this right, regardless of whether the GMCB cures such breach, does not lessen any right or

remedy available to the GMCB at law, in equity, or under the contract, nor does it lessen Contractor's responsibility for such breach or its duty to cure such breach.

18. Interpretation

Any ambiguity in this Agreement shall be resolved to permit the GMCB to comply with its legal and contractual obligations with respect to the Data Set.

In addition to applicable Vermont law, the parties shall rely on applicable federal law (e.g., HIPAA, the Privacy Rule and Security Rule, and the HIPAA omnibus final rule) in construing the meaning and effect of this Agreement.