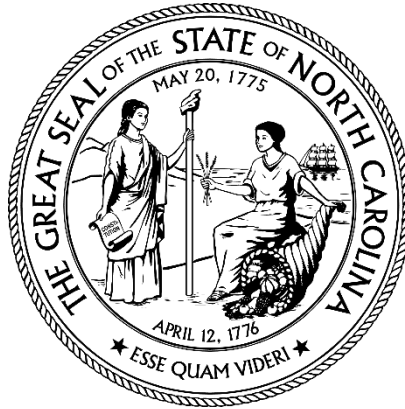


# **STATE OF NORTH CAROLINA**

**Department of Health and Human Services,**

**Division of Health Benefits**

**External Quality Review Organization Services**



## STATE OF NORTH CAROLINA

### Request for Proposal #: 30-190465-DHB

For internal Department processing, please provide your company's Federal Employer Identification Number or alternate identification number (e.g. Social Security Number). Pursuant to North Carolina General Statute 132-1.10(b), this identification number shall not be released to the public. **This page will be removed and shredded, or otherwise kept confidential**, before the procurement file is made available for public inspection.

**This page is to be filled out and returned with your Proposal.**

**ID Number:**

---

Federal ID Number or Social Security Number

---

Offeror Name



**STATE OF NORTH CAROLINA**  
**Department of Health and Human Services**

<b>Refer ALL Inquiries regarding this RFP to:</b>  Melissa Pressley Email: Melissa.Pressley@dhhs.nc.gov Phone: (919) 855-4966	<b>Request for Proposal # 30-190465-DHB</b>
	<b>Proposals will be opened: June 21, 2019 by 2:00PM</b>
	<b>Contract Type:</b> Open Market
	<b>Description:</b> External Quality Review Services
	<b>Using Agency:</b> Department of Health and Human Services, Division of Health Benefits
	<b>Requisition No.:</b> N/A

**EXECUTION**

In compliance with this Request for Proposal (RFP), and subject to all the conditions herein, the undersigned Offeror offers and agrees to furnish and deliver any or all items upon which prices are proposed, at the prices set opposite each item within the time specified herein. By executing this proposal, the Offeror confirms it has read, understands, and will comply with all specifications and requirements in the RFP and any addendums in the event of contract award. By executing this proposal, the undersigned Offeror certifies that this proposal is submitted competitively and without collusion (N.C. Gen. Stat. § 143-54), that none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (N.C. Gen. Stat. § 143-59.2), and that it is not an ineligible Contractor as set forth in N.C. Gen. Stat. § 143-59.1. False certification is a Class I felony. Furthermore, by executing this proposal, the undersigned certifies to the best of Offeror's knowledge and belief, that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency. As required by N.C. Gen. Stat. § 143-48.5, the undersigned Offeror certifies that it, and each of its subcontractors for any Contract awarded as a result of this RFP, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the Federal E-Verify system. N.C. Gen. Stat. § 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public Contract; or awarding or administering public Contracts; or inspecting or supervising delivery of the public Contract of any gift from anyone with a Contract with the State, or from any person seeking to do business with the State. By executing this proposal, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization. **Failure to execute/sign proposal prior to submittal shall render proposal invalid and it WILL BE REJECTED. Late proposals will not be accepted.**

OFFEROR:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & STATE & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE:		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF OFFEROR:		FAX NUMBER:
OFFEROR'S AUTHORIZED SIGNATURE:	DATE:	E-MAIL:

Offer valid for at least **two hundred ten (210) calendar days** from date of proposal opening unless extended by the State in writing. After this time, any withdrawal of offer shall be made in writing, effective upon receipt by the agency issuing this RFP.

**ACCEPTANCE OF RESPONSE**

If any or all parts of this proposal are accepted by the State of North Carolina, an authorized representative of the Department of Health and Human Services shall affix his/her signature hereto and this document and all provisions of this Request for Proposal along with the Offeror's proposal response and the written results of any negotiations shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful Offeror(s).

<b>FOR STATE USE ONLY:</b> Offer accepted and Contract awarded this ____ day of _____, 20____, by _____ . (Authorized Representative of DHHS, Division of Health Benefits).
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## Table of Contents

I.	INTRODUCTION .....	6
A.	Vision for North Carolina’s Medicaid Managed Care Program .....	6
B.	Background on North Carolina’s Medicaid Transformation .....	6
C.	Purpose of Request for Proposal (RFP) .....	7
II.	General Procurement Information and Notice to Offerors .....	8
A.	Important Notices .....	8
B.	General Procurement Information & Instructions .....	8
C.	Request for Proposal Functionality and Related Notices .....	9
D.	Schedule and Important Events .....	11
E.	Submission of Proposal and Offeror’s Response .....	12
F.	Confidentiality and Prohibited Communications During Evaluation .....	15
G.	Evaluation Process and Contract Award .....	17
III.	Definitions, Contract Term, General Terms and Conditions, Other Provisions and Protections.....	20
A.	Definitions .....	20
B.	Acronyms .....	23
C.	Contract Term .....	24
D.	Terms and Conditions .....	24
E.	Confidentiality, Privacy and Security Protections .....	37
F.	Public Records and Trade Secrets Protections .....	43
IV.	Minimum Qualifications.....	44
V.	Scope of Work and Requirements.....	44
A.	Contractor Project Plan and Approach.....	45
B.	Reporting Requirements, Deliverables, and Liquidated Damages .....	57
C.	Failure to Meet Reporting Requirements and Liquidated Damages .....	66
D.	Value-Added Services .....	67
E.	Qualifications, Staffing Plan, and Personnel Requirements .....	67
F.	Data Exchange and Web Portal .....	68
VI.	Contract Administration .....	69
A.	Duty to Report Flagrant Quality of Care Issues .....	69
B.	Transition Plan .....	69
C.	Post-Award Activities .....	69
VII.	Attachments.....	70
	ATTACHMENT A: MINIMUM QUALIFICATIONS TABLE .....	70
	ATTACHMENT B: TECHNICAL PROPOSAL .....	72
	ATTACHMENT C: COST PROPOSAL .....	97
	ATTACHMENT D: CLIENT REFERENCES .....	103

ATTACHMENT E: CONTRACT ADMINISTRATORS ..... 104  
ATTACHMENT F: CERTIFICATION OF FINANCIAL CONDITION AND LEGAL ACTION SUMMARY ..... 106  
ATTACHMENT G: DISCLOSURE OF LITIGATION AND CRIMINAL CONVICTIONS ..... 108  
ATTACHMENT H: LOCATION OF WORKERS UTILIZED BY THE CONTRACTOR ..... 109  
ATTACHMENT I: IDENTIFICATION OF SUBCONTRACTORS ..... 111  
ATTACHMENT J: BUSINESS ASSOCIATE AGREEMENT ..... 112  
ATTACHMENT K: STATE CERTIFICATIONS..... 115  
ATTACHMENT L: FEDERAL CERTIFICATIONS AND DISCLOSURES ..... 117  
ATTACHMENT M: REQUEST FOR PROPOSED MODIFICATIONS TO THE TERMS AND CONDITIONS..... 125  
ATTACHMENT N: NORTH CAROLINA MEDICAID MANAGED CARE QUALITY METRICS ..... 126  
ATTACHMENT O: NORTH CAROLINA MEDICAID MANAGED CARE NETWORK ADEQUACY STANDARDS..... 144  
ATTACHMENT P: NORTH CAROLINA MEDICAID AND HEALTH CHOICE HISTORICAL ENROLLMENT ..... 152

## I. INTRODUCTION

### A. Vision for North Carolina's Medicaid Managed Care Program

1. North Carolina is transitioning its Medicaid and NC Health Choice programs' (Medicaid) care delivery system for most beneficiaries and services from a predominately Medicaid Fee-for-Service model to a Medicaid Managed Care model, as directed by the North Carolina General Assembly. Through Medicaid Managed Care, the Department seeks to advance integrated and high-value care, improve population health, engage and support providers, and establish a sustainable program with more predictable costs.
2. The Department's goal is to improve the health of all North Carolinians through an innovative, whole-person centered, and well-coordinated system of care, which addresses both medical and non-medical drivers of health.
3. To evaluate and validate the quality of delivered services by Prepaid Health Plans ("PHP"), an external quality review organization ("EQRO") will perform an external quality review ("EQR"), which is the analysis and evaluation of aggregated information on quality, timeliness, and access to the health care services that PHPs, or their subcontractors, furnish to Medicaid members.
4. The Department has a contract with an EQRO to provide external quality reviews of the Department's Local Management Entities/Managed Care Organizations ("LME/MCOs") that are providing mental health, intellectual and developmental disability, and substance use services to North Carolinians. The scope of this RFP **excludes** external quality reviews for the Department's LME/MCOs.

### B. Background on North Carolina's Medicaid Transformation

1. In September 2015, the North Carolina General Assembly ("General Assembly") enacted North Carolina Session Law 2015-245<sup>1</sup> directing the transition of North Carolina's Medicaid program from a predominantly Fee-for-Service model to a predominantly Managed Care model.<sup>2 3</sup> North Carolina State law requires the North Carolina Department of Health and Human Services ("Department"), through its Division of Health Benefits ("DHB"), to implement the Medicaid Managed Care program.
2. As directed by the General Assembly, the Department will delegate direct management of physical health, Behavioral Health, and pharmacy services, and financial risks to PHPs. PHPs will receive a monthly, actuarially sound capitated payment and will contract with providers to deliver health services to their Members. The Department will monitor and oversee the

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<sup>1</sup> Session Law 2015-245 has been amended by Session Law 2016-121; Section 11H.17.(a) of Session Law 2017-57, Part IV of Session Law 2017-186; Section 11H.10.(c) of Session Law 2018-5; Sections 4-6 of Session Law 2018-49; and Session Law 2018-48.

<sup>2</sup> Currently, a managed care delivery system exists for Behavioral Health and intellectual and developmental disabilities through contracts between the Department and local management entities/managed care organizations (LME/MCOs).

<sup>3</sup> References to the fee-for-service reimbursement model throughout the RFP refers primarily to physical health services.

administrative, operational, clinical, and financial function of the PHPs to ensure adherence to the PHP's contract and the Department's expectations.

3. Beginning with the launch of Medicaid Managed Care, most North Carolina Medicaid and NC Health Choice populations will be enrolled in PHPs on a mandatory basis.
4. There will be some exceptions to mandatory enrollment for certain populations. These populations will be better served outside of Medicaid Managed Care, at least initially. These populations will be either (a) exempt from Medicaid Managed Care meaning the Beneficiary may choose to enroll in either fee-for-service or Medicaid Managed Care, or (b) excluded meaning Beneficiaries will be required to remain enrolled in Medicaid's fee-for-service program and do not have the option to enroll in Medicaid Managed Care.
  - a) The Department will exempt the following populations from Medicaid Managed Care until Behavioral Health Intellectual/Developmental Disability Tailored Plans ("Tailored Plans") are available:<sup>4</sup> Beneficiaries (i) with a serious mental illness, a serious emotional disturbance, a severe substance use disorder, or an intellectual/developmental disability; or Beneficiaries who have survived a traumatic brain injury and are receiving traumatic brain injury services or Beneficiaries who are on the waiting list for the Traumatic Brain Injury waiver, or whose traumatic brain injury otherwise is a knowable fact.
  - b) The Department intends for Tailored Plans to be operational at the start of the fiscal year one year following the implementation of the first contracts for Standard Benefit Plans.
  - c) As required in Section 4(10) a.5. of Session Law 2015-245, as amended by HB 403, PHPs include Local Management Entities/Managed Care Organizations (LME/MCO) operating Tailored Plans.
5. Pursuant to Session Law 2015-245, as amended, the Department has entered into capitated contracts with four Commercial Plans (CPs) and one Provider-Led Entity (PLE), collectively referred to as PHPs. Through these contracts and upon Medicaid Managed Care launch, the PHPs will offer Standard Benefit Plans. Standard Benefit Plans are Medicaid Managed Care plans that will provide integrated physical health, Behavioral Health, and pharmacy services to most Medicaid and Health Choice Beneficiaries, including adults and children.
6. The Department has defined six (6) Medicaid Managed Care Regions, called PHP Regions, within North Carolina. See *Attachment P*.

### C. Purpose of Request for Proposal (RFP)

1. The purpose of this Request for Proposal (RFP) is to solicit proposals from Offerors who can provide all EQR activities, duties, and responsibilities for the Department's Medicaid Managed Care contracted PHPs, as detailed in this RFP.
2. The external quality review process consists of mandatory and optional activities. Each of these activities has a corresponding CMS protocol. At the time of the RFP's release, CMS protocols 1 through 3 are mandatory, and CMS protocols 4 through 8 are optional. The Department has the sole discretion to add the "optional" services at any time during the term of the Contract. The

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<sup>4</sup> Section 4.(5) of Session Law 2015-245, as amended by Session Law 2018-48.

Contractor will be responsible for producing those related reports and deliverables when an “optional” service becomes required by the Department.

3. The successful Offeror will be responsible for providing the total inclusive, turnkey costs associated with the services to be provided as part of this RFP and any subsequent contract, including postage and travel.

## II. General Procurement Information and Notice to Offerors

### A. Important Notices

1. **Read, Review, and Comply:** It is the Offeror’s responsibility to read this entire document, review all attachments and appendices, and comply with all instructions specified herein.
2. **Execution of Proposal:** Failure to sign the Execution Page (Page 3) in the indicated space or return all attachments, completed, and signed where required, may render the proposal non-responsive, and it may be rejected.
3. **Resulting Contract:** Under the Department’s procurement process, any contract resulting from this RFP will consist of the RFP and the Offeror’s response, along with any addenda to the RFP, written clarifications, best and final offer (BAFO), and negotiation documents. The Contractor will be obligated to perform services as proposed in its offer, unless otherwise modified by clarification, BAFO, negotiation, or Contract Amendment, or superseded by a document with higher order of precedence. See *Section III.D.19. Entire Agreement and Order of Precedence* for more information and the order of precedence of the Contract documents and *Section II.C. Request for Proposal Functionality and Related Notices* for more information on the RFP, changes in specifications, and instructions regarding modifications to the Terms and Conditions.
4. **Negotiations:** The Department reserves the right to enter into negotiations with any Offeror to establish a contract that is in the best interest of the Department. Such negotiations are at the Department’s sole discretion and may result in modifications to the RFP and/or Offeror’s proposal and response to the RFP.
5. **Questions:** Questions concerning this RFP must be submitted in writing by **May 24, 2019 at 12:00PM ET**. See *Section II.D.2. Offeror Questions Concerning this Request for Proposal* for details and instructions.
6. **Submission of Proposals** will be accepted until **June 21, 2019 at 2:00 PM ET**. See *Section II.E. Submission of Proposal and Offeror’s Response* for details and instructions.

### B. General Procurement Information & Instructions

1. **INFORMATION AND DESCRIPTIVE LITERATURE:** The Offeror shall furnish all information requested as part of this RFP. Each Offeror shall submit, with its proposal, detailed narratives, diagrams, exhibits, examples, sketches, descriptive literature, complete specifications, etc. to support the services and products offered.
2. **RECYCLING AND SOURCE REDUCTION:** It is the policy of the State to encourage and promote the purchase of products with recycled content to the extent economically practicable, and to purchase items which are reusable, refillable, repairable, more durable, and less toxic to the extent that the purchase or use is practicable and cost-effective. The State also encourages and promotes using



minimal packaging and the use of recycled/recyclable products in the packaging of commodities purchased. However, no sacrifice in quality of packaging will be acceptable. The Offeror remains responsible for providing packaging that will adequately protect the commodity and contain it for its intended use. Offerors are strongly urged to bring to the attention of purchasers those products or packaging they offer which have recycled content and that are recyclable.

3. **SUSTAINABILITY:** To support the sustainability efforts of the State of North Carolina, the Department solicits the cooperation of Offerors in this effort. Pursuant to Executive Order 156 (1999), it is desirable that all proposals meet the following:
  - a. All copies of the proposal are printed double-sided;
  - b. All submittals and copies are printed on recycled paper with a minimum post-consumer content of thirty percent (30%);
  - c. Unless necessary, all proposals and copies should minimize or eliminate use of non-recyclable or non-reusable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable; and
  - d. Materials should be submitted in a format which allows for easy removal, filing and/or recycling of paper and binder materials. Use of oversized paper is strongly discouraged unless necessary for clarity or legibility.
4. **HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to G.S. § 143-48 and Executive Order 150 (1999), the Department invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises, and nonprofit work centers for the blind and severely disabled.
5. **MISCELLANEOUS:** Pronouns, whether masculine, feminine, or gender-non-specific, shall be read to be inclusive of all genders and shall be read to include the plural and vice versa.
6. **INFORMAL COMMENTS:** The Department shall not be bound by informal explanations, instructions or information given at any time by anyone on behalf of the Department prior to or during the competitive process or after award. The Department is bound only by information provided in this RFP and in formal Addenda issued.
7. **COST FOR PROPOSAL PREPARATION:** Any costs incurred by an Offeror in preparing or submitting proposals are the Offeror's sole responsibility. The Department will not reimburse any Offeror for any costs incurred prior to award.
8. **OFFEROR'S REPRESENTATIVE:** Each Offeror shall submit with its proposal the name, title, email address, physical address, and telephone number of the person(s) with authority to bind the Offeror and answer questions or provide clarification concerning the Offeror's proposal. This information must be included in the Offeror's proposal and response.
9. **INSPECTION AT OFFEROR'S SITE:** The Department reserves the right to inspect, at a reasonable time, the equipment/item, plant, or other facilities of a prospective Offeror prior to Contract Award, and during the Contract Term as necessary for the Department determination that such equipment/item, plant or other facilities conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the Contract.

## C. Request for Proposal Functionality and Related Notices

### 1. RFP Functionality

- a. This RFP serves two functions:
  - i. Defines the specifications of the services which are sought by the Department and are to be provided by the Offeror; and

- ii. Provides the requirements and terms of any contract resulting from this procurement.
  - b. All Terms and Conditions in this RFP shall be enforceable. The use of phrases such as “shall”, “will”, “must”, and “required” and “requirements” are intended to create enforceable Contract conditions. In determining whether proposals should be evaluated or rejected, the Department will take into consideration the degree to which the Offeror has proposed or failed to propose solutions that are responsive to the Department’s needs as described in this RFP.
- 2. Notices Regarding RFP and Terms and Conditions**
- a. It is the Offeror’s responsibility to read the instructions, Terms and Conditions, specifications, requirements, attachments and appendices, and any other components made a part of this RFP and comply with all instructions and directives. The Offeror is responsible for obtaining and complying with all Addenda and other changes that may be issued relating to this RFP.
  - b. All questions and issues regarding any term, condition, instruction or other component within this RFP must be submitted in accordance with *Section II.D.2. Offeror Questions Concerning this Request for Proposal*. If the Department determines any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an RFP Addendum posted on the State’s Interactive Purchasing System (IPS) website at <https://www.ips.state.nc.us>. The Department may also elect to leave open the possibility for later negotiation and amendment of specific provisions of the Contract that have been raised during the question and answer period. Other than through this process, and except as provided in *Section II.C. Request for Proposal Functionality and Related Notices*, the Department rejects and will not be required to evaluate or consider any additional or modified Terms and Conditions submitted with the Offeror’s proposal. This applies to any language appearing in or attached to the RFP document as part of the Offeror’s proposal that purports to vary any Terms and Conditions, or Offeror’s Instructions therein to render the proposal non-binding or subject to further negotiation.
  - c. The Offeror’s proposal to this RFP shall constitute a firm offer. **By execution and delivery of a proposal to this RFP, the Offeror agrees that any additional or modified terms and conditions, whether submitted purposely or inadvertently, or any purported condition to the offer, shall have no force or effect, and will be disregarded. Noncompliance with, or any attempt to alter or delete, this paragraph shall constitute sufficient grounds to reject the Offeror’s proposal.**
- 3. Proposed Modifications to Terms and Conditions**
- a. Offerors are urged and cautioned to inquire during the question period, in accordance with the instructions in this RFP, about whether specific language proposed as a modification is acceptable to or will be considered by the Department.
  - b. Identification of objections or exceptions to the Terms and Conditions in the proposal itself shall not be allowed and shall be disregarded or the proposal rejected.
  - c. If the Offeror wishes to suggest changes to any of the Terms and Conditions included in *Section III. Definitions, Contract Term, General Terms and Conditions, Other Provisions and*

*Protections. D through F of this RFP, those must be submitted in Attachment M. Request for Proposed Modifications to the Terms and Conditions.* The Department, in its sole discretion, may consider any proposed modifications identified by the Offeror. Where necessary, any modification(s) to the Terms and Conditions agreed upon by the Department may be incorporated as part of an Addendum to the RFP, BAFO, clarification, negotiation document, execution of Contract, or Contract amendment after award. Other than through this process, the Department rejects and shall not be required to evaluate or consider any additional or modified Terms and Conditions or Instructions included in the Offeror's proposal.

4. **Changes to Requirements and Specifications Prior to the Submission of Offeror's Proposal:**
  - a. The Offeror is cautioned that the requirements of this RFP can only be altered by written Addendum issued by the Department, and that oral or emailed communications from any other source(s) is (are) of no effect.
  - b. The Department reserves the right to modify any specification contained herein without modifying the timelines in this RFP. Any modification to specifications will be specified in an Addendum posted on the IPS website.

5. **Right Reserved**

The Offeror is cautioned that this is a Request for Proposal, not a request to contract, and the Department reserves the unqualified right to reject all offers deemed failing to meet minimum qualifications, not responsive, incomplete, or non-compliant with the requirements described herein; or when such rejection is deemed to be in the best interest of the Department or the State of North Carolina. In the event all proposals are rejected, and the Department enters into negotiations pursuant to 01 NCAC 05B .0503 the Department reserves the right to award a contract to the Offeror, which, in its opinion, has made the best proposal through the negotiation process.

The Department may also:

- a. Modify provisions of this RFP in response to changes in law or as required by CMS;
- b. Waive any formality;
- c. Waive a specification or requirement of the RFP if it is in the best interest of the Department;
- d. Negotiate directly with one or more Offerors, if the responses to this solicitation demonstrate a lack of competition, or offers are found non-responsive;
- e. Cancel this RFP at any time. Notice of Cancellation will be posted on the IPS website; and/or

D. **Schedule and Important Events**

1. The Department will make every effort to adhere to the schedule detailed below in *Section II.D. Table 1. RFP Schedule*. The Department reserves the right to adjust the schedule and will post an Addendum on the IPS website.

Section II.D. Table 1: RFP Schedule		
Activity	Responsible Party	Due Date
Issue Request for Proposal	Department	May 17, 2019
Deadline to Submit Written Questions to the Department	Offeror	May 24, 2019 by 12:00PM ET
Issue Addendum with Responses to Offerors' Questions	Department	June 7, 2019
Deadline to Submit Proposals	Offeror	June 21, 2019 by 2:00PM ET
Conduct Evaluation of Proposals	Department	June 21, 2019 through August 20, 2019
Contract Award	Department	August 27, 2019

2. Offeror Questions Concerning this Request for Proposal

- a. Written questions concerning this RFP will be received until the date and time indicated in *Section II.D. Table 1: RFP Schedule*.
- b. Questions **must** be sent via email to the individual identified on page 3 of this RFP. Insert "Questions RFP # 30-190465-DHB" as the subject for the email. Questions submittals should include a reference to the applicable RFP section and be submitted in a format shown below:

RFP Section	RFP Page Number	Offeror Question
<i>Example: V.A.1</i>	<i>Page Number</i>	<i>Offeror question...?</i>

- c. The Department will prepare responses to all written questions submitted by the stated deadline in *Section II.D. Table 1: RFP Schedule* and post an Addendum on the IPS website. The Offeror is cautioned that contacting anyone other than the Contract Specialist noted on the Execution Page (Page 3) of this RFP may be grounds for rejection of said Offeror's response.

E. Submission of Proposal and Offeror's Response

1. Consideration

- a. The Offeror must meet all the Minimum Qualifications of this RFP, as defined in *Section IV. Minimum Qualifications and Attachment A*, for its proposal to be evaluated.
- b. Offeror's proposal must clearly demonstrate compliance with all the requirements stated within this RFP. The Department reserves the right to reject proposals deemed incomplete, non-responsive, or non-compliant with the RFP requirements; or when such

rejection is deemed to be in the best interest of the Department or the State of North Carolina.

- c. The Offeror must demonstrate it will comply with the Scope of Work and Requirements in this RFP and must provide a detailed description to demonstrate its ability to completely fulfill each requirement.

## 2. Responses to RFP Requirements and Scope of Services

- a. The Offeror must complete and return all documents and attachments as required in the RFP. Failure to complete and return all documents and attachments as indicated may result in disqualification.
- b. The proposal must clearly articulate and address all requirements of this RFP. The Offeror must provide a detailed narrative description with supporting information that may include diagrams, exhibits, examples, samples, sketches, descriptive literature, etc.
- c. The Offeror must describe any limitations, qualifications, or contingences impacting the ability to perform as required by the RFP.
- d. The Offeror must not include any assumptions in its proposal. The Offeror should seek clarity on any questions or concerns during the defined question period for this RFP.

## 3. Required Proposal Documents

To demonstrate the Offeror is qualified to meet the ongoing demands of the Department and comply with federal and state requirements, the Offeror is required to return the following documents, completed and signed where indicated, with their RFP response, the entirety of which shall be called the *Offeror's EQRO Program Proposal*:

- i. Completed Offeror Name and Tax ID Number page;
- ii. Completed and signed Execution Page;
- iii. The entire body of this RFP, and signed receipt pages of any addenda released in conjunction with the RFP;
- iv. Qualifications, Experience, and Adherence to RFP Requirements and Specifications shall be detailed in Offeror's response to *Attachment A: Minimum Qualifications Table*.
- v. Completed *Attachment B: Offeror's Technical Proposal* to address all requirements and specifications identified within this RFP;
- vi. Completed *Attachment C: Offeror's Cost Proposal*, inclusive of all costs associated with the services to be provided as part of this RFP and any resulting contract;
- vii. Three (3) references pursuant to *Attachment D: Client References*. These entities will be contacted and asked to respond to questions developed by the Department regarding Offeror's performance of services similar to those outlined in this RFP;
- viii. Completed *Attachment E: Contract Administrators*.

- ix. The Offeror must submit the required documents and information as part of *Attachment F: Certification of Financial Condition and Legal Action Summary* to demonstrate its financial stability;
- x. Litigation and criminal convictions are addressed in *Attachment G: Disclosure of Litigation and Criminal Convictions*
- xi. Complete *Attachment H: Location of Workers Utilized by the Contactor*;
- xii. The Offeror must identify all subcontractors in *Attachment I: Identification of Subcontractors*;
- xiii. The Offeror must review and sign *Attachment J: Business Associate Agreement*;
- xiv. The Offeror must review, complete, and sign the State and Federal Certifications in *Attachment K: State Certifications* and *Attachment L: Federal Certifications and Disclosures*; and
- xv. Include all of the Attachments A through P.

**Offerors may request MS Word and Excel versions of documents and attachments required for proposal submission from [melissa.pressley@dhhs.nc.gov](mailto:melissa.pressley@dhhs.nc.gov).**

**4. Proposal Submission and Number of Copies**

Sealed responses of the Offeror’s proposal, subject to the conditions made a part hereof and the receipt requirements described herein, must be received at the address indicated below:

Section II.E.4 Table 1: Proposal Submission Address	
MAILING ADDRESS FOR DELIVERY OF PROPOSAL VIA U.S. POSTAL SERVICE	OFFICE ADDRESS FOR DELIVERY BY ANY OTHER MEANS, SPECIAL DELIVERY, OVERNIGHT DELIVERY, OR BY ANY OTHER CARRIER
PROPOSAL NUMBER: 30-190465-DHB Attn: Melissa Pressley Department of Health and Human Services Office of Procurement and Contract Services 2008 Mail Service Center Raleigh, NC 27699-2008	PROPOSAL NUMBER: 30-190465-DHB Attn: Melissa Pressley Department of Health and Human Services Office of Procurement and Contract Services 801 Ruggles Drive Raleigh, NC 27603-2001

The Offeror **must** deliver the following simultaneously to the address identified above by the deadline to submit proposals in *Section II.D. Table 1: RFP Schedule*.

- a. Hard Copies:
  - (i) One (1) signed, original executed response of Offeror’s Proposal with the Technical Proposal and Cost Proposal each submitted separately; and
  - (ii) Ten (10) copies of copies of the signed, originally executed response with copies of the Technical Proposals and Cost Proposals each submitted separately.
- b. Electronic Copies:

- i. One (1) copy of the signed, original executed **Offeror's Proposal** with the Technical Proposal and Cost Proposal **each** submitted on a separate flash drive marked **RFP 30-190465-DHB – Offeror's Name – Name of Document (i.e. Technical Proposal, Cost Proposal)**. For clarity, there should be two (2) flash drives submitted to be compliant with this section.
- ii. One (1) copy of the signed, original executed Offeror's Proposal redacted in accordance with G.S. § 132, the Public Records Act, on a separate CD, DVD, or flash drive **RFP 30-190465-DHB – Offeror's Name - Redacted**. For the purposes of this RFP, redaction means to edit a document by obscuring or removing information that is considered confidential and proprietary by the Offeror and meets the definition of Confidential Information set forth in G.S. § 132-1.2. Any information removed by the Offeror should be replaced with the word "Redacted". If the response does not contain Confidential Information, Offeror should submit a signed statement to that effect."
- iii. The electronic copies of the response must not be password protected.

**IMPORTANT NOTE:** It is the responsibility of the Offeror to have the above documents and electronic copies physically in the Office provided above by the specified time and date of opening, regardless of the method of delivery. **This is an absolute requirement.** The time of delivery will be marked on each proposal when received, and any proposal received after the submission deadline **will not be accepted or evaluated**. All risk of late arrival due to unanticipated delay, whether delivered by hand, U.S. Postal Service, courier or other delivery service or method, is entirely on the Offeror. Note that the U.S. Postal Service generally does not deliver mail to the street address above, but to the State's Mail Service Center stated above. The Offeror is cautioned that proposals sent via U.S. Mail, including Express Mail, may not be delivered by the Mail Service Center to the Contract and Contract Specialist named in *Section II.E.4 Table 1* of this RFP by the due date and time to meet the proposal submission deadline. The Offeror is urged to take the possibility of delay into account when submitting a proposal.

#### 5. **Falsified Information**

If it is determined that the Offeror has withheld relevant or provided false information, the Department shall remove an Offeror from consideration for this RFP and may initiate proceedings to debar an Offeror from future participation in the offer process and contract award as authorized by North Carolina law.

### F. Confidentiality and Prohibited Communications During Evaluation

1. As provided for in the North Carolina Administrative Code (NCAC), including but not limited to 01 NCAC 05B.0210, 09 NCAC 06B .0103 and 09 NCAC 06B .0302, all information and documentation relative to the development of a contractual document for a proposed procurement or contract shall be deemed confidential in nature. In accordance with these and other applicable rules and statutes, such materials shall remain confidential until the award of a contract or until the need for the procurement no longer exists. Any proprietary or confidential information, which conforms to exclusions from public records as provided by G.S. § 132, **must be clearly marked as such and reflected in the redacted copy submitted on**

**RFP 30-190465-DHB -Redacted as applicable.** By submitting a redacted copy, the Offeror warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors, that the portions marked **Confidential** and/or **Redacted** meet the requirements of N.C.G.S. § 132. The Offeror must identify the legal grounds for asserting that the information is confidential, including the citation to state law. **However, under no circumstances shall price information be designated as confidential.**

2. Except as otherwise provided above, pursuant to G.S. § 132-1, et seq., information or documents provided to the Department in response to this RFP are Public Record and subject to inspection, copy and release to the public unless exempt from disclosure by statute, including, but not limited to, N.C.G.S. § 132-1.2. Redacted copies provided by the Offeror to the Department may be released in response to public record requests without notification to the Offeror.
3. During the period spanning the issuance of the RFP and Contract Award, possession of proposals, accompanying information, and subsequent negotiations are limited to personnel of the Department and any third parties involved in this procurement process.
4. Each Offeror submitting a proposal, including its representatives, subcontractors, and suppliers, is prohibited from having any communications with any person inside or outside the using agency, issuing agency, other government agency office, or body, including the purchaser named above, department secretary, agency head, members of the General Assembly and Governor's office, or private entity, if the communication refers to the content of Offeror's proposal or qualifications, the content of another Offeror's proposal, another Offeror's qualifications or ability to perform the contract, and/or the transmittal of any other communication of information that could be reasonably considered to have the effect of directly or indirectly influencing the evaluation of proposal and/or the award of the contract. An Offeror not in compliance with this provision shall be disqualified from Contract Award, unless it is determined in the Department's discretion that the communication was harmless, that it was made without intent to influence and that the best interest of the Department would not be served by the disqualification. An Offeror's proposal may be disqualified if its subcontractor and supplier engage in any of the foregoing communications during the time that the procurement is active (*i.e.*, the issuance date of the procurement until the date of the Contract award). Only those discussions, communications or transmittals of information authorized or initiated by the issuing agency for this RFP or general inquiries directed to the purchaser regarding requirements of the RFP (prior to proposal submission) or the status of the Contract Award (after submission) are excepted from this provision.
5. The Department may serve as custodian of Offeror's confidential information and not as an arbiter of claims against Offeror's assertion of confidentiality. If an action is brought pursuant to G.S. § 132-9 to compel the Department to disclose information marked confidential, the Offeror agrees that it will intervene in the action through its counsel and participate in defending the Department, including any public official(s) or public employee(s). The Offeror agrees that it shall hold the Department, State of North Carolina, and any official(s) and individual(s) harmless from all damages, costs, and attorneys' fees awarded against the Department in the action. The Department agrees to promptly notify the Offeror in writing of any action seeking to compel the disclosure of Offeror's confidential information. The Department shall have the right, at its option and expense, to participate in the defense of the action through its counsel. The Department shall have no liability to Offeror with respect



to the disclosure of Offeror's confidential information ordered by a court of competent authority pursuant to G.S. § 132-9 or other applicable law.

## G. Evaluation Process and Contract Award

A one-step opening will commence on the date and time responses are unsealed, as defined in this RFP, and the Department's evaluation process will commence in accordance with the method, process, and scoring/weighting criteria stated herein.

### 1. Evaluation Committee and Method

- a. An Evaluation Committee (Committee) will be established to review each Offeror's proposal and make award recommendations. The Department may designate other individuals or subject matter experts to assist in the evaluation process. The Department reserves the right to alter the composition of the Committee or designate other staff or contractors to assist in the process.
- b. The Committee will review and evaluate all qualified responses submitted by the deadlines specified in this RFP. The Committee will be responsible for the entire evaluation process, including any clarifications, negotiations, and BAFOs, and scoring will be determined by consensus.

### 2. Evaluation Process: The following descriptions are to provide general information about the Department's evaluation process. The Department reserves the right to modify the evaluation process, including the order or content of the evaluation phases:

- a) The Committee will review each Offeror's proposal to validate all required proposal documents are included and completed, and all Instructions to Offerors have been followed. Failure to adhere to these requirements may render the Offeror's response incomplete and may be grounds for rejection during any part of the evaluation process.
- b) The Committee will determine if Minimum Qualifications are met as required in *Section IV. Minimum Qualifications*. If the Offeror does not provide the required information, or the Department determines that the Offeror does not meet the Minimum Qualifications, that Offeror's response may be excluded from further consideration and evaluation if Minimum Qualifications are not met or at any time during the evaluation process if not identified during the determination of whether Minimum Qualifications were met.
- c) The Committee will review and evaluate the Offeror's Technical and Cost Proposals. Each Offeror should exercise due diligence to ensure their response is consistent with the instructions, clearly written and addresses all requirements and questions of this RFP.
- d) The Committee will make an award recommendation. Upon approval of the recommendation by the Department, the Notice of Award will be issued with the Department executing a Contract with the successful Offeror.
- e) **Clarifications, Negotiations, and BAFOs:**
  - i. The Department reserves the right to request Clarifications at any time from any Offeror, and such Clarifications must be submitted in writing to the Offeror to

respond. However, the Department *is not required* to request Clarifications from any Offeror, and Offerors should exercise due diligence to ensure its response is clear and addresses all the requirements and specifications of the RFP.

- ii. The Department reserves the right to enter into negotiations with any Offeror to establish a contract that is in the best interest of the Department. Such negotiations may result in modifications to the RFP and/or Offeror’s proposal and response.
  - iii. The Department may issue a BAFO request to any Offeror, requesting one or more Offerors change its (their) initial offer(s).
- f) **In-Person or Oral Presentations:** The Department reserves the right to request in-person or oral presentations from any Offeror as part the Committee’s evaluation of proposals. In-person presentations shall be conducted in Raleigh, NC at a site chosen by the Department. Oral presentations may be conducted by conference call. The presentations will address specific topics provided in advance to the Offeror. However, the Department *is not required* to request in-person or oral presentations from any or all Offerors and may limit any presentations only to those Offerors which are deemed competitive. Additional details regarding the scheduling of the in-person or oral presentations will be provided to selected Offerors by the Department upon determination that such presentation is needed. The Offeror is solely responsible for any costs associated with making in-person or oral presentations, including but not limited to travel and the preparation of additional materials

**3. Scoring, Criteria, and Overall Weights**

- a. The Department will evaluate the Offeror’s EQRO Proposal for completeness and reasonableness and to determine if it complies with the instructions in the RFP.
- b. The Department will determine if Offeror meets the following minimum qualifications:

Section II.G.3.b. Table 1: Minimum Qualifications	
1.	Offeror shall confirm it accepts all Terms and Conditions of this RFP as required in <i>Section III.D.-F</i> of this RFP. Offeror may request modifications per the instructions in <i>Section II.C.3.</i> and acknowledges these are not part of any subsequent Contract unless explicitly accepted by the Department in accordance with <i>Section II.C.3.</i>
2.	The Offeror complies with the qualifications of external review organizations in accordance with 42 C.F.R. § 438.354.
3.	<p>The Offeror has at least five (5) years’ experience in:</p> <ul style="list-style-type: none"> <li>a. Performing EQR activities, as described in 42 C.F.R. § 438.358 and 438.364;</li> <li>b. Data management and analysis; and</li> <li>c. Statistical methodologies, techniques, and procedures in support of quality improvement.</li> </ul> <p>The required five (5) years of Offeror’s experience must be within the past eight (8) years of the date this RFP is issued by the Department.</p>

**Section II.G.3.b. Table 1: Minimum Qualifications**

4.	The Offeror is Federally designated by the Centers for Medicaid and Medicare Services (CMS) as a Quality Improvement Organization (QIO) or on the list of QIO-like entities as of the date of this RFP issuance.
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c. The Offeror’s response will be evaluated and scored on several factors. The Offeror’s proposal and response will be scored based on an overall weighted point scale developed by the Department.

4. Scoring of proposals will reflect the following percentages:

Scoring Criteria	Scoring Percentages
<b>Technical Proposal</b>	
<b>Section V.A.</b> Proposed Work Plan and Approach	30%
<b>Section V.B. and V.C.</b> Required Reports, Activities, and Deliverables	30%
<b>Section V.E.</b> Qualifications, Staffing Plan, and Personnel Requirements	20%
<b>Attachment D.</b> References	5%
<b>Total Technical Proposal</b>	85%
<b>Cost Proposal</b>	15%
<b>Total</b>	100%

4. Contract Award

Upon conducting a comprehensive, fair, and impartial evaluation of the proposals received in response to this RFP, the Department reserves the right to award a Contract. Upon award, the Department will sign the “*Acceptance of Proposal*” found at the bottom of the Execution of Proposal Section or require the signing of an Execution of Contract, thus resulting in the formation of the Contract(s). Within two (2) business days after notification of award, the Offeror must register in NC E-Procurement @ Your Service. See <http://vendor.ncgov.com>.

5. Protest Procedures:

a) If an Offeror wishes to protest any Contract awarded as a result of this solicitation, the Offeror shall submit a written request addressed to contact identified in *Section II.E.4 Proposal Submission and Number of Copies*. The protest request must include two (2) hardcopies and an electronic copy and be received in the proper office within thirty (30) Calendar Days from the Contract award. Protest letters shall contain specific grounds and reasons for the protest, how the protesting party was harmed by the award made and any documentation providing support for the protesting party’s claims. **Note:** Contract Award notices are sent only to the Offeror awarded the Contract, and not to every person or firm responding to a solicitation. Proposal status and Award notices are posted on the Internet at <https://www.ips.state.nc.us/ips/>. All protests will be handled following the process defined in the North Carolina Administrative Code, 01 NCAC 05B.1519, except as

modified by this section, and will be administered by Department of Health and Humans Services personnel

- b) If a protest is determined by the Department head to be valid, the following outcomes may occur
  - i. Cancellation of the award, and the solicitation to contract is not re-bid;
  - ii. Cancellation of the award, and the solicitation to contract is re-bid;
  - iii. Cancellation of the award, and the contract is awarded to the next lowest priced, technically competent, qualified offeror who agrees to still honor its submitted bid.

### III. Definitions, Contract Term, General Terms and Conditions, Other Provisions and Protections

#### A. Definitions

1. **Advanced Medical Home (AMH):** Refers to an initiative under which PHPs delegate care management responsibilities and functions to Department-designated AMH practices to provide local care management services.
2. **Best and Final Offer (BAFO):** Offer submitted by an Offeror to alter its initial offer, made in response to a request by the Department.
3. **Calendar Day:** A calendar day includes the time from midnight to 11:59:59PM each day. Each day in a month is a Calendar Day, including weekends and holidays. Unless otherwise specified in the Contract, days are tracked as Calendar Days.
4. **Calendar Year:** The time beginning 12:00PM ET on January 1 and ending at 11:59:59PM ET on December 31 in the same year. A Calendar Year consists of a whole number of days.
5. **Care Management:** Defined as a team-based, person centered approach to effectively managing patients' medical, social, and behavioral conditions. Care Management shall include, at a minimum, the following:
  - a. High-risk care management (e.g., high utilizers / high-cost beneficiaries);
  - b. Care Needs Screening;
  - c. Identification of Members in need of care management;
  - d. Development of Care Plans (across priority populations);
  - e. Development of comprehensive assessments (across priority populations);
  - f. Transitional care management: Management of Member needs during transitions of care (e.g., from hospital to home);
  - g. Care Management for special populations (including pregnant women and children at-risk of physical, development, or socio-emotional delay);
  - h. Chronic care management (e.g., management of multiple chronic conditions);
  - i. Coordination of services (e.g., appointment/wellness reminders and social services coordination/referrals);
  - j. Management of unmet health-related resource needs and high-risk social environments;

- k. Management of high-cost procedures (e.g., transplant, specialty drugs);
  - l. Management of rare diseases (e.g., transplant, specialty drugs);
  - m. Management of medication-related clinical services which promote appropriate medication use and adherence, drug therapy monitoring for effectiveness, medication related adverse effects; and
  - n. Development and deployment of population health programs.
6. **Centers for Medicare and Medicaid Services (CMS):** The agency within the Federal Department of Health and Human Services that has primary responsibility for the overall administration and coordination of the Medicare and Medicaid programs.
  7. **Contract Award Date :** The date the Department publishes the Notice of Award to the Interactive Purchasing System.
  8. **Contract Effective Date:** The date the Contract is fully executed by the Parties and approved by CMS.
  9. **Contractor:** The Offeror awarded the Contract to perform the services and requirements defined therein. The Contractor is an EQRO.
  10. **Corrective Action Plan (CAP):** A step by step plan of action that is developed to achieve targeted outcomes for resolution of identified errors in an effort to develop and implement a plan of action to improve processes or methods so that outcomes are more effective and efficient.
  11. **Code of Federal Regulations (CFR):** The codification of the general and permanent rules and regulations (sometimes called administrative law) published in the Federal Register by the executive departments and agencies of the federal government of the United States.
  12. **Consumer Assessment of Healthcare Providers and Systems Plan Survey (CAHPS):** A consumer satisfaction survey developed collaboratively by Harvard, RAND, the Agency for Health Care Policy and Research, the Research Triangle Institute and Westat that has been adopted as the industry standard by NCQA and CMS to measure the quality of managed care plans.
  13. **External Quality Review (EQR):** The analysis and evaluation, by an EQRO, of aggregated information on quality, timeliness, and access to the health care services that a PHP, or their subcontractors, furnish to Medicaid recipients.
  14. **External Quality Review Organization (EQRO):** An entity that meets Federal competence and independence criteria for the performance of the EQR and EQR-related activities. 42 C.F.R. Part 438, Subpart E.
  15. **Flagrant Quality of Care Issue:** An issue, circumstance, or occurrence that places a member's health, safety, or well-being in immediate jeopardy.
  16. **Key Personnel:** Any person performing under the Contract whose absence would cause an immediate and substantial risk to Contractor's ability to perform its obligations hereunder.
  17. **Long Term Service and Supports (LTSS):** LTSS means:
    - a. Care provided in the home, in community-based settings, or in facilities, such as nursing homes;
    - b. Care for older adults and people with disabilities who need support because of age; physical, cognitive, developmental, or chronic health conditions; or other functional limitations that restrict their abilities to care for themselves; and

- c. A wide range of services to help people live more independently by assisting with personal and health care needs and activities of daily living, such as:
    - i. Eating;
    - ii. Taking baths;
    - iii. Managing medication;
    - iv. Grooming;
    - v. Walking;
    - vi. Getting up and down from a seated position;
    - vii. Using the toilet;
    - viii. Cooking;
    - ix. Driving;
    - x. Getting dressed; or
    - xi. Managing money
18. **Mandatory Activities:** Activities which must be performed to comply with Federal EQR requirements.
  19. **Medicaid Managed Care:** The managed care program for North Carolina Medicaid and NC Health Choice beneficiaries.
  20. **Medically Necessary:** Medical necessity is determined by generally accepted North Carolina community practice standards as verified by independent Medicaid consultants. As required by 10A NCAC 25A.0201, a medically necessary service may not be experimental in nature.
  21. **Members:** Beneficiaries specifically enrolled in and receiving benefits through the North Carolina Managed Care program.
  22. **Network:** A group of doctors, hospitals, pharmacies, and other health care experts contracted by the PHP to provide health care services to its Members.
  23. **Network Adequacy:** Refers to the ability of a PHP to provide members and Potential Members with timely access to all covered services, including primary and specialty care providers. PHPs must maintain a provider network in accordance with defined standards on number, type, geographic distribution, and wait-times.
  24. **Offeror:** Supplier, bidder, proposer, firm, company, corporation, partnership, individual or other entity submitting an offer in response to this RFP.
  25. **Plan-Level:** A description of a specific organizational level at which work will be performed. For example, a Plan-Level data analysis involves the analysis of data from a single PHP, or Plan, rather than the analysis of data from all contracted PHPs.
  26. **Potential Member:** A beneficiary enrolled in Medicaid and eligible for enrollment in a PHP or a Member of another PHP.
  27. **Prepaid Health Plan (PHP):** Has the same meaning as Prepaid Health Plan, as defined in Section 4. (2) of Session Law 2015-245, as amended by Session Law 2018-48. A PHP is a Managed Care Organization (MCO).

28. **Primary Care Provider (PCP):** The participating physician, physician extender (e.g., physician assistant, nurse practitioner, certified nurse midwife), or group practice/center selected by or assigned to the Member to provide and coordinate all the Member's health care needs and to initiate and monitor referrals for specialized services, when required.
29. **Program Integrity (PI):** Has the same meaning as PI as described in 42 C.F.R. Part 455.
30. **Protected Health Information (PHI):** Has the same meaning as PHI as defined by 45 C.F.R. § 160.103.
31. **Provider:** Except as it relates to credentialing, has the same meaning as Provider as defined in 42 C.F.R. § 438.2.
32. **Provider-Led Entity (PLE):** Means, as defined in Section 4.(2)b. of Session Law 2015-245, as amended by Session Law 2016-121. A PLE is a PHP and is a Managed Care Organization (MCO).
33. **Quality:** As it pertains to external quality review, means the degree to which a PHP increases the likelihood of desired health outcomes of its members through its structural and operational characteristics and through the provision of health services that are consistent with current professional knowledge.
34. **State Business Day or Business Day:** Means traditional workdays, Monday through Friday, from 8:00AM ET through 5:00PM ET. State holidays are excluded. A list of North Carolina State Holidays is located at <https://oshr.nc.gov/state-employee-resources/benefits/leave/holidays>.
35. **Validation:** The review of information, data, and procedures to determine the extent to which they are accurate, reliable, free from bias, and in accord with standards for data collection and analysis.
36. **Value-Added Services:** Additional services related to the scope of this RFP, but not included in this RFP, that the Offeror could provide the Department.
37. **Vendor:** A company, firm, entity, or individual, other than the Contractor, with whom the Department has contracted for goods or services.

## B. Acronyms

1. AMH: Advanced Medical Home
2. BAA: Business Associate Agreement
3. BAFO: Best and Final Offer
4. BIO: Business Intelligence Office
5. CAHPS: Consumer Assessment of Healthcare Providers and Systems Plans Survey
6. CAP: Corrective Action Plan
7. CFR: Code of Federal Regulation
8. CMS: Centers for Medicare and Medicaid Services
9. DHB or DIVISION: Division of Health Benefits
10. DHHS or DEPARTMENT: The NC Department of Health and Human Services
11. ET: Eastern Time
12. FEIN: Federal Employee ID Number
13. FTE: Full Time Employee
14. HEDIS: The Healthcare Effectiveness Data and Information Set
15. HIPAA: Health Insurance Portability and Accountability Act

16. HITECH: Health Information Technology for Economic and Clinical Health Act
17. ISCA: Information Systems Capabilities Assessment
18. IT: Information Technology
19. LTSS: Long Term Service and Supports
20. NCQA: National Committee for Quality Assurance
21. PCP: Primary Care Provider
22. PI: Program Integrity
23. PIP: Performance Improvement Project
24. PLE: Provider Led Entity
25. PSO: North Carolina Department of Health and Human Services Privacy and Security Office
26. QIO: Quality Improvement Organization
27. SOC: Service Organization Control

### C. Contract Term

1. The Contract shall have an initial term of three (3) Contract Years, beginning on the Contract Effective Date (“Initial Term”). For purposes of this RFP and any resulting contract, a Contract Year means a period of twelve (12) consecutive months, with the first Contract Year starting on the Contract Effective Date.
2. At the end of the Contract’s Initial Term, the Department reserves the option, in its sole discretion, to extend the Contract on the same Terms and Conditions for up to three (3) successive Contract Years in one (1) year increments, or a shorter period as required by the Department. The Department shall notify the Offeror in writing if it is exercising its option to renew at least sixty (60) calendar days prior to the expected renewal date.

### D. Terms and Conditions

1. **ACCESS TO PERSONS AND RECORDS:**
  - a. Pursuant to G.S. § 147-64.7 and G.S. § 143-49(9), the Department, the State Auditor, appropriate State or federal officials, and their respective authorized employees or agents shall have access to persons and premises, or such other locations where duties under the Contract are being performed, and are authorized to inspect, monitor, or otherwise evaluate all books, records, data, information, and accounts of the Contractor, their subcontractor(s), other persons directed by the Contractor, or Contractor’s parent or affiliated companies as far as they relate to transactions under the Contract, performance of the Contract, or to costs charged to the Contract. The Contractor shall retain any such books, records, data, information, and accounts in accordance with the **RECORD RETENTION** clause of the Contract. Changes or additional audit, retention or reporting requirements may be imposed by federal or state law and/or regulation, and the Contractor must adhere to such changes or additions.
  - b. The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with N.C. Gen. Stat. § 147-64.7.
  - c. Nothing in this Section is intended to limit or restrict the State Auditor’s rights.
  - d. The State Auditor and the Auditor’s authorized representatives shall have access to the persons used, records created, and equipment and facilities furnished pursuant to this Contract as authorized pursuant to **N.C.G.S. § 147-64.7(2)**. The financial auditors of the



Department shall also have full access to all financial records and other information determined by the Department to be necessary to Department's substantiation of the Medicaid monthly payment(s). These audit rights are in addition to any audit rights any federal agency may have regarding the use of federally allocated Medicaid funds.

- e. This provision shall survive the expiration or termination of this Contract for any reason.
2. **ADVERTISING:** Contractor agrees not to use the existence of this Contract or the name of the Department or State of North Carolina as part of any commercial advertising or marketing of its products or services, excepted as permitted under this Contract. A Contractor may inquire whether the Department is willing to act as a reference by providing information directly to other prospective customers. The Department is under no obligation to serve as a reference.
3. **AMENDMENTS:** This Contract may not be amended orally or by performance. This Contract may be amended only by written amendments executed by the Department and the Contractor.
4. **ASSIGNMENT:** No assignment of the Contractor's obligations nor the Contractor's right to receive payment hereunder shall be permitted. Notwithstanding the foregoing sentence, upon Contractor's written request and the Department's written approval, and solely as a convenience to the Contractor, the Department may:
  - a. Forward the Contractor's payment check directly to any person or entity designated by the Contractor; and
  - b. Include any person or entity designated by Contractor as a joint payee on the Contractor's payment check.

In no event shall such approval and action obligate the Department to anyone other than the Contractor, and the Contractor shall remain responsible for fulfillment of all Contract obligations. Upon advance written request, the Department may, at its discretion, approve an assignment to the surviving entity of a merger, acquisition or corporate reorganization, if made as part of the transfer of all or substantially all the Contractor's assets. Any purported assignment made in violation of this provision shall be void and a material breach of this Contract.

5. **AVAILABILITY OF FUNDS:** All payments to Contractor are expressly contingent upon and subject to the appropriation, allocation, and availability of funds to the Department for the purposes set forth in the Contract. If the Contract or any Purchase Order issued hereunder is funded in whole or in part by federal funds, the Department's performance and payment shall be subject to and contingent upon the continuing availability of said federal funds for the purposes of the Contract or Purchase Order. If the term of the Contract extends into fiscal years after that in which it is approved, such continuation of the Contract is expressly contingent upon the appropriation, allocation, and availability of funds by the N.C. General Assembly for the purposes set forth in this RFP and any resulting Contract. If funds to effect payment are not available, the Department will provide written notification to the Contractor and may terminate the Contract in accordance with the TERMINATION clause. If the Contract is terminated, the Contractor agrees to take back any affected deliverables and software not yet delivered under the Contract, terminate any Services supplied to the Department under the Contract, and relieve the Department of any further obligation thereof. The Department shall remit payment for deliverables and services accepted prior to the date of the previously mentioned notice in conformance with the payment terms.
6. **BACKGROUND CHECKS AND DISCLOSURE OF LITIGATION AND CRIMINAL CONVICTION OR ADVERSE FINANCIAL CONDITION:** The Contractor's failure to fully and timely comply with the terms of this Section and *Attachment G*, including providing reasonable assurances satisfactory to the State, may

constitute a material breach of the Contract and result in Termination for Cause.

- a. Upon execution of this Contract, the Contractor shall notify the State if it, or any of its subcontractors, or their officers, directors, or their Key Personnel, who may provide services under this Contract, have ever been convicted of a felony, or any crime involving moral turpitude, including, but not limited to fraud, misappropriation, or deception. The Contractor shall promptly notify the Department of any criminal litigation, investigations or proceeding involving the Contractor or any subcontractor, or any of the forgoing entities' then current officers or directors during the term of this Contract.
- b. The Contractor shall notify the State of any civil litigation, regulatory finding or penalty, arbitration, proceeding, or judgments against it or its subcontractors during the three (3) years preceding the Contract Effective Date, or which may occur during the term of this Contract that involves (1) services or related goods similar to those provided pursuant to any contract and that involve a claim that may affect the viability or financial stability of the Contractor; and (2) a claim or written allegation of fraud by the Contractor or any subcontractor hereunder, arising out of their business activities; and (3) a claim or written allegation that the Contractor or any subcontractor hereunder violated any federal, state or local statute, regulation or ordinance. Multiple lawsuits and or judgments against the Contractor or its subcontractors shall be disclosed to the Department to the extent they affect the financial solvency and integrity of the Contractor or subcontractor.
- c. Contractor agrees not to use any personnel in the performance of this Contract who have been convicted of any of the crimes listed in subpart a. herein above. In addition, Contractor will not use or authorize any subcontractor to use in the performance of this Contract any persons who have been convicted of any federal or state crime involving antitrust laws, anti-kickback laws, self-referral laws, improper influencing of public officials, or improper management or destruction of public records or financial records.
- d. The Contractor shall notify the State of any legal action that could adversely affect the Contractor's ability to meet the requirements of the Contract.
- e. All notices under subsection a, b, c, and d herein shall be provided in writing to the State within thirty (30) calendar days after the Contractor learns about any such criminal, regulatory, or civil matters or financial circumstances or material change to prior disclosures, unless such matters are governed by the other stated terms and conditions annexed to the solicitation. Details of settlements which are prevented from disclosure by the terms of the settlement shall be annotated as such. Contractor may rely on good faith certifications of its subcontractors addressing the foregoing, which certifications shall be available for inspection at the option of the State.
- f. The Department reserves the right to request a criminal background check on Contractor's employees or independent contractors or the employees of Contractor's approved subcontractors.
- g. Where requested by the Department, Contractor must obtain, at its own expense, and provide the Department, or its designee, a North Carolina State Bureau of Investigation (SBI) and/or Federal Bureau of Investigation (FBI) background check on all employees prior to assignment.
- h. Contractor shall keep any records related to these verifications in accordance with the **RECORD RETENTION** clause of this Contract.

7. **BENEFICIARIES:** The Contract shall inure to the benefit and be binding upon the Parties and their respective successors. It is expressly understood and agreed that the enforcement of the Terms and Conditions of the Contract, and all rights of action relating to such enforcement, shall be strictly reserved to the Department and Contractor. Nothing contained in this Contract shall give or allow any claim or right of action whatsoever by any third person. It is the express intention of the Department and Contractor that any such other person or entity receiving services or benefits under the Contract shall be deemed an incidental beneficiary only and not a contractual third-party beneficiary.
8. **CHANGE IN CORPORATE STRUCTURE:** In cases where Contractor(s) are involved in corporate consolidations, acquisition or mergers, the Parties may negotiate agreements for the transfer of contractual obligations and the continuance of contracts within the framework of the new corporate structure, subject to Department approval and the terms of this Contract.
9. **CHOICE OF LAW AND FORUM:** The validity of this Contract and any of its terms and conditions or provisions, as well as the rights and duties of the Parties, are governed by the laws of North Carolina. Forum shall be in the District or Superior Courts of Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined. This section shall survive the termination of the Contract for any reason.
10. **CMS APPROVAL:** This RFP and subsequent Contract and amendments are subject to approval by the Centers for Medicare and Medicaid Services pursuant to 42 C.F.R. § 438.370(c).
11. **COMPLIANCE WITH LAWS:**
  - a. Contractor shall comply with all applicable federal and state laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and performance in accordance with this Contract.
  - b. Contractor is responsible for ensuring its subcontractors comply with all laws, rules, regulations, and licensing requirements applicable to Contractor's performance under this Contract, including but not limited to the applicable provisions of (a) Title XIX of the Social Security Act and Titles 42 and 45 of the Code of Federal Regulations; and (B) those laws, rules, or regulations of federal and State agencies having jurisdiction over the subject matter of this Contract, whether in effect when this Contract is signed, or becoming effective during the term of this Contract.
12. **CONFIDENTIAL INFORMATION:**
  - a. Contractor, its agents, and its subcontractors shall maintain the privacy, security and confidentiality of all data, information, working papers, and other documents related to the Contract. Contractor shall treat all information obtained through its performance under the Contract as confidential information and shall not use such information except as provided under this Contract. Any use, sale, or offer of confidential information except as contemplated under the Contract or approved in writing by the Department shall be a violation of the Contract. Any such violation will be considered a material breach of the Contract. Contractor specifically warrants that it, its officers, directors, principals, employees, any subcontractors, and approved third-party contractors shall hold all information received during performance of the Contract in the strictest confidence and shall not disclose the same to any third party except as contemplated under the Contract or approved in writing by the Department.
  - b. Contractor warrants that all its employees, subcontractors, and any approved third-party subcontractors are subject to a non-disclosure and confidentiality agreement that is

enforceable in North Carolina and sufficient in breadth to include and protect confidential information related to the Contract. Contractor shall, upon request by the Department, verify and produce true copies of any such agreements. Production of such agreements by the Contractor may be made subject to applicable confidentiality, non-disclosure, or privacy laws, provided that the Contractor produces satisfactory evidence supporting exclusion of such agreements from disclosure under the North Carolina Public Records laws in N.C. Gen. Stat. § 132-1 et. Seq. The Department may, in its sole discretion, provide a non-disclosure and confidentiality agreement satisfactory to the Department for the Contractor's execution. The Department may exercise its rights under this paragraph as necessary or proper, in its discretion, to comply with applicable security regulations or statutes, including but not limited to 26 U.S.C. 6103, SSA, and IRS Publication 1075 (Tax Information Security Guidelines for Federal, State, and Local Agencies and Entities), HIPAA, and implementing regulation in the Code of Federal Regulations and any future regulations imposed upon the Department of Information Technology Services or the North Carolina Department of Revenue pursuant to future statutory or regulatory requirements.

- c. The Department, State auditors, State Attorney General, federal officials as authorized by federal law or regulations, and State officials as authorized by state law or regulations, as well as the authorized representatives of the foregoing, shall have access to confidential information in accordance with the requirements of state and federal laws and regulations. No other person or entity shall be granted access to confidential information unless state and federal laws and regulations allow such access. The Department has the sole authority to determine if and when any other person or entity has properly obtained the right to have access to any confidential information and whether such access may be granted. Use or disclosure of confidential information shall be limited to purposes directly connected with the administration of the Contract.
- d. Contractor warrants that without prior written approval of the Department, the Contractor shall not incorporate confidential or proprietary information of any person or entity not a Party to the Contract into any materials furnished to the Department, nor without such approval shall the Contractor disclose to the Department or induce the Department to use any confidential or proprietary information of any person or entity not a Party to the Contract.
- e. The foregoing confidential information provisions do not prevent the Contractor from disclosing information that (i) at the time of disclosure by the Department is already known by the Contractor without an obligation of confidentiality other than under this Contract, (ii) is publicly known or becomes publicly known through no act of the Contractor other than an act that is authorized by the Department, (iii) is rightfully received by Contractor from a third party and Contractor has no reason to believe that the third party's disclosure was in violation of an obligation of confidence to the Department, (iv) is independently developed by the Contractor without use of the Department's confidential information, (v) is disclosed without similar restrictions to a third party by the Department, or (vi) is required to be disclosed pursuant to a requirement of law or a governmental authority, so long as the Contractor, to the extent possible provides the Department with timely prior notice of such requirement and coordinates with the State in an effort to limit the nature and scope of such required disclosure.
- f. This Confidential Information section shall survive termination of the Contract for any reason.

13. **CONTRACT ADMINISTRATORS:** Contract Administrators are the persons to whom notices provided for in this Contract shall be given, and to whom matters relating to the administration of this Contract shall be addressed as detailed in *Attachment E*. Either party may change its administrator or an

administrator's related address and telephone number by written notice to the other party.

14. **COOPERATION WITH OTHER STATE VENDORS:** Contractor shall cooperate with Department Vendors that are providing goods or services to or on behalf of the Department in relation to Medicaid including those Vendors providing services with respect to system integration, encounter processing, enrollment and eligibility, data analytics, and those engaged by the Department to monitor, validate, or verify Contractor's performance.
15. **COPYRIGHT:** North Carolina Public Records Laws identifies all documents created for public transactions/business as public records; therefore, no deliverable items produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of Contractor, except as otherwise provided herein. The State shall own all deliverables that Contractor is required to deliver to the Department pursuant to this Contract, except as provided herein:
  - a. Contractor shall not acquire any right, title, and interest in and to the copyrights for goods, all software, technical information, specifications, drawings, records, documentation, data, or derivative works thereof, or other work products provided by the State to Contractor.
  - b. The State shall, upon payment for the services in full in accordance with the payment terms of this Contract, shall own copyrighted works first originated and prepared by Contractor for delivery to the State.
  - c. The State hereby grants Contractor a royalty-free, fully paid worldwide, perpetual, nonexclusive, irrevocable license for Contractor's business use, to non-confidential deliverables first originated and prepared by Contractor for delivery to the State.
  - d. Contractor shall maintain ownership of all pre-existing intellectual property that it provides to the State as part of the deliverable(s), and the State shall have a royalty-free, fully paid, worldwide, perpetual, non-exclusive, irrevocable license to use such intellectual property solely for its operations.
  - e. The intellectual property terms of this Contract do not: (i) affect Contractor's ownership of all other intangible intellectual property (e.g., processes, ideas, know how) that Contractor has developed in the course of performance hereunder, (ii) prevent Contractor from selling similar services elsewhere, or (iii) prevent Contractor from marketing, licensing or selling any and all intellectual property it develops hereunder to other customers, provided no State confidential information is used or disclosed in the process.
16. **COUNTERPARTS:** This Contract may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument. Any signature page transmitted by electronic mail in portable document format will have the same legal effect as an original executed signature page.
17. **DISCLOSURE OF CONFLICTS OF INTEREST:** Contractor shall disclose any known conflicts of interest, or perceived conflicts of interest, at the time they arise, as follows:
  - a. Disclose any relationship to any business or associate to whom the Contractor is doing business that creates or may give the appearance of a conflict of interest related to this Contract.
  - b. By signing the RFP, Contractor certifies that it shall not knowingly take any action or acquire any interest, either directly or indirectly, that will conflict in any manner or degree with the performance of its services during the term of the Contract.
  - c. Disclose prior to employment or engagement by the Contractor, any firm principal, staff member or subcontractor, known by the Contractor to have a conflict of interest or potential conflict of interest related to this Contract.

- d. All notices required by this subsection must be provided to the Department within thirty (30) calendar days Contractor becoming aware of the conflict.
18. **DISPUTE RESOLUTION:** In the event the Parties disagree as to their respective obligations or performance, or the performance of any subcontractor to this Contract, the Parties agree to meet and identify the specific disagreement(s) between them. The specific disagreement(s) will be documented and provided to the Parties. After each Party has received the written documentation, the following procedure will be followed:
- a. The assigned Party representatives will agree to a meeting time and place and the topics to be discussed.
  - b. At the meeting, each Party will present its position(s), including any evidentiary documentation.
  - c. If the Parties reach resolution at the meeting, Contractor will memorialize the resolution and send such written documentation to the Department for its approval.
  - d. If the Parties are not able to reach resolution at the meeting, each Party will have an additional thirty (30) days to provide additional information to the other Party in a further attempt to reach resolution.
  - e. If the Parties are unable to reach resolution at the end of the additional thirty (30) day period, this dispute resolution process will end, and each Party may invoke any legal or administrative remedy available to it at law or in equity.
  - f. During the period where the Parties are attempting to resolve a dispute, each Party shall proceed diligently and in good faith to perform its respective duties and responsibilities under this Contract.
19. **ENTIRE AGREEMENT AND ORDER OF PRECEDENCE:** This Contract consists of the following documents, set forth in order of highest precedence to lowest, incorporated herein by reference:
- a. Any amendments, business requirements, project plans, or implementation plans, executed by the parties, in reverse chronological order;
  - b. Execution of Contract, if any;
  - c. Best and Final Offers or negotiation documents, in reverse chronological order, if any;
  - d. Written clarifications, in reverse chronological order, if any;
  - e. Addenda to the RFP, in reverse chronological order, if any; and
  - f. This RFP in its entirety; and
  - g. Offeror's proposal.
- In the event of a conflict between the Contract Documents, the term in the Contract with the highest precedence, in order of a. through g., shall prevail. These documents constitute the entire agreement between the parties and supersede all prior oral or written statements or agreements.
20. **EQUAL EMPLOYMENT OPPORTUNITY:** Contractor shall comply with all Federal and state requirements and North Carolina Executive Order 24 dated October 18, 2017, concerning fair employment and employment of the disabled, and concerning the treatment of all employees without regard to discrimination by reason of race, color, ethnicity, national origin, age, disability, sex, pregnancy, religion, National Guard or veteran status, sexual orientation, gender identity or expression.
21. **FORCE MAJEURE:** Neither Party shall be deemed to be in default of its obligations hereunder if and so

long as it is prevented from performing such obligations because of events beyond its reasonable control, including without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

22. **GOVERNMENTAL RESTRICTIONS:** In the event any governmental restrictions are imposed which necessitate alteration of the material, quality, workmanship, or performance of the items or services offered prior to their delivery, it shall be the responsibility of the Contractor to notify, in writing, the issuing Department immediately, indicating the specific regulation which required such alterations. The Department reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the Contract.
23. **INDEMNIFICATION:**
- a. Contractor shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or intentionally tortious acts of Contractor.
  - b. Contractor represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of Contractor goods and/or services to the State. The representations and warranties in the preceding sentences shall survive the termination or expiration of this Contract. The State, Department, and/or Office of the Attorney General shall have the option to participate at their own expense in the defense of such claim(s) or action(s) filed, and the State shall be responsible for its own litigation expenses if it exercises this option.
  - c. Contractor shall hold and save the Department, State, its officers, agents, and employees, harmless from liability of any kind, including costs and expenses, resulting from infringement of the rights of any third party in any copyrighted material, patented or unpatented invention, articles, device, or appliance delivered relating to this Contract. This provision shall survive the termination or expiration of this Contract.
  - d. Notwithstanding any other term or provision in this Contract, nothing herein is intended nor shall be interpreted as waiving any claim or defense based on the principle of sovereign immunity that otherwise would be available to the Department and State under applicable law.
24. **INDEPENDENT CONTRACTORS:** Contractor and its employees, officers and executives, and subcontractors, if any, shall be independent Contractors and not employees or agents of the Department. The Contract shall not operate as a joint venture, partnership, trust, agency, or any other similar business relationship.
25. **INHERENT SERVICES:** If any services, deliverables, functions or responsibilities not specifically described in the Contract are required for the proper performance, provision, and delivery of the services and deliverables to be delivered by Contractor pursuant to the Contract, or are an inherent part of or necessary sub-task included within the Contract, they will be deemed to be implied by and included within the scope of the Contract to the same extent and in the same manner as if specifically described in the Contract. Unless otherwise expressly provided in the Contract, Contractor will furnish all necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary to provide the services to be delivered by Contractor under the Contract.

26. **INSURANCE:** During the term of the Contract, the Contractor, at its sole cost and expense, shall provide commercial insurance coverage of such type and with such terms and limits as may be reasonably associated with the Contract. At a minimum, the Contractor shall provide and maintain the following coverage and limits:
- a. **Worker's Compensation** - Contractor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$500,000.00, covering all of Contractor's employees who are engaged in any work under the Contract. If any work is sublet, the Contractor shall require the subcontractor to provide the same coverage for any of his employees engaged in any work under the Contract.
  - b. **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$2,000,000.00 Combined Single Limit.
  - c. **Automobile** - Automobile Liability Insurance, to include liability coverage, covering all owned, hired, and non-owned vehicles, used relating to the Contract. The minimum combined single limit shall be \$500,000.00 for bodily injury and property damage; \$500,000.00 for uninsured/under insured motorist; and \$5,000.00 for medical payment.
  - d. **Requirements** - Providing and maintaining adequate insurance coverage is a material obligation of the Contractor and is of the essence of this Contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. Contractor shall always comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this Contract. The limits of coverage under each insurance policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the Contract.
27. **LITIGATION:** If a demand is asserted, or litigation or administrative proceedings are begun against the Contractor or against the Department and Contractor jointly relating to the services being provided under this Contract, the Contractor shall notify the Department within five (5) State Business Days of becoming aware of such action. To the extent no conflict of interest exists or arises, Parties may agree to joint defense and agree to cooperate fully in defense of such litigation.
- a. In the event of litigation against the Department related to the Contract, Contractor's performance, or services provided under the Contract, Contractor will cooperate with Department fully in the defense of such litigation.
  - b. Any civil or administrative settlements between Contractor and any entity related to this Contract are public record. All settlements must be reported to the Department within thirty (30) days of an executed settlement agreement and a copy of the settlement agreement must be provided to the Department upon request.
  - c. This provision shall survive the expiration or termination of the Contract for any reason.
28. **MEDIA CONTACT APPROVAL AND DISCLOSURE:** Contractor shall not use the name or seal of the North Carolina Division of Health Benefits, the North Carolina Department of Health and Human Services or the State of North Carolina in any media release or public announcement or disclosure relating to the terms of this Contract without prior approval of the Department. Contractor shall not provide any information to the media regarding a recipient of services under this Contract without first receiving approval from the Department. In the event the Contractor is contacted by the media for information related to the terms of this Contract or a recipient of services under the Contractor shall make immediate contact with the Department when the contact occurs. Contractor must submit any information related to such media release or public disclosure to the Department for review and approval at least seven (7) Business Days in advance of intended disclosure. Department may, at its sole discretion, object to its publication or require changes to the information intended for public



release. The requirements of this Section shall not apply to any information the Contractor is required by law to disclose.

29. **MONITORING OF SUBCONTRACTORS:** Contractor shall perform on-going monitoring of all subcontractors and shall confirm compliance with subcontract requirements. As part of on-going monitoring, the Contractor shall identify to the subcontractor(s) deficiencies or areas for improvement and shall require the subcontractor(s) to take appropriate corrective action. Contractor shall perform a formal performance review of all subcontractors at least annually.
30. **NOTICES:** Any notices permitted or required under the Contract must be delivered to the appropriate Contract Administrator for each Party. Unless otherwise specified in the Contract, any notices shall be in writing and delivered by both email and by either (a) prepaid U.S. Mail, or (b) commercial courier (e.g. FedEx, UPS, DHL), or (c) personal delivery.
31. **OWNERSHIP OF DELIVERABLES:** All project materials, including software, data, and documentation created during the performance or provision of services hereunder that are not licensed to the Department or other State entity, or are not proprietary to the Contractor are the property of the Department and must be kept confidential or returned to the Department, or destroyed. Proprietary Contractor materials shall be identified to the Department by the Contractor prior to use or provision of services hereunder and shall remain the property of the Contractor. Derivative works of any Contractor proprietary materials prepared or created during the performance of provision of services hereunder shall be subject to a perpetual, royalty free, nonexclusive license to the Department and the State. This term shall survive termination or expiration of the Contract.
32. **PAYMENT AND INVOICE TERMS:**
  - a. The Contractor must submit one (1) invoice per month, no later than the 15<sup>th</sup> Calendar Day of the month, unless the Department approves another date.
  - b. Invoices must be submitted as follows:
    - i. Electronically to: [MedicaidFinanceAP@dhhs.nc.gov](mailto:MedicaidFinanceAP@dhhs.nc.gov)  
[Kelly.crosbie@dhhs.nc.gov](mailto:Kelly.crosbie@dhhs.nc.gov)  
[Jaimica.wilkins@dhhs.nc.gov](mailto:Jaimica.wilkins@dhhs.nc.gov)
    - ii. In addition to the electronically submitted invoices, a hard copy of each invoice to:  
NC Department of Health and Human Services  
Division of Health Benefits  
ATTENTION: Accounting  
CONTRACT: 30-190465-DHB  
1985 Umstead Drive  
2501 Mail Service Center  
Raleigh, NC 27699-2501
  - c. The Department will promptly notify the Contractor of any changes to the information above for submission of invoices.
  - d. Invoices must be dated and reflect the fees and charges defined in the Contract for services or deliverables provided in the immediately preceding month and include sufficient supporting documentation for the Department to validate the services and charges.
  - e. The Parties shall mutually agree to an invoicing and payment schedule for any one-time implementation fees charged in accordance with the Cost Proposal, except the Department shall not make payment for any one-time fees prior to the date services for the applicable component of the Scope of Work are fully implemented, unless otherwise agreed to by the Department.

- f. Payment will only be made for services and/or deliverables accepted by the Department in accordance with the Contract requirements, Cost Proposal, and actual implementation dates.
  - g. The Contractor is responsible for all payments to subcontractors under the Contract.
  - h. Payment terms are net not later than thirty (30) Calendar Days after receipt of a correct invoice as verified by the Department.
  - i. In the event the invoice is not correct, and the Department requires changes, the payment terms are net not later than thirty (30) Calendar Days after receipt of the correct invoice is resubmitted by the Contractor.
  - j. The Department reserves the right to dispute an invoice after payment and require the Contractor to include a credit on the subsequent month's invoice to resolve disputes.
  - k. Any reductions based liquidated damages or other performance issues may be withheld from the Contractor's invoices. Contractor shall provide a credit memo for such reductions within ten (10) Calendar Days, upon request.
33. **PROHIBITION AGAINST CONTINGENT FEES AND GRATUITIES:** Contractor warrants that it has not paid, and agrees not to pay, any bonus, commission, fee, or gratuity to any employee or official of the State for obtaining any Contract or award issued by the State and its Departments and other agencies or entities. Contractor further warrants that no commission or other payment has been or will be received from or paid to any third-party contingent on the award of any Contract by the State, except as shall have been expressly communicated to the Department's Office of Procurement, Contracts and Grants in writing prior to acceptance of the Contract or award in question. Contractor and their authorized signatory further warrant that no officer or employee of the State has any direct or indirect financial or personal beneficial interest, in the subject matter of the Contract; obligation or Contract for future award of compensation as an inducement or consideration for making the Contract. Subsequent discovery by the State of non-compliance with these provisions shall constitute sufficient cause for termination of all outstanding contracts. Violations of this provision may result in debarment of the Contractor(s) as permitted by 09 NCAC 06B.1206, 01 NCAC 05B.1520, or other provision of law.
34. **RECORD RETENTION:** Records relating to performance under this Contract may not be destroyed, purged, or disposed of except in accordance with applicable State and federal regulations. Records related to this Contract must be retained for three (3) years following its expiration or termination. Any federal regulations that require a longer retention period shall supersede and control. If any litigation, claim, audit, or other civil or criminal action (collectively, "Actions") related to performance under this Contract commences before the retention period has completed, all records relevant to the Actions must be maintained until the Actions are resolved.
35. **RESPONSE TO STATE INQUIRES AND REQUEST FOR INFORMATION:** The Contractor shall prioritize requests from the Department to respond to inquiries from any Departments under the State of North Carolina, the North Carolina Legislature or other government agencies or bodies. Contractor shall respond to urgent requests from the Department within twenty-four (24) hours and according to the guidance and timelines provided by the Department. Contractor may be required to participate with and respond to inquiries from a consultant contracted with the Department regarding policies and procedures requiring review to determine compliance.
36. **RIGHT TO PUBLISH:** The Department agrees to allow the Contractor to publish material associated with the terms of this Contract provided the Contractor receives prior written approval from the Department. Contractor shall submit for review any presentation or publication that will be given to outside parties that contains data and information relating to the terms of this Contract at least thirty (30) Calendar Days in advance. Contractor shall not advertise or publish information for commercial

benefit concerning this Contract without the prior written approval of the Department.

37. **SEVERABILITY:** If a court of competent authority holds that a provision or requirement of the Contract violates any applicable law, each such provision or requirement shall be enforced only to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of the Contract shall remain in full force and effect.
38. **STATE CONTRACT REVIEW:** This RFP and subsequent contracts are exempt from the State contract review and approval requirements pursuant to G.S § 143B-216.80(b)(4).
39. **SUBCONTRACTORS:**
- a. Acceptance of Contractor's proposal will include any subcontractor(s) specified in *Attachment I*.
  - b. Work performed under this Contract by the Contractor or its employees will not be subcontracted without prior written approval of the Department. Contractor must submit a written request for approval at least sixty (60) calendar days prior to the start of services by the subcontractor.
  - c. Upon request, the Contractor shall provide the Department with complete copies of any contracts made by and between the Contractor and all subcontractors. The selected Contractor remains solely responsible for the performance of its subcontractors. Subcontractors, if any, shall adhere to the same standards required of the selected Contractor and this Contract. Any contracts made by the Contractor with a subcontractor shall include an affirmative statement that the Department is an intended third-party beneficiary of the Contract; that the subcontractor has no contract with the Department; and that the Department shall be indemnified by the Contractor for any claim presented by the subcontractor. Notwithstanding any other term herein, Contractor shall timely exercise its contractual remedies against any non-performing subcontractor and, when deemed appropriate by the Department, substitute another subcontractor.
  - d. The Contractor shall not participate with or enter into any agreement, with any individual or entity that has been excluded from participation in federal health care programs or has been debarred from doing business with the State of North Carolina
  - e. Any contract(s) between the Contractor and subcontractor(s) require:
    - i. The subcontractor to agree that the state, the DHHS Inspector General, the Comptroller General, or their designees have the right to audit, evaluate, and inspect its premises, any books, records, contracts, computer or other electronic systems of the subcontractor relating to its Medicaid enrollees, or of the subcontractor's contractor, that pertain to any aspect of services and activities performed, or determination of amounts payable under the Contractor's contract with the State.
    - ii. The subcontractor to agree that the right to audit by the State of North Carolina, the DHHS Inspector General, the Comptroller General or their designees, will exist through ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later; and
    - iii. That, if the State, or the DHHS Inspector General determine that there is a reasonable possibility of fraud or similar risk, the state, or the DHHS Inspector General may inspect, evaluate, and audit the subcontractor at any time.
40. **SURVIVAL:** The expiration, termination, or cancellation of this Contract will not extinguish the rights of either party that accrue prior to expiration, termination, or cancellation or any obligations that extend beyond termination, expiration or cancellation, either by their inherent nature or by their

express terms.

41. **TAXES:** Any applicable taxes shall be invoiced as a separate item and in accordance with this paragraph and applicable laws.
  - a. N.C. Gen. Stat. § 143-59.1 bars the Department from entering into Contracts with Contractors if the Contractor or its affiliates meet one of the conditions of N.C. Gen. Stat. § 105-164.8(b) and refuses to collect use tax on sales of tangible personal property to purchasers in North Carolina. Conditions under N.C. Gen. Stat. § 105-164.8(b) include: (1) Maintenance of a retail establishment or office, (2) Presence of representatives in the State that solicit sales or transact business on behalf of the Contractor and (3) Systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. By execution of the proposal document the Contractor certifies that it and all its affiliates, (if it has affiliates), collect(s) the appropriate taxes.
  - b. All agencies participating in this Contract are exempt from Federal taxes, such as excise and transportation. Exemption forms submitted by the Contractor will be executed and returned by the using agency.
  - c. Prices offered are not to include any personal property taxes, nor any sales or use tax (or fees) unless required by the North Carolina Department of Revenue.
42. **TERMINATION:** Department shall provide any notice of termination to the Contractor's Contract Administrator for contractual matters, pursuant to *Attachment E: Contract Administrators* and the *NOTICE* clause of this Contract.
  - a. **Termination without Cause:** The Department may terminate this Contract, in whole or in part, by giving sixty (60) days prior notice in writing to the Contractor. Contractor shall be entitled to sums due as compensation for deliverables provided and services performed in conformance with the Contract. In the event the Contract is terminated for the convenience of the Department, the Department will pay for all services performed and products delivered in conformance with the Contract up to the date of termination.
  - b. **Termination for Cause:** In the event any goods, software, or service furnished by the Contractor during performance of any Contract term fails to conform to any material requirement of the Contract, and the failure is not cured within thirty (30) days, or other time period specified by the Department, after providing written notice thereof to Contractor, the Department may arrange for the provision and the fulfillment of such obligations, all at the sole cost and expense of Contractor, and the Contractor shall refund to Department all sums expended by Department in so doing. The rights and remedies of the Department provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract. Contractor shall not be relieved of liability to the Department for damages sustained by the Department arising from Contractor's breach of the Contract; and the Department may, in its discretion, withhold any payment due as a setoff until the damages are finally determined or as agreed by the Parties.
  - c. **Contract Expiration, Termination, and Transition Obligations of Contractor:**  
No less than sixty (60) days prior to the date of planned expiration or forty-five (45) days of termination of this Contract, Contractor shall:
    - i. Arrange for the secure maintenance of all Contractor records for audit and inspection by Department, CMS, and other authorized government officials;
    - ii. Provide for the transfer of all data, reports, and other deliverables to Department or its agents as may be requested by Department;

- iii. Provide for the preparation and delivery of all reports, forms and other documents to Department as may be required pursuant to this Contract or any applicable policies and procedures of Department; and
  - iv. Coordinate the transition of existing EQR activities and documents to any successor contractor identified by the Department.
43. **TIME IS OF THE ESSENCE:** Time is of the essence in the performance of this Contract and all provisions that specify a time for performance.
44. **TITLES AND HEADINGS:** Titles and headings in this RFP, and in any subsequent contract, are for convenience only and shall have no binding force of effect.
45. **WAIVER:** The failure to enforce or the waiver by the State of any right or of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

## E. Confidentiality, Privacy and Security Protections

1. The requirements of this Section shall survive expiration or termination of the Contract except subsections 5, 6, 8, and 9, which shall survive so long as Contractor holds State-owned data.
2. **Confidential Information**
  - a. Contractor, its agents, and its subcontractors shall maintain the privacy, security and confidentiality of all data, information, working papers, and other documents related to the Contract. Contractor shall treat all information obtained through its performance under the Contract as confidential information and shall not use such information except as provided under this Contract. Any use, sale, or offer of confidential information except as contemplated under the Contract or approved in writing by the Department shall be a violation of the Contract. Any such violation will be considered a material breach of the Contract. Contractor specifically warrants that it, its officers, directors, principals, employees, any subcontractors, and approved third-party contractors shall hold all information received during performance of the Contract in the strictest confidence and shall not disclose the same to any third party except as contemplated under the Contract or approved in writing by the Department.
  - b. Contractor warrants that all its employees, subcontractors, and any approved third-party Contractors are subject to a non-disclosure and confidentiality agreement that is enforceable in North Carolina and sufficient in breadth to include and protect confidential information related to the Contract. Contractor shall, upon request by the Department, verify and produce true copies of any such agreements. Production of such agreements by the Contractor may be made subject to applicable confidentiality, non-disclosure, or privacy laws, provided that the Contractor produces satisfactory evidence supporting exclusion of such agreements from disclosure under the North Carolina Public Records laws in N.C. Gen. Stat. § 132-1 et. Seq. The Department may, in its sole discretion, provide a non-disclosure and confidentiality agreement satisfactory to the Department for the Contractor's execution. The Department may exercise its rights under this paragraph as necessary or proper, in its discretion, to comply with applicable security regulations or statutes, including but not limited to 26 U.S.C. 6103, SSA, and IRS Publication 1075 (Tax Information Security Guidelines for Federal, State, and Local Agencies and Entities), HIPAA, and implementing regulation in the Code of Federal Regulations and any future regulations imposed upon the Department of Information Technology Services or the North Carolina Department of Revenue pursuant to future statutory or regulatory requirements.

- c. The Department, State auditors, State Attorney General, Federal officials as authorized by Federal law or regulations, and State officials as authorized by State law or regulations, as well as the authorized representatives of the foregoing, shall have access to confidential information in accordance with the requirements of State and Federal laws and regulations. No other person or entity shall be granted access to confidential information unless State and Federal laws and regulations allow such access. The Department has the sole authority to determine if and when any other person or entity has properly obtained the right to have access to any confidential information and whether such access may be granted. Use or disclosure of confidential information shall be limited to purposes directly connected with the administration of the Contract.
- d. Contractor warrants that without prior written approval of the Department, the Contractor shall not incorporate confidential or proprietary information of any person or entity not a Party to the Contract into any materials furnished to the Department, nor without such approval shall the Contractor disclose to the Department or induce the Department to use any confidential or proprietary information of any person or entity not a Party to the Contract.
- e. The foregoing confidentiality provisions do not prevent the Contractor from disclosing information that (i) at the time of disclosure by the Department is already known by the Contractor without an obligation of confidentiality other than under this Contract, (ii) is publicly known or becomes publicly known through no act of the Contractor other than an act that is authorized by the Department, (iii) is rightfully received by Contractor from a third party and Contractor has no reason to believe that the third party's disclosure was in violation of an obligation of confidence to the Department, (iv) is independently developed by the Contractor without use of the Department's confidential information, (v) is disclosed without similar restrictions to a third party by the Department, or (vi) is required to be disclosed pursuant to a requirement of law or a governmental authority, so long as the Contractor, to the extent possible provides the Department with timely prior notice of such requirement and coordinates with the State in an effort to limit the nature and scope of such required disclosure.

**3. HIPAA and HITECH**

- a. The Department has declared itself to be a hybrid entity under HIPAA with the Division of Health Benefits being a covered health care component. As such, this Contract and related activities are subject to HIPAA and HITECH. Contractor shall comply with HIPAA and HITECH requirements and regulations, as amended, including:
  - i. Compliance with the Privacy Rule, Security Rule, and Notification Rule, Security Rule, and Notification Rule including the confidentiality requirements in 45 C.F.R. parts 160 and 164;
  - ii. The development of and adherence to applicable Privacy and Security Safeguards and Policies;
  - iii. Timely reporting of violations regarding the access, use, and disclosure of PHI; and
  - iv. Timely reporting of privacy and/or security incidents at:  
<https://www.ncdhhs.gov/about/administrative-divisions-offices/office-privacy-security>
- b. Contractor will be performing functions on behalf of the Department that make Contractor a business associate for purposes of HIPAA regulations. Accordingly, Contractor and this Contract are subject to *Attachment J*.
- c. Contractor shall cooperate and coordinate with the Department and its Privacy and Security Office (PSO) as mandated by HIPAA and HITECH and accompanying regulations, or as requested by the Department, during performance of the Contract so the parties are in compliance with HIPAA and HITECH.

- d. In addition to Federal law and regulation, Contractor shall comply with state rules and regulation regarding protected information and Department and State policies including State IT Security Policy Manual. These policies may be revised from time to time and the Contractor shall comply with all such revisions.

4. **North Carolina Identity Theft Protection Act and Other Protections**

Certain data and information received, generated, maintained or used by Contractor may be classified as “identifying information” within the meaning of N.C. Gen. Stat. § 14-113.20(b) or “personal information” within the meaning of N.C. Gen. Stat. § 75-61(10). Contractor is subject to the North Carolina Identity Theft Protection Act requirements, N.C. Gen. Stat. §§ 132-1.10 and 75-65 and must protect such identifying information and personal information as required by law, Department and State policy, and the terms of this Contract. Contractor shall report security incidents and breaches of all protected information, whether PHI, identifying information, or personal information as required herein.

5. **Information Technology**

- a. Contractor shall comply with and adhere to all applicable Federal and North Carolina laws, regulations, policies, and guidelines, including but not limited to HIPAA, CMS and State IT Security Policy and Standards, and Department Privacy and Security Policies. These policies may be revised periodically, and the Contractor shall comply with any revisions. The State Security Manual is available at <https://it.nc.gov/statewide-information-security-policies> and the Department security manual is available at <https://www2.ncdhhs.gov/info/olm/manuals/dhs/pol-80/man/>.
- b. Contractor’s information technology systems shall meet all Federal, State, and Department statutes, rules and regulations governing information technology (including but not limited to 26 U.S.C. 6103, SSA, IRS Publication 1075, and HIPAA) and the policies of the NC Department of Information Technology. See e.g., <https://it.nc.gov/statewide-information-security-policies> and <https://it.nc.gov/document/statewide-data-classification-and-handling-policy>.
- c. **Enterprise Architecture Standards:** The North Carolina Statewide Technical Architecture standards are located at <https://it.nc.gov/services/it-architecture/statewide-architecture-framework>. This provides a series of domain documents describing objectives, principles and best practices for the development, implementation and integration of business systems.
- d. **Modifications, Updates or Fixes to Contractor’s Information Technology Systems:** Contractor shall adhere to the Department’s Change Management and control policies and procedures for all system modifications. Contractor shall not modify, update, or fix any IT system that shares information with (or interfaces with) the Department’s Information Technology systems without the Department’s prior written approval. Contractor’s request for approval must be communicated to the Department no later than one hundred twenty (120) days prior to the change and contain a detailed description of the changes proposed by Contractor. Contractor must supplement its request with all clarifications and additional information requested by the Department. Contractor shall not place any modification, upgrade or fix into a production environment without first giving the Department an opportunity to test the modification, upgrade or fix to ensure that it does not impair the operation of the Department’s IT systems. The Department reserves the right to delay implementations if it perceives a risk to its operations.
- e. **Modifications, Updates, and Fixes Requested by the Department:** Contractor shall promptly modify, upgrade, or fix any part of its Information Technology System that shares information with (or interfaces with) the Department’s Information Technology Systems as requested by the Department. Contractor shall not place any such modification, upgrade or fix into a production environment without first giving the Department an opportunity to test the modification, upgrade or fix to ensure that it does not impair the operation of the Department’s Information Technology

Systems. Contractor shall not unilaterally refuse to make a modification, update or fix requested by the Department. In the event Contractor disagrees with the Department on modification, update or fix requests, Contractor shall follow the Department's Change Management and control policies and procedures for resolution. If the Parties cannot come to agreement, Contractor may utilize the Dispute Resolution process described in this Contract.

- f. **Patch Management:** Contractor shall apply patches based on State requirements on or to any Information Technology Systems or platforms that share information with (or interfaces with) the Department's Information Technology Systems or which may impact the delivery of services to the Department's Members. The State requirements are located at the following URL: [https://files.nc.gov/ncdit/documents/files/Statewide-Information\\_Security\\_Manual.pdf](https://files.nc.gov/ncdit/documents/files/Statewide-Information_Security_Manual.pdf). Contractor shall coordinate patching activity with the Department to be sure any dependent patching that needs to be implemented on Department Information Technology Systems or platforms is completed in the conjunction with Contractor patching. The requirement to apply the patch may come from Contractor, the Department, or an external organization such as <https://www.us-cert.gov/>.
- g. **Changes to Department Information Technology Systems:** The Department anticipates changes to its Information Technology Systems. Contractor will update its Information Technology Systems to conform with any updates to the Departments' Information Technology System changes including but not limited to data exchanges and interfaces, file formats, data exchange frequencies, data exchange protocols and transports, source and target systems, and file size (i.e. number of records per file or overall file size in bytes). The Department will provide test environments to allow adequate testing time.
- h. **Department's Rejection of Contractor's Modifications, Updates or Fixes to Contractor's IT Systems:** The Department reserves the right to reject any modification, update or fix that does not meet the Department's Information Technology standards or could impair the operation of the Department's IT system.
- i. **Cost of Modifications, Updates, Fixes, and Patches to Contractor's IT Systems:** The cost of all modifications, updates, fixes, and patches to Contractor's Information Technology Systems (whether proposed by Contractor or required by the Department) shall be borne solely by Contractor.
- j. **State LAN/WAN:** Contractor shall not connect any of its own equipment to a State LAN/WAN without prior written approval by the State. Contractor shall complete all necessary paperwork as directed and coordinated by the Division's Contract Administrator for security issues to obtain the required written approval by the Department to connect Contractor-owned equipment to a State LAN/WAN.
- k. **Connectivity:** Contractor shall be responsible for providing connectivity to the Department's network and systems as required by the Department. This includes any network, connectivity, licensing, or hardware associated with complying with the State's and the Department's policy for securing data. This applies to all communication between Contractor and the Department and includes the Department's current and future contractors' networks.
- l. **Web / Internet Presence:** Where necessary, any web presence that is required to complete the terms of this Contract will comply with the Department's the State's, and federal standards including but not limited to those required for accessibility (Web Content Accessibility Guidelines (WCAG) 2.0 and the current release of web content accessibility guidelines published by the Web Accessibility Initiative and outlined in Sec. 508 of the Rehabilitation Act of 1973 as amended January 2017). The Department will make these standards available as needed.



- m. **Architecture Framework:** Contractor shall follow the North Carolina Statewide Information Architecture Framework (located at <https://it.nc.gov/services/it-architecture/statewide-architecture-framework>), and any Department derivatives of these documents. Contractor shall provide documentation as requested by the Department to assess the security of Contractor's facilities and systems.
- n. **Continuous Monitoring:**
  - i. Contractor shall adhere to the State CIO's mandate for a Continuous Monitoring Process and work with the Department to implement a risk management program that continuously monitors risk through assessments, risk analysis and data inventory. The requirements are based on NIST 800-37, Continuous Monitoring Process, and originates from N.C. Gen. Stat. § 143B-1376, which requires the North Carolina State CIO to annually assess each agency and each agency's contractors' compliance with enterprise security standards located at: [http://www.ncleg.net/EnactedLegislation/Statutes/HTML/ByChapter/Chapter\\_143B.html](http://www.ncleg.net/EnactedLegislation/Statutes/HTML/ByChapter/Chapter_143B.html).
  - ii. Contractor shall assist the Department with risk assessment and security assessment of the Contractor's critical systems and infrastructure.
    - A. Contractor shall perform the required assessments, either through a third-party or a self-assessment, on a three-year cycle (with a third-party assessment mandated every third year).
    - B. All findings identified in the assessment shall be provided, through the Department to the North Carolina Department of Information Technology within thirty (30) calendar days of assessment completion and a plan to remediate each finding.
  - iii. Assessment of agency cloud-hosted providers or off-site hosting services:
    - A. Contractors providing infrastructure as Platform as a Service and/or Software as a Service are required to obtain approval from the Department and ensure Contractor compliance with Statewide security policies.
    - B. Contractor shall provide attestation to their compliance and an industry recognized, third party assessment report performed annually. Types of these reports include: Federal Risk and Authorization Management Program (FedRAMP) certification, or SOC 2 Type II, SSA 18 or ISO 27001.
    - C. Departments and their divisions/offices are required to review these reports, assess the risk of each contractor, and provide annual certification of their compliance to the State CIO.
    - D. Contractor shall cooperate with the Department in completing a data inventory of all cloud hosted services as required and performed through completion of a Privacy Threshold Analysis (PTA) documenting the data classification and data fields hosted within the cloud, offsite or vendor hosted environment. The PTA shall be reviewed and updated annually by the Parties and when changes have been made to the data being collected. The Department's PTA form is available at: <https://it.nc.gov/documents/privacy-threshold-analysis-pta-form>.

**6. Secure Integration Services**

- a. Contractor's systems shall be able to transmit, receive and process data in HIPAA-compliant or Department-specific formats and methods, including but not limited to Secure File Transfer Protocol (SFTP) over encrypted connections such as a SSL (Secure Sockets Layer) or SSH (Secure Shell).
- b. Contractor shall work with the Department and Department vendors to implement data exchanges that comply with the Department, State's security policies, as defined by the North Carolina Department of Information Technology. The State's preferred method of exchanging data with other applications in the Medicaid Enterprise System (MES) is through synchronous real-time web services and/or asynchronous queue-based messaging.

- c. Contractor shall have the ability to exchange files through secure protocols with other systems.

**7. North Carolina Identity (NCID) Service**

- a. Any Contractor systems that are utilized by the State or by beneficiaries must externalize identity management and may be required to utilize the North Carolina Identity Service for the identity management and authentication related functions performed by Contractor's applications. NCID is the State's enterprise identity management (IDM) service. The North Carolina Department of Information Technology operates it. Additional information regarding this service can be found in the DIT Service Catalog at: <http://it.nc.gov/it-services> (see Identity Management - NC Identity Management under the main menu item Application Services) and the NCID Web site at: <https://www.ncid.its.state.nc.us/>.
- b. The use of any other IDM service will require Department and State approval. The protocol (web services, LDAP, SAML, etc.) shall be determined by the Department and the Contractor based on the implementation. In addition, the Contractor may be required to implement multi factor authentication per the State specifications.

**8. Security**

- a. State of NC Security Standards and DHHS Privacy and Security Standards
  - i. Contractor shall comply with all security standards including those published in the State of North Carolina Statewide Information Security Manual, the North Carolina Department of Health and Human Services Privacy and Security Office (PSO) Standards, and any Federal regulations and requirements (found at <https://www2.ncdhhs.gov/info/olm/manuals/dhs/pol-80/man/>). The State of North Carolina Statewide Information Security Manual is available at the following URL: <https://it.nc.gov/statewide-information-security-policies>. The Department will work with the Contractor to validate compliance with the PSO standards.
  - ii. The Contractor's systems and processes shall comply with all current and future Federal, State, and Department requirements for privacy and security and data exchange within one hundred twenty (120) calendar days of the implementation of that standard.
- b. Physical Security
  - i. Each person who is an employee or agent of Contractor or of Contractor's subcontractor(s) must always display an appropriate State badge and his or her company ID badge while on State premises. Upon request of Department personnel, each such employee or agent must also provide additional photo identification.
  - ii. At all times at any State facility, Contractor's personnel shall cooperate with State site requirements, including being prepared to be escorted, providing information for badging, and wearing the badge in a visible location.
- c. State of NC Data Classification and Handling
  - i. The State of North Carolina Data Classifications as published in the North Carolina Department of Information Technology Data Classification and Handling Policy guide and the related handling procedures will apply to all data held in Contractor's IT systems on behalf of the Department, and in the execution of this Contract. The guide is available at the following URL: <https://files.nc.gov/ncdit/documents/files/Statewide-Data-Class-Handling.pdf>.

## 9. Privacy and Security Incidents and Breaches

- a. Contractor shall cooperate with the Department regarding any privacy and security incident or breach.
- b. Contractor shall report all privacy and security incidents (whether confirmed or suspected) and any breaches to the Department's Privacy and Security Office Incident Website at <https://www.ncdhhs.gov/about/administrative-divisions-offices/office-privacy-security> within twenty-four (24) hours after the incident is first discovered. If a Social Security number has been compromised, the incident must be reported to the Department's privacy and Security Office within sixty (60) minutes.
- c. Contractor in coordination with the Department PSO shall also report any breaches of personal information to the North Carolina Department of Justice Consumer Protection Division as well as to the three major consumer reporting agencies. NCDOJ information is available here: <http://ncdoj.gov/Protect-Yourself/2-4-3-Protect-Your-Identity/Protect-Your-Business/Security-Breach-Information.aspx>
- d. If any applicable Federal, State, or local law, regulation or rule requires the Department or the Contractor to give persons written notice of a privacy and/ or security breach arising out of the Contractor's performance under this Contract, the Contractor shall bear the cost of the notice and any other costs related to or resulting from the breach.
- e. Contractor shall notify the Department's Contract Administrators for privacy and security matters of any contact by the Federal Office for Civil Rights (OCR) received by the Contractor. This term survives termination or expiration of the Contract, as it relates to contact by OCR related to this Contract.

## F. Public Records and Trade Secrets Protections

1. Pursuant to N.C. Gen. Stat. § 132-1, et seq., this Contract and information or documents provided to the Department under the Contract are Public Record and subject to inspection, copy and release to the public unless exempt from disclosure by statute.
2. Any proprietary or confidential information which conforms to exclusions from public records as provided by Chapter 132 of the General Statutes must be clearly marked as such with each page containing the trade secret or confidential information identified as "**CONFIDENTIAL.**" Any material labeled as confidential constitutes a representation by the Contractor that it has made a reasonable effort in good faith to determine that such material is, in fact, a trade secret under N.C. Gen. Stat. § 66-152(2). Under no circumstances shall price information be designated as confidential. Contractor is urged and cautioned to limit the marking of information as trade secret or confidential so far as is possible.
3. Regardless of what Contractor may label as a trade secret, the determination of whether it is or is not entitled to protection will be made in accordance with N.C. Gen. Stat. § 132-1.2 and N.C. Gen. Stat. § 66-152(2). If any challenge, legal or otherwise, is made related to the confidential nature of information redacted by the Contractor, the Department will provide reasonable notice of such action to Contractor, and Contractor shall be responsible for the cost and defense of, or objection to, release of any material. The Department is not obligated to defend any challenges as to the confidential nature of information identified by the Contractor as being trade secret, proprietary, and otherwise confidential. The Department shall have no liability to Contractor with the respect to disclosure of Contractor's confidential information ordered by a court of competent authority pursuant to N.C. Gen. Stat. § 132-9 or other applicable law.

4. A redacted copy of this Contract and any subsequent amendments, documents, or materials relating to or provided as part of this Contract, shall be provided to the Department within thirty (30) days of execution. Redacted copies must clearly indicate where information has been redacted. For the purposes of this Contract, redaction means to edit the document by obscuring information that is considered confidential and proprietary **and** meets the definition of Confidential Information set forth in N.C. Gen. Stat. § 132-1.2. In lieu of redacting information by obscuring, Contractor may replace the information, paragraphs or pages with the word “Redacted.” By submitting a redacted copy, the Contractor warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors, that the portions marked Confidential and/or Redacted meet the requirements of Chapter 132 of the General Statutes. Redacted copies provided by Contractor to the Department may be released in response to public record requests without notification to the Offeror. Information submitted by Contractor that is not marked “Confidential” or “Trade Secret” will become a public record.

## IV. Minimum Qualifications

The Department has defined Minimum Qualifications that the Offeror must meet to be considered and have its response evaluated as defined in *Section II.G. Evaluation Process and Contract Award*. The Offeror must complete *Attachment A: Minimum Qualifications Table* and provide the appropriate details to support each requirement as part of the Offeror’s Proposal and Response:

Section IV. Table 1: Minimum Qualification		Minimum Requirement
1.	Offeror shall confirm it accepts all Terms and Conditions of this RFP as required in <i>Section III.D.-F</i> of this RFP. Offeror may request modifications per the instructions in <i>Section II.C.3.</i> and acknowledges these are not part of any subsequent Contract unless explicitly accepted by the Department in accordance with <i>Section II.C.3.</i>	Yes
2.	The Offeror shall confirm it complies with the qualifications of external review organizations in accordance with 42 C.F.R. § 438.354.	Yes
3.	The Offeror has at least five (5) years’ experience in: <ul style="list-style-type: none"> <li>a. Performing EQR activities, as described in 42 C.F.R. § 438.358 and 438.364;</li> <li>b. Data management and analysis; and</li> <li>c. Statistical methodologies, techniques, and procedures in support of quality improvement.</li> </ul> <p>The required five (5) years of Offeror’s experience must be within the past eight (8) years of the date this RFP is issued by the Department.</p>	Yes
4.	The Offeror shall confirm it is Federally designated by the Centers for Medicaid and Medicare Services (CMS) as a Quality Improvement Organization (QIO) or on the list of QIO-like entities as of the date of this RFP issuance.	Yes

## V. Scope of Work and Requirements

As part of its Technical Proposal, the Offeror must confirm adherence to the expectations of the Department and describe their ability to meet the requirements of this RFP. The Offeror must provide a detailed narrative, diagrams, process flows, exhibits, examples, sketches, descriptive literature and/or detailed information specifically tailored for the Offeror to demonstrate its ability to meet the EQR requirements.

All links to websites referenced in this RFP are current as of the date the Department issues the RFP. The links are provided solely for your information and convenience, and the Department has no obligation to update them, as they may change from time to time.

#### A. Contractor Project Plan and Approach

1. Contractor shall complete all reports, activities, and deliverables required under Section V.B.
2. Annual External Quality Review (EQR) Project Plan
  - a) Contractor shall conduct annual, external quality reviews of the PHPs contracted with the Department to provide Medicaid Managed Care services during the term of the Contract. All external quality reviews shall be conducted in accordance with (i) 42 C.F.R. 438, Subpart D, and (ii) all applicable laws, statutes, regulations, or protocols. Contractor shall revise and update its approach and the EQR project plan if there are changes to the CMS protocols, and to any applicable law, statute, regulation, or protocol or as requested by the Department.
  - b) The initial EQR Project Plan (“Initial Project Plan”) shall cover a one-year period beginning on the Contract Effective Date. The Initial Project Plan must be submitted to the Department’s Contract Administrator for day to day activities within sixty (60) days from the Contract Effective Date. Thereafter, each annual EQR Project Plan must be submitted sixty (60) days prior to the start date of each Contract Year.
  - c) The EQR Project Plans shall serve as an outline and blueprint for completing project activities, and each annual project plan must include the following:
    - i. A schedule of activities;
    - ii. Definitions for each activity;
    - iii. Sequence of activities;
    - iv. Tasks for each activity;
    - v. Deliverables and projected outcomes;
    - vi. The time necessary to complete and deliver each activity and task;
    - vii. Staffing allocations in FTE units; and
    - viii. Draft review protocols and sample standard reports.
  - d) The project plan and methodology for the first Contract Year shall include startup and implementation activities.
    - i. The action plan must include implementation steps, a timeline for completion, and any other elements needed for successful project start up.
    - ii. The project plan must document the duration of time Contractor will be on-site for implementation and project start up.
    - iii. If the Department requires additional time onsite for implementation, The Department will coordinate with Contractor on the amount of time needed to complete all activities.
  - e) Contractor shall maintain documentation of its external quality reviews and make this information available to the Department. Contractor’s documentation shall be:
    - i. Sufficiently detailed to allow the Department to understand the work performed, evidence obtained, and how conclusions were reached;

- ii. Well-organized and adequately cross-referenced between report results and supporting documentation; and
- iii. Sufficiently detailed to create a comprehensive and complete record of activities performed.

**3. Annual Technical Report**

- a) Each Calendar Year, Contractor shall provide and prepare a detailed technical report that summarizes findings of its annual external quality review and quality of care to the Department.
- b) Contractor shall provide an annual technical report of the EQR to the Department that includes:
  - i. An executive summary of the objectives of the EQR;
  - ii. A description of the EQR process, including data collection tools, documents requested, offsite and onsite activities, and interviews conducted;
  - iii. A description of the data reviewed and analyzed by the Contractor;
  - iv. A description of the manner and methodology in which the data from all activities conducted were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to care provided by each PHP;
  - v. Summary of findings and the conclusions drawn from the data;
  - vi. Conclusions regarding the quality, timeliness, and accessibility of the care furnished by the PHP;
  - vii. Performance improvement results, trends, and effective interventions, including calculation of trends, ratios, or other descriptive indicators;
  - viii. An assessment of each PHP's strengths and weaknesses related to the quality, timeliness, and access to health care services provided. PHPs are required to respond to the Offeror with a Corrective Action Plan (CAP) to address each of the identified weaknesses;
  - ix. Comparative information about all PHPs as methodologically appropriate;
  - x. Recommendations for improving the quality of the care provided by the PHP;
  - xi. An assessment of the degree to which each PHP has addressed effectively the recommendations for quality improvement made by the EQRO during the previous year's EQR;
  - xii. A summary of all the findings related to the EQR activities mandated by CMS;
  - xiii. A determination of the PHP's contract compliance review; and
  - xiv. A determination of the PHP's compliance with:
    - a) Federal Medicaid Managed Care regulations<sup>5</sup>;
    - b) State contract requirements for the quality and timeliness of services as detailed in 42 CFR 438.68(d)(1); and

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<sup>5</sup> 42 C.F.R §438.364

- c) State contract requirements for access to services, as detailed in 42 CFR 438.358.<sup>6</sup>
- c) Contractor shall coordinate with the Department to determine format and guidelines for the annual technical report.
- d) Contractor shall provide the Department's Contract Administrator for day to day activities a draft of the technical report by March 1 each Calendar Year. Department shall provide feedback on the draft technical report within fifteen (15) Calendar Days of receipt.
- e) Contractor shall provide the final technical report of the EQR to the Department by April 1 of each Calendar Year.
- f) The Department shall finalize and publish the annual technical report of the EQR by April 30 of each Calendar Year for the previous Calendar Year. Each annual technical report will be published on the Department's website.

#### 4. Annual PHP Performance Report

- a) Each Calendar Year, Contractor shall provide and prepare a detailed performance report that includes the findings of its annual external quality review and quality of care for each PHP. For clarity, there must be a separate report for each PHP. Each report shall contain the results and findings of all CMS protocols performed.
- b) Contractor shall provide an annual PHP Performance Report for each PHP's EQR to the Department that includes:
  - i. An executive summary of the objectives of the EQR;
  - ii. A description of the EQR process, including data collection tools, documents requested, offsite and onsite activities, and interviews conducted;
  - iii. A description of the data reviewed and analyzed by Contractor;
  - iv. A description of the manner and methodology in which the data from all activities conducted were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to care provided by each PHP;
  - v. Findings and the conclusions drawn from the data;
  - vi. Conclusions regarding the quality, timeliness, and accessibility of the care furnished by the PHP;
  - vii. Performance improvement results, trends, and effective interventions, including calculation of trends, ratios, or other descriptive indicators;
  - viii. An assessment of the PHP's strengths and weaknesses related to the quality, timeliness, and access to health care services provided. PHPs are required to respond to the Offeror with a Corrective Action Plan (CAP) to address each of the identified weaknesses;
  - ix. Recommendations for improving the quality of the care provided by the PHP;
  - x. An assessment of the degree to which the PHP has addressed effectively the recommendations for quality improvement made by the EQRO during the previous year's EQR;
  - xi. A determination of the PHP's contract compliance review; and

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<sup>6</sup> 42 C.F.R §438.358

- xii. A determination of the PHP's compliance with:
  - a) Federal Medicaid Managed Care regulations;
  - b) State contract requirements for the quality and timeliness of services; and
  - c) State contract requirements for access to services.
- c) Contractor shall work with the Department to determine the format and guidelines for the annual technical report. The Department has sole discretion on all format and guideline decisions.
- d) The Contractor shall provide the Department's Contract Administrator for day to day activities with drafts of the Annual PHP Performance Reports by March 1 of each Calendar Year for Department review. The Department shall provide feedback to the Contractor on the draft Annual PHP Performance Reports of the EQR within fifteen (15) Calendar Days of receipt of draft for review. Contractor shall incorporate Department's feedback and return the updated reports to the Department's Contract Administrator for day to day activities within ten (10) Calendar Days of receipt of feedback.
- e) The Contractor shall provide the final Annual PHP Performance Reports of the EQR to the Department by April 1 of each year for the previous year.

**5. CMS Protocol 1: Assessment of Compliance with Medicaid Managed Care Regulations**

- a) Each Calendar Year, Contractor shall perform a review to determine each PHP's compliance with the standards set forth in 42 C.F.R. Subpart E and as indicated in the PHP's Department-approved Quality Assessment and Performance Improvement program for each PHP.
- b) Each Calendar Year and as part of Contractor's review of each PHP's compliance with 42 CFR Subpart E, Contractor shall review each PHP's compliance with Department-specified requirements based on the PHP's contract with the Department, as required by the Department. This includes validating that each PHP meets the requirements for special tribal provisions as detailed in the PHPs' contracts with the Department.
- c) The assessment shall be conducted in compliance with the most current CMS Protocol 1 in effect at the time of the assessment, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-1.pdf> and include determining the adequacy and effectiveness of each PHP's operational infrastructure and evaluating the quality of services provided to Medicaid members.

**6. CMS Protocol 2: Validation of Performance Measures**

- a) The Department requires PHPs to report standardized measures of quality, access, and utilization. Each Calendar Year, the Contractor shall validate the performance measures that have been submitted by the PHPs to the Department. The Contractor shall also validate the comparison of the PHP-reported performance measures from the previous twelve (12) months for each PHP.
- b) Validation shall be conducted in compliance with the most current CMS Protocol 2 in effect at the time of the validation, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-2.pdf>.



- c) The Contractor shall validate select measures per year for each PHP. The Contractor should plan to validate scores for the same measures for each PHP. The current performance measure set can be found in *Attachment N*.
- d) The Contractor shall propose the measures to be validated each year. The Department may accept or reject any or all of the Contractor's recommendations and determine the measures to be validated. Sixty (60) days prior to Contractor beginning Validation, the Department's Contract Administrator for day to day activities will provide Contractor with the Department's approved measures.
- e) The Contractor shall review and validate the methodology and procedure utilized to measure the PHP performance measures on an annual basis.
- f) As part of the report for the first Calendar Year, Contractor shall include an evaluation of the Department's policies and procedures for setting acceptable levels of bias and data completeness in order for a PHP's performance measure to be considered "valid."

**7. CMS Protocol 3: Validation of Performance Improvement Projects (PIPs)**

- a) Each Calendar Year, the Contractor shall validate all performance improvement projects (PIPs) submitted by the PHPs to the Department. Validation of performance improvement projects shall include an assessment of the PHP methodology for conducting the projects and evaluation of the overall validity and reliability of the projects.
- b) Validation shall be conducted in compliance with the most current CMS Protocol 3 in effect at the time of the validation, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-3.pdf>.

**8. Validation of Network Adequacy**

- a) Each Calendar Year, Contractor shall perform a network adequacy review in accordance with the current CMS protocols in effect at the time of the validation and as specified in 42 C.F.R. § 438.358 to:
  - i. Validate each PHP meets the defined network adequacy standards for availability and accessibility outlined in terms of the PHP contract; and
  - ii. Determine PHP compliance with Federal and State network and access requirements.
- b) The review shall include, at a minimum, primary care providers and specialty care providers as defined in *Attachment O*.
- c) As part of the review, the Contractor shall, at a minimum:
  - i. Conduct a "secret shopper" telephone survey of a statistically significant sample of network providers for each PHP, to determine compliance with appointment wait-time standards;
  - ii. Conduct a "secret shopper" telephone survey of a statistically significant sample of network providers for each PHP, to determine whether the provider is accepting new PHP members; and
  - iii. Conduct a telephone survey of a statistically significant sample of network providers from each PHP to determine the accuracy of data reported by the PHP including, but not limited to:
    - a) The provider's network participation status;

- b) The provider's office location;
  - c) Whether or not the provider offers reasonable accommodations and accessible equipment for beneficiaries with physical or mental disabilities; and
  - d) The languages spoken at the provider's office.
- d) Contractor shall perform a quarterly Validation of the accuracy of the provider information, including the provider directory, reported by the PHP. A random sample sufficient enough to produce statistically valid PHP specific results shall be selected from provider enrollment at the time the sample is selected. The Department will determine sufficiency of the sample.
  - e) Upon completion of the review, Contractor shall analyze the results and identify areas of compliance and non-compliance. For each PHP, Contractor shall submit the PHP's findings and results in the Annual PHP Performance Report.
  - f) Contractor shall collaborate with the Department to develop the survey approach, survey design, sampling methodologies, and analysis methodologies.

**9. CMS Protocol 4: Validation of Encounter Data (Optional Service)**

- a) Each Calendar Year, Contractor shall validate encounter data reported by each PHP using information from the prior calendar year for each PHP. Validation shall be conducted in compliance with the current CMS Protocol 4 in effect at the time of the validation, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-4.pdf>.
- b) Concurrently with the Validation of encounter data, Contractor shall validate each PHP's performance measures and performance improvement projects.
- c) Contractor shall perform a series of checks to assess whether the encounter data can be used for analyses (e.g., trends, quality monitoring). The review shall include encounter and enrollment data, focus on finding missing and erroneous data, and compare the findings to State standards and comparison error rates. The Contractor shall also analyze the completeness of the encounter data over time and calculate utilization rates.
- d) Contractor shall also:
  - i. Work with the Department to develop an annual encounter data Validation strategy to evaluate the timeliness, completeness, and accuracy of PHP data submissions, including evaluating infrastructure and information system capabilities;
  - ii. Assist the Department in selecting data items for audit and determining a sampling strategy to be used;
  - iii. Review medical records or conduct surveys of PHPs, as appropriate, for additional confirmation of findings;
  - iv. Assist in developing and organizing data submission trainings for new plans; and
  - v. Provide recommendations in data and process quality improvement.
- e) Contractor may be asked and be prepared to use information received on encounter data to validate the PHPs are accurately and consistently enforcing the Department's policy requirements and edits.
- f) Contractor shall report the results of encounter data validation to the Department in a narrative report for each PHP that includes data tables, a summary of the statistics for the

information obtained from each activity for each PHP, and highlights issues related to the timeliness, accuracy, and completeness of encounter data. The report shall include Rate Analysis Lag Tables, displaying total dollars representing encounters submitted monthly by PHPs.

- g) Contractor shall perform the following tasks before performing any PHP-level reviews or analyses:
  - i. Review the Department's requirements for collecting and submitting encounter data; and
  - ii. Collaborate with the Department to identify comparison data and set target error rates.
- h) The Department shall support Contractor by providing the following:
  - i. An encounter data file by the tenth day of each month;
  - ii. An outline of the Department's requirements for collection and submission of encounter data by the PHP including the encounter types required to be submitted;
  - iii. The data submission format specified by the Department for PHP use;
  - iv. The Department's data dictionary;
  - v. An explanation of the information flow from the PHP to the Department;
  - vi. The timeframes for data submission; and
  - vii. The acceptable rates of timeliness, accuracy, and completeness for each data field submitted for each encounter type.

#### 10. CMS Protocol 5: Consumer Satisfaction Surveys

- a) Each Calendar Year, Contractor shall assist the Department administer and validate selected consumer satisfaction surveys. Contractor shall complete these activities in accordance with current CMS Protocol 5 in effect at the time the survey is administered, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-5.pdf>.
- b) Contractor shall coordinate with the Department to determine survey design and methodology, approach, and timing for selected consumer satisfaction surveys.
- c) Contractor shall conduct the Consumer Assessment of Healthcare Providers and Systems (CAHPS®) Survey as follows:
  - i. Contractor shall conduct the CAHPS survey on an annual basis in accordance with the CMS protocol for conducting surveys as follows:
    - a) CAHPS Health Plan Survey 5.0H, Adult Version; and
    - b) CAHPS Health Plan Survey 5.0H, Child Version.
  - ii. Ensure surveys are completed at one time and with samples selected at the PHP-level to allow the results to be generalized to all PHPs. Each CAHPS survey will meet the minimum NCQA standards.
  - iii. Contractor shall validate the CAHPS Survey utilizes information from the preceding twelve (12) month period for each PHP.
  - iv. Contractor shall determine the sample size based on the active population. Contractor must submit to the Department's Contract Administrator for day to day

activities, within thirty (30) calendar days of Contract Award, its proposed sampling plan, which is subject to approval by the Department.

- v. Contractor shall, on an annual basis, submit to each PHP a raw data set containing results of the CAHPS survey along with a summary report for each PHP.
- vi. Contractor shall provide a final survey report of the results of the CAHPS Survey to the Department on an annual basis.
- vii. At the Department's request, Contractor shall participate in a conference call or in-person meeting with the Department to discuss survey findings and improvement strategies with the PHPs.

**11. CMS Protocol 5: Provider Satisfaction Surveys**

- a) Each Calendar Year, Contractor shall administer or validate selected provider satisfaction surveys. Contractor shall complete this activity in accordance with the most current CMS Protocol 5 in effect at the time the survey is administered, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-5.pdf>.
- b) Contractor, in coordination with the Department, will determine survey design and methodology, approach, and timing for selected provider satisfaction surveys.
- c) Contractor shall conduct annual Provider satisfaction surveys for each of the PHPs. The provider satisfaction surveys must be done all at one time with the sampling done at the Plan-Level to allow the results to be generalized to all PHPs.
- d) Contractor shall determine the sampling size needed based on the active population at the time the sampling is determined. Contractor must submit to the Department, within thirty (30) calendar days of Contract Award, its proposed sampling plan, which is subject to approval by the Department.
- e) Contractor shall, on an annual basis, submit to each PHP a raw data set containing results of the provider satisfaction survey along with a summary report for each PHP.
- f) Contractor shall provide a final survey report of the results of the provider satisfaction survey to the Department on an annual basis.

**12. CMS Protocol 6: Calculation of Performance Measures in Addition to Those Reported by a PHP and Validated by an EQRO (Optional Service)**

- a) Each Calendar Year, and as directed by the Department or as required to complete EQRO reports, using data from the preceding twelve (12) month period for each PHP, Contractor shall validate the calculation of any performance measures, in addition to those reported by PHPs.
- b) Contractor shall complete this activity in accordance with the current CMS Protocol 6 in effect at the time of the calculation and validation, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-6.pdf>.

**13. CMS Protocol 7: Conduct PIPs in Addition to Those Conducted by a PHP and Validated by an EQRO (Optional Service)**

- a) Each Calendar Year, the Department shall select additional PIPs, and Contractor shall conduct the selected PIPs. Contractor will assess and make recommendations to improve

processes and outcomes of care provided by PHPs. Contractor shall conduct PIPs, in addition to those reported by PHPs, as part of EQR activities and using PHP data from the preceding twelve (12) month period.

- b) Contractor shall complete this activity in accordance with the current CMS Protocol 7 in effect at the time the PIPs are conducted and validated, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-7.pdf>.

**14. CMS Protocol 8: Conduct Studies on Quality that Focus on an Aspect of Clinical or Non-Clinical Services at a Point in Time (Optional Service)**

- a) Each Calendar Year, the Contractor shall conduct studies on quality that focus on a particular aspect of clinical or nonclinical services at a point in time (e.g., specific assessment of the interventions described within the Quality Strategy), at the direction of the Department as part of EQR activities using information from the preceding twelve (12) months for each PHP.
- b) Contractor shall complete this activity in accordance with the most current CMS Protocol 8 in effect at the time the quality studies are conducted, which can be found at <https://www.medicaid.gov/medicaid/quality-of-care/downloads/eqr-protocol-8.pdf>.
- c) Contractor shall be requested to conduct reviews and studies to ensure that services provided to Medicaid members are medically necessary, appropriate, and provided at the most efficient level of care.

**15. Evaluation of the Department's Quality Strategy**

- a) In accordance 42 C.F.R.438.204 and 42 C.F.R. 438.358, the Contractor shall evaluate the Department's quality strategy in accordance with CMS protocols once during the Initial Term of the Contract and once during the option years, regardless of whether the Department exercises its option to extend for one, two, or three years. The time of the review shall be determined by the Department. The Department will give the Contractor at least thirty (30) Calendar Days prior written notice of the start date of the evaluation.
- b) Contractor shall submit a written report to the Department no more than thirty (30) days after it completes its evaluation.

**16. Information Systems Capabilities Assessment (ISCA)**

- a) Each Calendar Year, Contractor shall conduct a review of PHP information system capabilities utilizing the Information Systems Capabilities Assessment (ISCA) in Appendix V of the CMS protocol, which can be found at:

<https://www.medicaid.gov/medicaid/quality-of-care/downloads/app5-isassessment.pdf>.

This activity shall include a review of the Information System Capabilities Assessment submitted to the Contractor by the PHP and interviews with the PHP staff.

- b) Contractor shall conduct the Validations in five (5) sequential activities as follows:

- i. Contractor shall provide each PHP with the ISCA. Contractor is responsible for retrieving the documentation identified at the end of the assessment tool from each PHP within thirty (30) Calendar Days from the date Contractor provides the ISCA to each PHP.
- ii. Contractor *reviews each completed ISCA and accompanying documents*: Contractor shall review the completed ISCA and accompanying documents and assess the adequacy of the PHP's policies and procedures. The PHPs' responses shall be evaluated against the standards established and provided to Contractor by the State for:
  - a) PHP information systems;
  - b) Calculating and reporting specific plan level performance measures; and
  - c) Collecting and submitting encounter data to the Department. Where an answer seems incomplete, or indicates an inadequate process, Contractor shall note that section for follow-up and further review during the onsite activities.
- iii. Contractor *conducts an onsite review of the Information System with PHP Information Technology Staff*: Contractor shall conduct an onsite review of each PHP's information system, including interviews of the IT staff. The review must include the steps for processing a statistically sound sample of each PHPs 837 Professional and 837 Institutional cases .
- iv. *Follow-up interviews with PHP staff*: Contractor shall interview PHP staff responsible for completing the ISCA, as well as additional staff responsible for the PHP's IS function.
- v. *Analysis of information obtained through ISCA and follow up interviews*: Contractor shall include its findings to the Department about each PHP's Information System in each PHP's Annual PHP Performance Report. This analysis shall include:
  - a) The completeness and accuracy of any encounter data collected and submitted to the Department;
  - b) Calculation and Validation of performance measures;
  - c) The ability of the PHP to conduct quality assessment and improvement initiatives; and
  - d) The ability of the PHP to oversee and manage the delivery of health care to its members.

**17. Leading Collaborative Quality Improvement Forums**

- a) Each Calendar Year, Contractor shall organize and conduct at least one (1) quality forum to promote statewide goals of delivering high quality, accessible care to members. The quality forum shall be an interactive face-to-face conference including the PHPs and Department stakeholders. Contractor shall collaborate with the Department to finalize frequency and timing of quality forums, strategy and approach, and forum topics.
- b) Contractor shall schedule the quality forums and create an agenda, subject to the approval of the Department's Contract Administrator for day-to-day activities and will maintain minutes from each of the quality forums.

- c) Contractor shall create a survey to allow attendees of the quality forums the opportunity to provide feedback on the content and the organization of the forums.
- d) The minutes, attendee lists, and summary of survey results from each quality forum shall be submitted to the Department in an annual quality forum report. The format of the summary of the survey will be subject to the approval of the Department's Contract Administrator for day-to-day activities.

**18. Annual Care Management Performance Evaluation**

- a) PHPs are required to offer Care Management services for Medicaid Managed Care members with chronic health conditions or complex health issues or situations. The Department requires PHP reporting of data on care management services to determine the number of individuals, the types of conditions, and the impact Care Management services have on members receiving those services.
- b) Each Calendar Year, Contractor shall facilitate the annual collection and Validation of data submitted by PHPs regarding the PHPs' Advanced Medical Home (AMH), At-Risk Child, High-Risk Pregnancy, and LTSS care management programs.
- c) Contractor shall develop a draft and final report of its results and findings for each PHP. The Contractor shall collaborate with the Department to determine the strategy, approach, timing, and report format.
- d) Contractor shall participate with the Department in an annual, formal webinar or in-person meeting with the PHPs to review results from the Care Management data, identify opportunities for improvement, and determine efficient application of Care Management services to positively impact outcomes.

**19. Annual Health Equity Report**

- a) Each Calendar Year, Contractor shall develop and complete an Annual Health Equity Report to assess individual PHP and program-wide performance against the measures detailed in the Quality Strategy, which can be accessed at [https://files.nc.gov/ncdma/documents/Quality\\_Strategy\\_4.5.19.v2.pdf](https://files.nc.gov/ncdma/documents/Quality_Strategy_4.5.19.v2.pdf). The measures are based on age, race, ethnicity, sex, primary language, and key population group.
- b) Contractor shall collaborate with the Department to determine strategy, approach, timing, and report format for the Annual Health Equity Report.

**20. Program Integrity Reviews and Ad Hoc Reports**

- a) Contractor shall be familiar with Section 1902 (a)(68) of the Social Security Act, 42 CFR 438, 42 CFR 455, 42 CFR 1000 1008, and the requirements of the PHPs' contracts with the Department, including those related to proper payments to providers and methods for detection of fraud and abuse.
- b) Each Calendar Year, Contractor shall:
  - i. Conduct audits to assess program integrity for each PHP, as determined by the Department;
  - ii. Review each of the PHP's written compliance plan to ensure they are written to guard against fraud and abuse, are compliant with 42 C.F.R. 438.608, and contain provisions outlined in the PHPs' contracts with the Department;

- iii. Review PHP activities and determine if the PHP is identifying all overpayments and underpayments to providers and is offering providers the opportunity to appeal all program integrity, compliance, or monitoring actions taken by the PHP, if such opportunity to appeal is required by any Federal or State law, rule or regulation; and
- iv. Review PHP investigations of credible allegations of fraud to ensure that the PHP is conducting, at a minimum, a desk review and forwarding all credible allegations of fraud to the Department within ten (10) calendar days of completion of the investigation along with any evidence collected as a result of the allegation.
- c) Contractor shall develop a draft and final report for each PHP detailing the findings and results from the Program Integrity Reviews. The Contractor shall collaborate with the Department to determine strategy, approach, timing, and report format.

**21. Annual Access to Care Report**

- a) Each Calendar Year, Contractor shall analyze the Annual Access to Care Report, prepared by the Department, that includes the findings from the EQR activities, CAHPS measures, impact of utilization/high-cost services, and specific measures around perception of access.
- b) The Contractor shall coordinate with the Department to determine strategy, approach, timing, and report format.

**22. PHP Report Card**

- a) Each Calendar Year, Contractor shall develop a PHP Report Card that compares the PHPs to each other in key performance areas to assist Medicaid Beneficiaries select among the participating PHPs.
- b) Information in the PHP Report Card shall include quality performance measures, measures of provider and member satisfaction, and operational measures that relate to overall quality performance.
- c) The Contractor shall coordinate with the Department upon Contract Award to determine strategy, approach, comparison measures, timing, and report format for the PHP Report Card.

**23. Monthly Progress Reports**

- a) Contractor shall provide monthly updates, or as frequently as requested by the Department, on the progress and status towards the defined project plan for the EQR.
- b) Progress report activities are expected to be consistent with the Department EQR Workplan.

**24. Annual EQRO Activity Summary Report**

- a) Contractor shall submit an annual report covering each Contract Year. The Annual Summary Report shall include:
  - i. A summary of Contractor's activities during the previous Contract Year;



- ii. Analysis from environmental scans to monitor industry best practices and provide insight into activities that other health plans across the country are performing that have positively impacted areas of intervention; and
  - iii. Developing trends in health care quality.
- b) The Annual Summary Report shall be due sixty (60) Calendar Days after the end of each Contract Year.

**25. Technical Assistance**

- a) As requested by the Department, Contractor shall participate in meetings and provide technical assistance to PHPs for the following activities:
- i. Quality reporting requirements and standards;
  - ii. Accreditation survey(s) preparation;
  - iii. Developing and updating performance improvement plans; and
  - iv. Designing and administering performance improvement projects prior to the submission of the annual PHP Quality Assessment and Performance Improvement program to the Department;
- b) As requested by the Department, Contractor shall provide technical guidance for the following activities:
- i. Educational sessions to enhance the use of the EQR results;
  - ii. Identification of healthcare trends or “best practices” in performance measures or quality improvement activities;
  - iii. Clinical consultation and/or expertise; and
  - iv. Conducting evaluations of health care initiatives.
- c) Contractor shall provide technical assistance and training to any PHP new to the Department’s Medicaid Managed Care Program.

**B. Reporting Requirements, Deliverables, and Liquidated Damages**

1. Contractor shall submit required reports to the Department’s Contract Administrator for day to day activities on the due date specified in *Section V.B. Table 1: EQRO Reports Table and Liquidated Damages*. The Department reserves the right to alter any of the elements in *Section V.B. Table 1* during the term of the Contract.
2. Contractor shall complete the required activities and submit the related deliverables to the Department’s Contract Administrator for day to day activities on the due date specified in *Section V.B. Table 2: EQRO Activities and Deliverables and Liquidated Damages*. The Department reserves the right to alter any elements in *Section V.B. Table 1* during the term of the Contract.
3. Contractor shall maintain web portal in accordance with *Section V.B. Table 3: Web Portal Availability Service Level Agreement* and *Section V.F.*

**Section V.B. Table 1: EQRO Reports Table and Liquidated Damages**

<b>Report</b>	<b>Description</b>	<b>Quantity and Frequency</b>	<b>Due Date</b>	<b>Liquidated Damage</b>
<b>Annual Technical Report</b>	<p>A program-wide detailed technical report summarizing the findings of the annual external quality review and quality of care across all PHPs. The report shall include comparative information about all of the PHPs as methodologically appropriate. The findings from the following CMS protocols and activities must be included:</p> <ul style="list-style-type: none"> <li>• Protocol 1: Assessment of Compliance with Medicaid Managed Care Regulations</li> <li>• Protocol 2: Validation of Performance Measures</li> <li>• Protocol 3: Validation of Performance Improvement Projects (PIPs)</li> <li>• Protocol 4: Validation of Encounter Data</li> <li>• Validation of Network Adequacy</li> </ul>	One (1) report per Calendar Year	April 1	\$1,000.00 per Calendar Day for each Calendar Day a report is late.
<b>Annual PHP Performance Report</b>	<p>Detailed performance reports for each PHP describing the results and findings of the following CMS protocols performed:</p> <ul style="list-style-type: none"> <li>• Protocol 1: Assessment of Compliance with Medicaid Managed Care Regulations</li> <li>• Protocol 2: Validation of Performance Measures</li> <li>• Protocol 3: Validation of Performance Improvement Projects (PIPs)</li> <li>• Protocol 4: Validation of Encounter Data</li> <li>• Validation of Network Adequacy</li> </ul>	One (1) report per PHP per Calendar Year	April 1	\$1,000.00 per Calendar Day for each Calendar Day a report is late.
<b>Information Systems Capabilities Assessment (ISCA)</b>	<p>Outlines the capabilities of a PHP's information system (IS) is essential to effectively and efficiently:</p> <p>(a) Validate PHP encounter data,                      (b) Calculate or validate PHP performance</p>	One (1) report per PHP per Calendar Year	April 1	\$1,000.00 per Calendar Day for each Calendar Day a report is late.

	<p>measures, and</p> <p>(c) Assess a PHP's capacity to manage the health care of its enrollees well. Please see the CMS ISCA protocol:</p> <p><a href="http://www.medicaid.gov/medicaid-chip-program-information/by-topics/quality-of-care/downloads/app5-isassessment.pdf">http://www.medicaid.gov/medicaid-chip-program-information/by-topics/quality-of-care/downloads/app5-isassessment.pdf</a></p>			
<b>Annual Care Management Performance Evaluation</b>	<p>Analysis, results, and findings from the annual collection and Validation of data submitted by PHPs regarding their Advanced Medical Home (AMH), At-Risk Child, High-Risk Pregnancy, and LTSS care management programs. The report shall include findings and results from CMS Protocol 2: Validation of Performance Measures.</p>	<p>One (1) report per PHP per Calendar Year</p>	<p>July 1</p>	<p>\$1,000.00 per Calendar Day for each Calendar Day a report is late.</p>
<b>Annual Health Equity Report</b>	<p>Assesses individual PHP and program-wide performance against select measures indicated in the Quality Strategy, which can be found at <a href="https://files.nc.gov/ncdma/documents/Quality_Strategy_4.5.19.v2.pdf">https://files.nc.gov/ncdma/documents/Quality_Strategy_4.5.19.v2.pdf</a> ) based on age, race, ethnicity, sex, primary language, and by key population group. The report shall include findings and results from CMS Protocol 2: Validation of Performance Measures.</p>	<p>One (1) report per Calendar Year</p>	<p>August 1</p>	<p>\$1,000.00 per Calendar Day for each Calendar Day a report is late.</p>
<b>PHP Report Card</b>	<p>Comparison of PHPs to each other in key performance areas with the purpose of assisting Medicaid members in the selection among the participating PHPs.</p>	<p>One (1) report per Calendar Year</p>	<p>April 1</p>	<p>\$1,000.00 per Calendar Day for each Calendar Day a report is late.</p>
<b>Monthly Progress Reports</b>	<p>Summary of review of all monthly activity and status of the deliverables.</p>	<p>Twelve (12) reports per Calendar Year</p>	<p>Monthly</p>	<p>\$1,000.00 per Calendar Day for each Calendar Day a report is late.</p>

**Section V.B. Table 2: EQRO Activities and Deliverables and Liquidated Damages**

Activities and Deliverables	Description	Quantity and Frequency	Due Date	Liquidated Damage
<p><b>Consumer Satisfaction Survey</b></p>	<p>A final survey report of the results of the CAHPS Survey. The report shall follow CMS Protocol 5: Validation and Implementation of Surveys.</p>	<p>One (1) report per Calendar</p>	<p>May 1</p>	<p>\$1,000.00 per Calendar Day for each Calendar Day a report is late.</p>

		Y e a r		
<b>Provider Satisfaction Survey</b>	A final survey report of the results of the Provider Satisfaction Survey. The report shall follow CMS Protocol 5: Validation and Implementation of Surveys.	One (1) report per Calendar Year	May 1	\$1,000.00 per Calendar Day for each Calendar Day a report is late.
<b>Evaluation of the Department's Quality Strategy</b>	Evaluation of the State's Quality Strategy pursuant to 42 CFR 438.204 and 42 CFR 438.358 at least once during the Initial Term of the Contract, at the request of the Department.	One (1) report per	At time of annual evaluation	\$1,000.00 per Calendar Day for each Calendar Day a report is late.

		e r C a l e n d a r Y e a r		
<b>Collaborative Quality Improvement Forum Report</b>	The minutes, attendee lists, and summary of survey results from each Collaborative Quality Improvement Forum.	One (1) report per Forum	At time of annual evaluation	\$1,000.00 per Calendar Day for each Calendar Day a report is late.
<b>Program Integrity Reviews and Ad Hoc</b>	Compliance with Section 1902 (a)(68) of the Social Security Act, 42 CFR 438, 455 and 1000-1008, including proper payments to providers and methods for detection of fraud and abuse. In addition, compliance with 42 CFR 438.608.	One (1) report	At time of annual evaluation	\$1,000.00 per Calendar Day for each Calendar Day a report is late.

<p><b>Reports</b></p>		<p>o r t p e r p H P p e r C a l e n d a r Y e a r</p>		
<p><b>Annual Access to Care Report</b></p>	<p>Includes the findings from the EQR activities, CAHPS measures, impact of utilization/high-cost services, and specific measures around perception of access.</p>	<p>One ( 1 ) r e p o r t p e r C a l e</p>	<p>August 1</p>	<p>\$1,000.00 per Calendar Day for each Calendar Day a report is late.</p>

		n d a r y e a r		
<b>Annual EQRO Activity Summary Report</b>	Annual report covering the contract year summarizing all of the Contractor's activities during the previous year, analysis from environmental scans, and trends in health care quality.	One ( 1 ) r e p o r t p e r C a l e n d a r y e a r	At time of annual evaluation	\$1,000.00 per Calendar Day for each Calendar Day a report is late.



**Section V.B. Table 3: Web Portal Availability Service Level Agreement**

<b>No.</b>	<b>Measure</b>	<b>Performance Standard</b>	<b>Definition</b>	<b>Liquidated Damage</b>
1	Web Portal Availability	Contractor shall have at least 99.99% availability for its web portal.	Percent of time that Contractor's web portal is available, except for scheduled downtime and planned outages.	One Thousand Dollars (\$1,000.00) for any business day or portion of a business day Contractor's web portal is available less than 99.99% of the time, except for scheduled downtime and planned outages.

### C. Failure to Meet Reporting Requirements and Liquidated Damages

1. Contractor shall comply with all terms, conditions, requirements, performance standards, and applicable laws as set forth in the Contract or any amendments thereto including any rules, policies, or procedures incorporated pursuant to the Contract.
2. The Department reserves the right to impose any and all remedies available under the terms of the Contract, at law or equity, and in the event that the Department determines, in its sole discretion, that Contractor has violated any provision of the Contract, or if Contractor does not comply with any other applicable North Carolina or federal law or regulation, compliance with which is mandated expressly or implicitly by this Contract.
3. Notice of Deficiency
  - a. Prior to the imposition of any liquidated damages against the Contractor or termination of the Contract for cause, the Department will provide the Contractor with written notice detailing the nature of the violation or noncompliance, any actions the Department seeks to impose against the Contractor, and, if applicable, the method and timeframes by which the Contractor may dispute the claim of noncompliance and the imposed actions (“Notice of Deficiency”).
  - b. Within three (3) business days of full remediation of the identified violation(s) in the Notice of Deficiency, or within another timeframe as requested by the Department, the Contractor shall provide the Department with written notice confirming the date that the noncompliant behavior was resolved and the actions the Contractor took to remediate the noncompliance.
4. Liquidated Damages
  - a. If the Contractor does not meet any one or more of the requirements detailed in *Section V.B. Table 1* and *Section V.B. Table 2* of this Contract, the Department shall be entitled to a reduction of fees or payments as detailed therein.
  - b. The liquidated damages are not intended to be a penalty but are intended to be reasonable estimates of the Department’s projected financial loss and damage resulting from the Contractor’s nonperformance. Accordingly, in the event the Contractor fails to perform in accordance with the Contract, the Department may assess liquidated damages as provided in this Contract. Nothing in this Contract is intended to prohibit the Department from exercising other rights and remedies as may be appropriate due to contractor’s failure to perform.
  - c. Prior to the assessment of liquidated damages, the Department shall provide the Contractor with written notice detailing the nature of the noncompliance, the assessed liquidated damages, and the method and timeframes by which the Contractor must respond including how Contractor may dispute the assessment.
5. Payment of Liquidated Damages
  - a. If the Contractor elects not to dispute the assessment of liquidated damages, the liquidated damages shall be due and payable thirty (30) days of the date on the written notice assessing the liquidated damages.
  - b. If the Contractor elects to dispute the assessment of liquidated damages, but does not prevail in the dispute resolution, the liquidated damages shall be due and payable within

thirty (30) days of the date on the written notice of final decision issued by the Department following the dispute resolution upholding its original decision.

- c. If the Contractor fails to pay liquidated damages by the applicable due date, the Contractor shall be subject to interest and a late payment penalty in accordance with G.S. § 147-86.23 until the past due amount is paid. The Department reserves the right to recoup any monies owed to the Department from assessed liquidated damages by withholding the amount from future payments owed to the Contractor.
- d. Notwithstanding the Contractor's request for a dispute resolution, the Department shall have the right to retroactively impose liquidated damages on the Contractor for violations of the terms of this contract during the pendency of a dispute in accordance with this section and Section VI.A Table 1 Liquidated Damages if the Contractor does not prevail in the dispute and the violations continued during the dispute resolution process.
- e. Liquidated damages assessed by the Department do not affect the Contractor's rights or obligations with respect to any third party.

#### D. Value-Added Services

1. The Offeror may propose to offer Value-Added Services. The Offeror shall describe any additional services related to the scope of this RFP that it could provide to the Department.
2. Any value-added services approved by the Department shall be engaged via amendment.

#### E. Qualifications, Staffing Plan, and Personnel Requirements

1. Contractor Qualifications
  - a) The Contractor shall not use the services of, participate with, nor enter into any agreement with any individual or entity that has been excluded from participation in federal health care programs or has been debarred from doing business with the State of North Carolina. Contractor is responsible for screening all employees and subcontractors to ensure this Contract requirement is met.
  - b) Contractor shall have and maintain a staffing plan with sufficient administrative personnel and an organizational structure to comply with all requirements described in this RFP. Contractor shall provide qualified persons in numbers appropriate to the requirements of this RFP, including any value-added services, if approved by the Department.
  - c) Contractor's staff assigned to perform technical review functions must have NCQA CAHPS and NCQA HEDIS certification.
  - d) Contractor shall maintain the following Key Personnel, which are subject to the Department's approval:
    - i. Project Director responsible for all aspects of contract performance, including the operation of all aspects of the requirements of this RFP, including invoicing, data submission, and reporting to the Department. The Project Director shall be available to communicate with the Department by telephone and e-mail as requested by the Department. The Project Director shall have the authority to allocate and coordinate resources and engage additional resources as needed for the Offeror to meet all contractual requirements.
    - ii. Project Manager(s) with management experience who shall be responsible for managing daily activities and working with the Project Director to ensure deliverables are on time and of high quality.
    - iii. Medical Director with Medicaid experience who shall be responsible for overseeing the clinical aspects of the EQR activities and serving as a liaison between the Contractor and the

Department's Business Intelligence Office (BIO) team. This person shall also allocate and coordinate clinical staff as needed to perform the EQR.

- iv. At least one (1) Ph.D. level staff member who shall provide confirmation of all statistical analysis plans and results.
  - v. Contractor shall maintain Key Personnel responsible for information systems, claims, and encounters.
  - vi. Clinical staff, including physicians and nurses, to provide functions including but not limited to medical record reviews, analysis of clinical standards and guidelines, conducting focused clinical studies, clinical data Validation, and PIP Validation.
- e) In addition to Key Personnel, Contractor shall maintain the following staff, at minimum:
- i. North Carolina licensed MDs, Doctors of Osteopathy, obstetricians, pediatricians, registered nurses, pharmacists, mental and behavioral health providers, social workers, and other health care professionals with the experience and training necessary to perform review activities. Clinical staff must have a valid and current license to practice in their profession.
  - ii. Qualified staff for data collection, analysis, and reporting. Each activity requiring statistical analysis shall include the written support for methodology, data validation, and results.
  - iii. Qualified staff to review, edit, and design, as appropriate, all draft and final reports.
- f) Personnel must be in place within ninety (90) Calendar Days of Contract award.
- g) Contractor shall provide all training, education, and technical assistance to all designated Key Personnel and staff to ensure Key Personnel and staff can meet the requirements of this RFP and any resulting contract.
- h) Upon Department's request, Contractor shall provide the Department's Contract Administrator for day-to-day activities all of the individuals assigned to the Contract and their related resumes or biographies.
- i) Contractor shall not substitute Key Personnel assigned to the performance of this Contract without prior written approval by the Department. Contractor shall notify the Department's Contract Administrator for day to day activities of any desired substitution, including the name(s), resumes or biographies, and references of Contractor's recommended substitute personnel. The Department will approve or disapprove the requested substitution within thirty (30) Calendar Days.
- j) The Department may, at its sole discretion, reject a potential candidate or require the removal of any Key Personnel providing services under the Contract.
- k) Contractor shall notify the Department's Contract Administrator for day to day activities of any staff changes for assigned Contract resources within fifteen (15) days of Contractor's knowledge of such change.

## F. Data Exchange and Web Portal

1. Within sixty (60) Calendar Days of Contract award, Contractor shall submit a data sharing plan and schedule to the Department's Contract Administrator for day to day activities. The data sharing plan will support all EQR activities and responsibilities pursuant to the Contract.
2. Contractor shall use Department's solution or, in the alternate, create a web portal to securely deliver data and information to the Department for the purposes of:
  - a. Ongoing External Quality Review Activities;
  - b. Transfer of data for ongoing External Quality Review Monitoring Activities; and
  - c. Reporting.
3. The areas that are subject to review are:
  - a. PHP Administrative Functions;
  - b. PHP Provider Services, including network adequacy;

- c. PHP Member Services;
  - d. PHP Encounter Data;
  - e. PHP Quality Improvement;
  - f. PHP Utilization Management;
  - g. PHP Grievances and Appeals;
  - h. PHP Delegation;
  - i. PHP Program Integrity;
  - j. PHP Finance; and
  - k. PHP Information Systems.
4. The web portal shall be made available to the Department and to the PHPs.
  5. The web portal shall be capable of collecting all required information from the PHPs and have the capability of storing any information from the EQRO that each PHP must download. The Department shall provide an outline of minimum use requirements after Contract Award.
  6. The Contractor's web portal shall adhere to all applicable terms and conditions of the Contract, including but not limited to all Confidentiality, Privacy and Security Protections.
  7. Contractor shall be responsible for establishing data agreements with each PHP.

## VI. Contract Administration

### A. Duty to Report Flagrant Quality of Care Issues

If any of Contractor's principals, officers, Key Personnel, employees, subcontractors, or agents discover a Flagrant Quality of Care issue during a review, Contractor shall immediately notify the Department's Contract Administrators for day to day activities of the issue. A "flagrant quality of care issue" is an issue, circumstance, or occurrence that places a member's health, safety, or well-being in immediate jeopardy. The Contractor shall submit a detailed written report of the matter to Department's Administrators for day to day activities and contractual matters within one State Business Day after the issue is discovered.

### B. Transition Plan

Contractor shall provide Transition Assistance pursuant to *Section III.D. Terms and Conditions*.

### C. Post-Award Activities

1. Contractor shall attend a kick-off meeting with the Department and other involved State agencies, which will be scheduled by the Department. The initial meeting will be held in Raleigh, NC at the Department's offices.
2. Contractor shall comply with Department's Readiness Review requirements related to EQR activities.
3. Contractor shall attend planning meetings for EQR activities as needed in the first Contract Year as requested by the Department.
4. Contractor shall attend project review meetings as requested by the Department. The purpose of these meetings will be to review project progress reports, discuss Contractor and Department performance, address outstanding issues, review problem resolution, provide direction, evaluate continuous improvement and cost saving ideas, and discuss any other pertinent topics.
5. Contractor shall attend all meetings scheduled by the Department, at the dates, times, and places specified by the Department. Key Personnel shall attend all such meetings in person, except when the Department decides, in its discretion, that one or more Key Personnel may attend a meeting via teleconference.

## VII. Attachments

### ATTACHMENT A: MINIMUM QUALIFICATIONS TABLE

MINIMUM QUALIFICATIONS TABLE		
Qualification		Offeror's Statement of Demonstration and Capabilities. Include the section citation, exhibit name/number and page numbers where details can be found in Offeror's response if not included in this table.
1.	Offeror shall confirm it accepts all Terms and Conditions of this RFP as required in <i>Section III.D.</i> of this RFP. Offeror may request modifications per the instructions in <i>Section II.C.3.</i> and acknowledges these are not part of any subsequent Contract unless explicitly accepted by the Department in accordance with <i>Section II.C.3.</i>	
2.	The Offeror shall confirm it complies with the qualifications of external review organizations in accordance with 42 C.F.R. § 438.354.  Offeror shall submit a signed attestation that the Offeror complies with each competence and independence requirement as defined in 42 C.F.R. § 438.354(b) and (c), respectively.	
3.	The Offeror shall confirm it has at least five (5) years' experience in: <ul style="list-style-type: none"> <li>a. Performing EQR activities, as described in 42 C.F.R. § 438.358 and 438.364;</li> <li>b. Data management and analysis; and</li> <li>c. Statistical methodologies, techniques, and procedures in support of quality improvement.</li> </ul> <p>The required five (5) years of Offeror's experience must be within the past eight (8) years of the date the RFP is issued by the Department.</p> <p>Offeror shall submit proof of meeting this requirement by providing a signed attestation briefly describing the above requirements.</p>	
4.	The Offeror shall confirm it is Federally designated by the Center for Medicaid and Medicare Services (CMS) as a Quality Improvement Organization (QIO) or on the list of QIO-like entities as of the date of this RFP issuance.  Offeror shall submit proof of meeting this requirement by providing documentation from CMS that is it a QIO or documentation of its designation as a QIO-like entity.	

- The Offeror accepts, without exception all terms and conditions of this RFP as required in *Section III*. The Offeror may suggest modifications to the terms and conditions per the instructions in *Section II.C.3* and acknowledges such suggestions are not part any subsequent Contract unless explicitly accepted by the Department in accordance with *Section II.C.3.c*.**

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**Offeror Signature**

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**Date**

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**Printed Name and Title**

**ATTACHMENT B: TECHNICAL PROPOSAL**

The Technical Proposal must address all requirements and specifications of this RFP. Offeror should limit responses to five (5) pages, excluding samples, templates, or other requested, unless specified otherwise.

	<b>Information Required and Questions</b>
<b>Question Number</b>	<b>Section V.A: Proposed Work Plan &amp; Approach</b>
1	<p>The Offeror shall provide an implementation plan which must include and address, at a minimum, the following:</p> <ul style="list-style-type: none"> <li>a. A comprehensive list of each task, subtask, and deliverable to meet the requirements of mandatory CMS Protocols 1, 2, and 3, as detailed in Section V. of the RFP. Offerors should propose a schedule and identify Key Personnel and any other business and technical owners. Offeror must detail its strategy and approach to work with and provide technical assistance to the PHPs in order to successfully meet the requirements of this RFP.</li> <li>b. A comprehensive list of each task, subtask, and deliverable to meet all other CMS Protocols and requirements, as detailed in Section V. of the RFP. Offerors should propose a schedule and identify Key Personnel and any other business and technical owners. Offeror must detail its strategy and approach to work with and provide technical assistance to the PHPs in order to successfully meet the other CMS Protocols and requirements of this RFP.</li> </ul> <p>Offeror should limit its response to ten (10) pages.</p>



2	<p>The Offeror shall provide the following:</p> <p>Project Plan and Methodology for Scope of Services: The Offeror shall include a draft project plan and methodology to implement the Initial Project Plan, pursuant to Section V.A.2.b), which shall:</p> <ul style="list-style-type: none"> <li>i. Include the elements stated in Section V.A.2.c) i – Section V.A.2.c) viii.; and</li> <li>ii. Describe the Offeror’s management approach and detail how the Initial Project Plan will be executed.</li> </ul> <p>Offeror should limit its response to fifteen (15) pages.</p>
3	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.3. Annual Technical Report</i>, as follows: The Offeror shall indicate who will prepare the report (e.g., Offeror, Subcontractor(s)) and detail any limitations and/or issues with meeting the Department’s expectations and requirements. The response shall also include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach;</li> <li>b. Detail and describe the resources Offeror proposes to use in the production of the report, including: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely producing the report.</li> </ul> </li> <li>c. Two (2) EQRO Technical Reports from two (2) different states prepared by the Offeror or Offeror’s proposed subcontractor that will be performing this activity. If the Offeror or Offeror’s proposed subcontractor has not previously prepared a report, the Offeror shall indicate such and provide a proposed report template.</li> </ul>

4	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.4. Annual PHP Performance Report</i>. The Offeror shall indicate who will prepare the report (e.g., Offeror, Subcontractor(s)) and detail any limitations and/or issues with meeting the Department’s expectations and requirements. The response shall also include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach</li> <li>b. Detail and describe the resources Offeror proposes to use in the production of the report, including: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely producing the report.</li> </ul> </li> </ul> <p>The Offeror shall provide the following supporting documentation to accompany its response:  A sample report of the Annual PHP Performance Report that was prepared by the Offeror or its proposed subcontractor that will be performing this activity. If neither Offeror nor subcontractor have previously prepared a report, the Offeror shall indicate such and provide a proposed report template.</p>

5	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.5.CMS Protocol 1: Assessment of Compliance with Medicaid Managed Care Regulations</i>. The Offeror shall indicate who will provide the services (e.g., Offeror, subcontractor(s)) and detail any limitations and/or issues with meeting the Department’s expectations and requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of the Offeror’s proposed approach;</li> <li>b. Description of staff, systems, procedures, or materials used to perform this assessment, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan.</li> </ul> </li> <li>c. Procedures and mechanisms the Offeror will utilize to remain up-to-date on applicable Federal and State regulations.</li> </ul>
6	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.6. CMS Protocol 2: Validation of Performance Measures</i>. The Offeror shall indicate who will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s expectations and requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of the Offeror’s proposed approach;</li> <li>b. Description of staff, systems, procedures, or materials used to validate the performance measures, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely validating performance measures.</li> </ul> </li> <li>c. The Offeror shall provide the following supporting documentation to accompany its response: <p>A sample report on Validation of Performance Measures activities and findings previously prepared by the Offeror or its proposed subcontractor that will be performing this activity. If neither Offeror nor subcontractor have previously prepared a report, the Offeror shall indicate such and provide a proposed report template.</p> </li> </ul>

7	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.7. CMS Protocol 3: Validation of Performance Improvement Projects (PIPs)</i>. The Offeror shall indicate who will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s expectations and requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach; and</li> <li>b. Description of staff, systems, procedures, or materials used to validate the PIPs, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely validating the PIPs.</li> </ul> </li> <li>c. A sample report on CMS Protocol 3: Validation of Performance Improvement Projects previously prepared by the Offeror or its proposed subcontractor that will be performing this activity. If neither Offeror nor subcontractor have previously prepared a report, the Offeror shall indicate such and provide a proposed report template.</li> </ul>

8	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section A.V.8. Validation of Network Adequacy</i>. The Offeror shall indicate who will provide the services (e.g., Offeror, subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach for conducting “secret shopper” and telephone surveys;</li> <li>b. A detailed explanation of the process the Offeror will use to validate the accuracy of the provider information, including the provider directory as reported by the PHP;</li> <li>c. Description of staff, systems, procedures, or materials used to perform this requirement, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely validating network adequacy.</li> </ul> </li> <li>d. Sample reporting formats.</li> </ul>

9	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section A.V.9. CMS Protocol 4: Validation of Encounter Data</i>. The Offeror shall indicate who will provide the services (e.g., Offeror, subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach;</li> <li>b. Description of staff, systems, procedures, or materials used to validate the Encounter Data, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely validating the encounter data.</li> </ul> </li> <li>c. Methodology to validate the completeness and accuracy of encounter data.</li> <li>d. The Offeror shall provide the following supporting documentation to accompany its response:  A sample report that includes both narratives and charts/graphs on CMS Protocol 4: Validation of Encounter Data previously prepared by the Offeror or its proposed subcontractor that will be performing this activity. If neither Offeror nor subcontractor have previously prepared a report, the Offeror shall indicate such and provide a proposed report template.</li> </ul>

10	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section A.V.10: CMS Protocol 5: Consumer Satisfaction Surveys</i>. The Offeror shall indicate who will provide these services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its survey approach;</li> <li>b. Proposed sampling plan and size based on estimated enrollment provided in <i>Attachment P</i>;</li> <li>c. Protections for confidentiality (e.g. PHI, PII); and</li> <li>d. Description of staff, systems, procedures, or materials used to validate the PIPs, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely administering and validating the surveys.</li> </ul> </li> </ul>
11	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.11. CMS Protocol 5: Provider Satisfaction Surveys</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed survey approach;</li> </ul>

	<ul style="list-style-type: none"> <li>b. Proposed sampling plan and size, including minimum percentage of surveyed network providers and minimum response rate, based on estimated enrollment provided in Attachment E. North Carolina Medicaid and Health Choice Historical Enrollment;</li> <li>c. Protections for confidentiality (HIPAA); and</li> <li>d. Description of staff, systems, procedures, or materials used to validate the PIPs, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to timely administering and validating the encounter data.</li> </ul> </li> </ul>
12	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.12. CMS Protocol 6: Calculation of Performance Measures in Addition to Those Reported by a PHP</i>. The Offeror shall indicate who will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach; and</li> <li>b. Description of staff, systems, procedures, or materials used to calculate the performance measures, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to performing this activity.</li> </ul> </li> </ul>



13	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.13: CMS Protocol 7: Conduct PIPs in Addition to Those Conducted by a PHP and Validated by an EQRO</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach; and</li> <li>b. Description of staff, systems, procedures, or materials used to conduct these PIPs, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to performing this activity.</li> </ul> </li> </ul>
14	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.14: CMS Protocol 8: Conduct Studies on Quality that Focus on an Aspect of Clinical or Non-Clinical Services at a Point in Time</i>. The Offeror shall indicate who will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach; and</li> <li>b. Description of staff, systems, procedures, or materials used to conduct these studies, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan in conducting these studies.</li> </ul> </li> </ul>

15	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.15: Evaluation of the Department’s Quality Strategy</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach;</li> <li>b. A detailed explanation of its proposed approach; and</li> <li>c. Description of staff, systems, procedures, or materials used to conduct these studies, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to evaluate the Department’s quality strategy.</li> </ul> </li> <li>d. Sample report formats.</li> </ul>

<p>16</p>	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.16: Information Systems Capabilities Assessment (ISCA)</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach; and</li> <li>b. Description of staff, systems, procedures, or materials used to conduct these studies, including at a minimum: <ul style="list-style-type: none"> <li>i. Human resources, including staff functions and roles; and</li> <li>ii. Data collection methods and tools; and</li> <li>iii. Other systems and tools; and</li> <li>iv. Potential risks and proposed mitigation plan to perform the ISCA requirements.</li> </ul> </li> <li>c. The Offeror shall provide the following supporting documentation to accompany its response: <ul style="list-style-type: none"> <li>i. A sample report on an ISCA previously prepared by the Vendor or its proposed subcontractor that will be performing this activity. If the Vendor or its proposed subcontractor that will be performing this activity has not previously prepared a report, the Vendor shall indicate as such and provide a proposed report template.</li> <li>ii. Example interview questions and guide for PHP staff interviews.</li> </ul> </li> </ul>

17	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.17: Leading Collaborative Quality Improvement Forums</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach;</li> <li>b. Description of any staff, systems/tools, procedures, or materials used to perform this activity, including at a minimum: <ul style="list-style-type: none"> <li>i. How each task will be performed;</li> <li>ii. Potential risks and proposed mitigation plan; and</li> <li>iii. Functions of staff members; and</li> <li>iv. Potential risks and proposed mitigation plan to perform this activity.</li> </ul> </li> <li>c. Sample schedule and agenda that includes Forum topics; and</li> <li>d. Sample survey questions for attendees to have the opportunity to provide feedback on the Forum.</li> </ul>
18	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.18: Annual Care Management Performance Evaluation</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach;</li> <li>b. Description of any staff, systems/tools, procedures, or materials used to perform this activity, including at a minimum: <ul style="list-style-type: none"> <li>i. How each task will be performed;</li> <li>i. Potential risks and proposed mitigation plan; and</li> <li>ii. Functions of staff members; and</li> <li>iii. Potential risks and proposed mitigation plan to producing the annual care management performance evaluation.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>c. Current or previous EQRO experience with Care Management evaluation methods or performing an activity similar in nature, if applicable.</li> <li>d. The Offeror shall also provide the following supporting documentation: A sample report on Annual Care Management Performance Evaluation activities and findings previously prepared by the Offeror or its proposed subcontractor that will be performing this activity. If neither the Offeror nor its proposed subcontractor have previously prepared a report, the Offeror shall indicate as such and provide a proposed report template.</li> </ul>
19	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A.19: Annual Health Equity Report</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach; and <ul style="list-style-type: none"> <li>i. How each task will be performed;</li> <li>ii. Potential risks and proposed mitigation plan; and</li> <li>iii. Functions of staff members; and</li> <li>iv. Potential risks and proposed mitigation plan to producing the annual health equity report.</li> </ul> </li> <li>b. The Offeror shall provide the following supporting documentation to accompany its response: A sample Annual Health Equity Report previously prepared by the Offeror or its proposed subcontractor that will be performing this activity. If neither the Offeror nor its proposed subcontractor have previously prepared a report, the Offeror shall indicate as such and provide a proposed report template.</li> </ul>

20	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements of <i>Section V.A. 20: Program Integrity Reviews and Ad Hoc Reports</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <p>A detailed explanation of its proposed approach; and</p> <ol style="list-style-type: none"> <li>i. How each task will be performed;</li> <li>ii. Potential risks and proposed mitigation plan; and</li> <li>iii. Functions of staff members; and</li> <li>iv. Potential risks and proposed mitigation plan to conducting the program integrity reviews and producing the ad hoc reports.</li> </ol>
21	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements for <i>Section V.A.21: Annual Access to Care Report</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ol style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach, including proposed measures to include; and</li> <li>b. Data collection methods and tools; and</li> <li>c. Potential risks and proposed mitigation plan to analyzing the annual access to care report.</li> </ol>

22	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements for <i>Section V.A.22: PHP Report Card</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach; and</li> <li>b. Data collection methods and tools; and</li> <li>c. Potential risks and proposed mitigation plan to developing the annual PHP report card.</li> </ul> <p>A sample PHP Report Card previously prepared by the Offeror or its proposed subcontractor that will be performing this activity. If neither the Offeror nor its proposed subcontractor have previously prepared a report, the Offeror shall indicate as such and provide a proposed report template.</p>
23	<p>The Offeror shall provide a template for <i>Section V.A.23: Monthly Progress Reports</i>. The report template must include:</p> <ul style="list-style-type: none"> <li>a. Status of major activities and tasks in relation to the Offeror’s project plan;</li> <li>b. Target dates for completion of remaining or upcoming tasks/activities;</li> <li>c. Any potential risks or delays anticipated or encountered in reaching target dates, the reason for such delays, and proposed mitigation plan; and</li> <li>d. Revisions to the overall work schedule.</li> </ul>

24	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements for <i>Section V.A.24: Annual EQRO Activity Summary Report</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach, including leveraging the use of environmental scans; and</li> <li>b. Data collection methods and tools; and</li> <li>c. Potential risks and proposed mitigation plan to developing the annual EQRO activity summary report.</li> </ul>
25	<p>The Offeror shall describe its approach and detail how it will meet the Department’s requirements for <i>Section V.A.25: Technical Assistance</i>. The Offeror shall indicate who specifically will provide the services (e.g., Offeror, Subcontractor(s)) and detail any limitations and issues with meeting the Department’s requirements. The response shall include:</p> <ul style="list-style-type: none"> <li>a. A detailed explanation of its proposed approach;</li> <li>b. Examples of technical assistance that would be offered to both the PHPs and Department staff; and</li> <li>c. An explanation of how the need for technical assistance would be assessed.</li> </ul>



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Question Number	Section V.D: Value-Added Services
1	<p>The Offeror shall describe each value-added service, related to the scope of this RFP but not specifically included in the RFP, Offeror could provide to the Department as follows:</p> <ul style="list-style-type: none"> <li>a. Describe the value-added service; and</li> <li>b. Specify the applicable service areas for the proposed value-added service; and</li> <li>c. Identify the eligible category, group, or managed care members who would benefit from the value-added service; and</li> <li>d. Note any limitations or restrictions that apply to the value-added service; and</li> <li>e. Describe how the value-added service will be identified in the encounter data.</li> </ul> <p>Offeror should limit its response to three (3) pages per value-added service.</p>

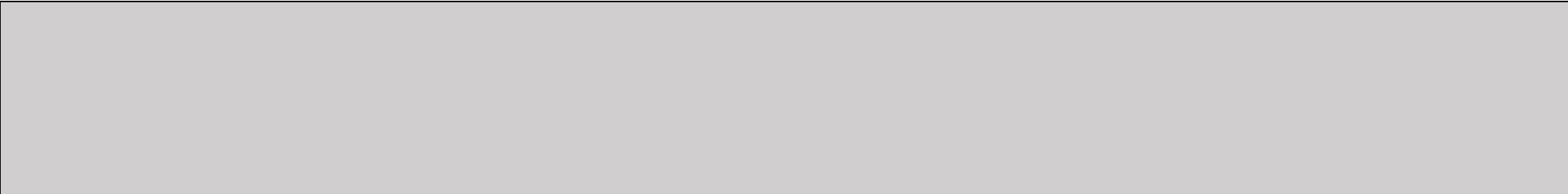
**Section: V.E: Qualifications, Staffing Plan, and Personnel Requirements**

The Offeror shall provide the following:

- a. Name, address, telephone number, fax number, and e-mail address of the legal entity with whom the Contract is to be written;
- b. The name, title, email address, physical address, and telephone number of the person(s) with authority to bind the Offeror with regard to this RFP;
- c. The state in which the Offeror is incorporated or organized;
- d. Name, email address, telephone numbers of principal officers (president, vice-president, treasurer, chair of the board of directors, and other executive officers);
- e. A brief overview of the Offeror's history and the services provided by Offeror;
- f. List of board members and their organizational affiliations;
- g. Legal status (i.e. whether the Offeror is an individual a corporation, a general partnership, a limited partnership, a joint venture or some other legal entity) and whether it is a for-profit company;
- h. Whether the Offeror is a Historically Underutilized Business (HUB) as defined by the State;
- i. Current organization chart that identifies the complete structure of the Offeror; and
- j. Any specific licenses and accreditations held by the Offeror.

Offeror should limit its response to ten (10) pages.

The Offeror shall provide a statement of whether any of the Offeror's directors, partners, proprietors, officers, or employees or any of the proposed project staff are related to any Department(s) exist, identify the related individuals, describe their relationships, and identify their responsive employers.



The Offeror shall provide a description of the physical location of the central business office and satellite offices, if applicable. The hours of operation should be noted for each office, as applicable. The Offeror shall describe how it intends to establish a presence in North Carolina, if any, to fulfill the requirements of the RFP.



The Offeror shall provide a statement that the Offeror and the proposed Offeror staff are not excluded from participation by Medicaid or the Office of the Inspector General of the United States and Human Services.



1. The Offeror shall summarize its mission, corporate and governance structure, and experience qualifying it to successfully meet the requirements of this RFP.
2. Offeror must detail its strategy and approach to work with and provide technical assistance to the PHPs in order to successfully meet the requirements of this RFP.
3. Offeror shall also provide the following:
  - a. The number of years Offeror has provided similar services;
  - b. Detailed organizational background, with an emphasis on experience performing Medicaid external quality review activities with state agencies and Medicaid managed care organizations;
  - c. Background and experience with NCQA accreditation standards, NCQA HEDIS measures, and CAHPS surveys;
  - d. Knowledge of and experience working with Medicaid and CHIP populations and their communities;
  - e. A description of its relevant experience providing services to the State of North Carolina;
  - f. Detailed description of the number of clients, customers, and geographic locations Offeror currently provides services within the scope of this RFP; and
  - g. Any other related experience Offeror determines to be relevant to this RFP.

Offeror should limit its response to ten (10) pages.

The Offeror shall disclose, in *Attachment B. Table 1: EQRO Contract Termination or Non-Renewal in the Past 5 Years*, whether, in the past five (5) years, the Offeror has voluntarily terminated all EQRO or similar services or if Offeror has had a contract for EQRO or similar services partially or fully terminated before the contract end date (whether with or without cause); or whether Offeror has had EQRO or similar services not renewed.

- a. If so, the Offeror shall describe the type of contract and the services provided; the month and year of the contract action; the reason(s) for the termination or non-renewal; and provide the name, address and telephone number of the client/other party.
- b. If the Contract was terminated/non-renewed based on the Offeror's performance, the Offeror shall describe any corrective actions taken to prevent any future occurrence of termination/non-renewal.
- c. If the violation(s) was the subject of an administrative proceeding or litigation, the Offeror shall indicate the result of the proceeding/litigation.
- d. If a claim was made on a payment or performance bond, the Offeror shall submit full details of the termination and the bonds including the other party's name, address, and contact information.

Table 1: EQRO Contract Termination or Non-Renewal in the Past 5 Years

Services Provided	Month & Year of Corrective Action	Reason(s) for Termination or Non-Renewal	Involved Parties	Name of Other Party	Was the contract terminated/not renewed based on the Offeror's performance? If "Yes," describe any corrective actions taken to prevent future occurrence of the problem leading to the termination/non-renewal. If "No," enter N/A.	Was the violation the subject of an administrative proceeding or litigation? If "Yes," indicate the result of the proceeding/litigation. If "No," enter N/A.

The Offeror shall disclose all sanctions imposed against the Offeror as part of a contract for EQRO or similar services in the past five (5) years in *Attachment B. Table 2: Disclosure of Imposed Sanctions Contract in Past 5 Years*. For the purposes of this question, a sanction shall include any monetary penalty (e.g., civil monetary penalty or liquidated damage).

- a. If imposed, describe the nature of the sanction, the underlying action leading to the sanction, the market in which the sanction was imposed, and the assessed monetary amount (if applicable).
- b. Describe any corrective actions taken to prevent any future occurrence of the problem leading to the sanction(s).
- c. If the sanction(s) was the subject of an administrative proceeding or litigation, indicate the result of the proceeding/litigation.

Table 2: Disclosure of Imposed Sanctions as part of an EQRO Contract in Past 5 Years

Services Provided	Describe the nature of the sanction	Describe the underlying action leading to the sanction	Describe the assessed monetary amount, if applicable	Describe the corrective actions taken to prevent any future occurrence of the problem leading to the sanction(s)	Was the sanction the administrative proceeding/litigation? "Yes," indicate the proceeding/litigation

The Offeror shall describe:

- a. The Offeror’s experience in using Medicaid claims, provider, and eligibility data for research and in evaluations;
- b. Ongoing internal controls to safeguard access to data as well as the Offeror’s contingency plan for data system failure in any critical EQR areas;
- c. The Offeror’s data storage, management, transfer, verification, and analytics approach; and
- d. Offeror’s current data security protocol offerings and data protection capabilities.

The Offeror shall indicate whether it currently has an existing web portal for the secure transfer of data.

- a. If so, describe the web portal’s functionalities and protocols, including permissions, and its user interface framework.
- b. If not, describe Offeror’s plan and approach to create a web portal and include the portal’s functionalities and protocols.

Offeror should limit its response to ten (10) pages, including diagrams, charts, figures, etc.

The Offeror shall provide:

- a. The Offeror's Enterprise Architecture Framework;
- b. The Offeror's Single-Sign On (SSO) capabilities;
- c. The Offeror's Secure File Transfer Protocol (SFTP) link;
- d. Any file size limitations on files sent through the EQR file transfer site; and
- e. Any file size limitations on files sent through the SFTP file transfer site.

The Offeror shall provide the following:

1. **Staffing Plan:** Offeror shall submit a detailed description of its staffing plan, including Key Personnel and all positions required to perform the required activities. Offeror shall detail status of the positions (e.g. full-time, part-time, or temporary employees of Offeror; independent contractors or subcontractors to Offeror), who shall supervise the positions, and the
2. **Functional Organizational Chart:** Offeror shall provide a functional organizational chart of the proposed project structure and organization, identifying the lines of management for proposed in performance of this RFP and relationships of the staff to each function of the organization.
3. **Staff Qualifications and Resumes or Biographies:** Offeror shall provide job descriptions for all Key Personnel defined in *Section V.E.1.d*), including job summary, qualifications, requirements. Resumes or biographies are limited to two (2) pages per position and shall include:
  - a. Longevity with Offeror, including applicable dates;
  - b. Relevant education, experience, and training;
  - c. Certifications and licensures;
  - d. Percentage of time to be devoted to the project; and
  - e. Contact information for all Key Personnel designated, pursuant to *Section V.E.1.d*).

The Offeror may submit documentation as an appendix to the Offeror Technical Proposal and reference that appendix in the response box below.

Offeror should limit its response to ten (10), excluding resumes or biographies.

The Offeror shall describe how it will train and educate its staff regarding the roles and responsibilities described in the RFP. The Offeror shall include specific strategies to educate personnel on the Managed Care Program and indicate ongoing training to be provided to personnel.

The Offeror shall describe how it will oversee and ensure review and rating consistency among its staff. The Offeror shall describe its internal controls to assure consistency, accuracy, and complete review activities.



## ATTACHMENT C: COST PROPOSAL

### Instructions for completing Attachment C: Cost Proposal

The Cost Proposal must be submitted using the MS Excel Spreadsheet, Attachment C: Cost Proposal, which may be requested by contacting [Melissa.Pressley@dhhs.nc.gov](mailto:Melissa.Pressley@dhhs.nc.gov).

1. All costs quoted in the Offeror Cost Proposal must be firm and fixed for the duration of the Contract.
2. The Cost Proposal must include the total all-inclusive, turnkey costs associated with the services to be provided as part of this RFP and any subsequent contract, including postage and travel.
3. Offeror should complete the requested information in the Excel Spreadsheet as follows:
  - a. **Tab 1 Instructions.** Please review the instructions included with Attachment C: Cost Proposal, Tab 1 Instructions.
  - b. **Tab 2 Activities and Deliverables**
    - i Offeror shall provide its all-inclusive cost per unit for each activity and deliverable, by Contract Year, in Attachment C: Cost Proposal, Tab 2 Activities and Deliverables.
    - ii Offeror should complete the grey highlighted or designated cells only and should not alter any other cells.
    - iii Offeror shall provide a narrative detailing its proposed costs in Attachment C: Cost Proposal, Tab 4 Narrative. As an alternative, Offeror may attach a separate narrative detailing its proposed costs and reference that document in Attachment C: Cost Proposal, Tab 5 Narrative.
  - c. **Tab 3 Value-Added Services**
    - i Offerors are encouraged to provide fees for related, potentially value-added, services not otherwise specifically requested as part of the RFP, in Attachment C: Cost Proposal, Tab 3 Value-Added Services.
    - ii Offeror should complete the grey highlighted or designated cells only and should not alter any other cells.
    - iii Provide a narrative description of any such fees, including any assumptions, restrictions or other considerations in Attachment C: Cost Proposal, Tab 5 Narrative. As an alternative, Offeror may attach a separate narrative detailing its proposed costs with additional exhibits or information and reference that document in Attachment C: Cost Proposal, Tab 5 Narrative.
  - d. **Tab 4: Web Portal**
    - i Offeror shall provide its all-inclusive cost, by Contract Year, for the web portal in Attachment C: Cost Proposal, Tab 4 Web Portal.
    - ii Offeror should complete the grey highlighted or designated cells only and should not alter any other cells.
    - iii Offeror shall provide a narrative detailing its proposed costs in Attachment C: Cost Proposal, Tab 5 Narrative. As an alternative, Offeror may attach a separate narrative detailing its proposed costs with additional exhibits or information and reference that document in Attachment C: Cost Proposal, Tab 5 Narrative.

### Attachment C: Cost Proposal, Tab 1 Instructions

Offeror Name:	
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This workbook consists of five (5) tabs: Instructions, Activities and Deliverables, Value-Added Services, Web Portal, and Narrative. **Additional instructions can be found in Attachment C: Cost Proposal of the RFP.**

Offeror should enter its company name in cell C2 of this tab.

All proposed fees in this Attachment C must include Offeror's total, all-inclusive, turnkey costs associated with the services to be provided as part of this RFP and any subsequent contract.

**Attachment C: Cost Proposal, Tab 2 Activities and Deliverables Pricing**

<b>Offeror Name:</b>	0
<b>Total Cost:</b>	\$ -

**Table 1: Activities and Deliverables Pricing**

Activity Name	Unit Definition	# of Annual Units	Contract Year 1		Contract Year 2		Contract Year 3		Contract Year 4		Contract Year 5		Contract Year 6	
			Not to Exceed Unit Cost	Annual Cost Contract Year 1	Not to Exceed Unit Cost	Annual Cost Contract Year 2	Not to Exceed Unit Cost	Annual Cost Contract Year 3	Not to Exceed Unit Cost	Annual Cost Contract Year 4	Not to Exceed Unit Cost	Annual Cost Contract Year 5	Not to Exceed Unit Cost	Annual Cost Contract Year 6
<b>Required Activities</b>														
CMS Protocol 1: Assessment of Compliance with Medicaid Managed Care Regulations	PHP	5		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 2: Validation of Performance Measures	Performance Measure	6		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 3: Validation of Performance Improvement Projects (PIPs) (CMS Protocol 3)	PHP	15		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
<b>Other Activities</b>														
Annual Technical Report	Report	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Annual PHP Performance Report	PHP	5		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Validation of Network Adequacy	PHP	5		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 4: Validation of Encounter Data	PHP	8		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 5: Consumer Satisfaction Surveys	Survey	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 5: Provider Satisfaction Surveys	Survey	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 6: Calculation of Performance Measures in Addition to Those Reported by a PHP	Performance Measure	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 7: Conduct of PIPs in Addition to Those Conducted by a PHP and Validated by an EQRO	PIP	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
CMS Protocol 8: Conduct Studies on Quality that Focus on an Aspect of Clinical or Non-Clinical Services at a Point in Time	Study	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Evaluation of the Department's Quality Strategy	Report	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Information Systems Capabilities Assessment (ISCA)	PHP	5		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Leading Collaborative Quality Improvement Forums	Per Forum	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Annual Care Management Performance Evaluation	PHP	5		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Annual Health Equity Report	Report	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Program Integrity Reviews and Ad Hoc Reports	PHP	5		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Annual Access to Care Report	Report	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
PHP Report Card	Report	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Monthly Progress Reports	Report	12		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Annual EQRO Activity Summary Report	Report	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Technical Assistance	Activity	1		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
			<b>Year 1 Total</b>	\$ -	<b>Year 2 Total</b>	\$ -	<b>Year 3 Total</b>	\$ -	<b>Year 4 Total</b>	\$ -	<b>Year 5 Total</b>	\$ -	<b>Year 6 Total</b>	\$ -



**Attachment C: Cost Proposal, Tab 4 Web Portal Pricing**

**Offeror Name:** 0

	<b>Contract Year 1</b>	<b>Contract Year 2</b>	<b>Contract Year 3</b>	<b>Contract Year 4</b>	<b>Contract Year 5</b>	<b>Contract Year 6</b>	<b>Total Cost</b>
	<i>Annual Cost</i>	<i>Annual Cost</i>	<i>Annual Cost</i>	<i>Annual Cost</i>	<i>Annual Cost</i>	<i>Annual Cost</i>	
<b>Web Portal Annual Cost</b>							\$ -

**Attachment C: Cost Proposal, Tab 5 Cost Narrative(s)**

<b>Offeror Name:</b> 0
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<b>Tab 2: Activities and Deliverables</b>
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<b>Tab 3: Value-Added Services</b>
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<b>Tab 4: Web Portal</b>
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**ATTACHMENT D: CLIENT REFERENCES**

Offerors must provide three (3) client references for which it has provided services of similar size and scope to that requested herein. The Offeror must complete the reference table below for each Client Reference. The Department may contact these clients to determine the services provided are substantially similar in scope to those proposed herein, and that the Offeror’s performance has been satisfactory. Information obtained in this attachment will be considered in the evaluation of the proposal.

Client references from the NC Department of Health and Human Services, its divisions, programs or employees are prohibited and will not be considered to satisfy this requirement.

<b>Company Name and Address</b>	<b>Company Contact with email address and phone number</b>	<b>Summary of services provided which are relevant to the scope and requirements of this RFP, including number of beneficiaries served and length of relationship</b>
1.		
2.		
3.		

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## ATTACHMENT E: CONTRACT ADMINISTRATORS

Contract Administrators are the persons to whom notices provided for in this Contract shall be given, and to whom matters relating to the administration of this Contract shall be addressed. The Department and Contractor may change its respective administrator, address, and telephone number by providing written notice.

### For the Department

Contract Administrator for all contractual issues:

Name & Title	Gregory Sligh Senior Contract Analyst
Address 1: Physical Address	820 S. Boylan Avenue Raleigh, NC 27603
Address 2 Mail Service Center Address	2501 Mail Service Center Raleigh, NC 27699-1950
Telephone Number	919-527-7237
Email Address	Gregory.sligh@dhhs.nc.gov

Contract Administrator regarding day to day activities:

Name & Title	Jaimica Wilkins, MBA, CPHQ
Physical Address	820 S. Boylan Avenue Raleigh, NC 27603
Mail Service Center Address	1950 Mail Service Center Raleigh, NC 27699-1950
Telephone Number	(919) 527-7006
Email Address	<a href="mailto:Jaimica.Wilkins@dhhs.nc.gov">Jaimica.Wilkins@dhhs.nc.gov</a>

Department's Federal, State and the Department Compliance Coordinator for all security matters:

Name & Title	Pyreddy Reddy, DHHS CISO
Address 1	695 Palmer Drive, Raleigh, NC 27603
Telephone Number	919-855-3090
Email Address	<a href="mailto:Pyreddy.Reddy@dhhs.nc.gov">Pyreddy.Reddy@dhhs.nc.gov</a>

Department's HIPAA and Policy Coordinator for all Federal, State, and Department privacy matters:

Name & Title	Freya Hardy-Lynch, RHIA, HIPAA and Policy Coordinator
Address 1	333 E. Six Fords Road, Raleigh, NC 27699-2501
Telephone Number	919-814-0107
Email Address	Freya.hardy-lynch@dhhs.nc.gov



**For the Contractor**

Contract Administrator for all contractual issues:

Name & Title	
Address 1: Physical Address	
Telephone Number	
Email Address	

Contract Administrator regarding day to day activities:

Name & Title	
Physical Address	
Telephone Number	
Email Address	

Contractor's coordinator for all security matters:

Name & Title	
Address 1	
Telephone Number	
Email Address	

Contractor's coordinator for all privacy matters:

Name & Title	
Address 1	
Telephone Number	
Email Address	

## ATTACHMENT F: CERTIFICATION OF FINANCIAL CONDITION AND LEGAL ACTION SUMMARY

The Offeror must complete and sign this Certification of Financial Condition and Legal Action Summary, and include the required documents as indicated herein.

### The undersigned hereby certifies that:

- The Offeror has included the following documents with this completed ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION AND LEGAL ACTION SUMMARY.
  - a.  Audited or reviewed financial statements (preferably audited) prepared by an independent Certified Public Accountant (CPA for the two most recent fiscal years, including at a minimum balance sheet, income statement, and cash flow statement for each year. Must provide the contact information for the CPA/audit firm.
  - b.  The current Month End Balance Sheet and Year-to-Date Income Statement at the time of proposal submission.
  - c.  The most recent corporate tax filing OR independent audit report. If submitting the independent audit report, must include contact information for the audit firm.
- The Offeror is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.
- The Offeror has included a brief statement outlining and describing its financial stability.
- The Offeror has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.
- The Offeror is current in all amounts due for payments of federal and state taxes and required employment-related contributions and withholdings.
- The Offeror is not the subject of any current litigation or findings of noncompliance under federal or state law.
- The Offeror has not been the subject of any past or current litigation, findings in any past litigation, or findings of noncompliance under federal or state law that may impact in any way its ability to fulfill the requirements of this Contract.
- The Offeror acknowledges that this is a continuing certification, and the Offeror shall notify the Department within fifteen (15) calendar days of any material change to any of the representations made herein.

**If any one or more of the foregoing boxes is NOT checked, the Offeror shall explain the reason in the space below:**

Offerors are encouraged to explain any negative financial information in its financial statement below and are encouraged to provide documentation supporting those explanations:

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**By completing this Certification of Financial Condition and Legal Action Summary, the Offeror affirms the ability to financially support implementation and on-going costs associated with this Contract, and the individual signing certifies he or she is authorized to make the foregoing statements on behalf of the Offeror.**

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Signature

Date

---

Printed Name

Title

## ATTACHMENT G: DISCLOSURE OF LITIGATION AND CRIMINAL CONVICTIONS

The Offeror must provide information regarding litigation and criminal conviction in response to the RFP by completing this Disclosure of Litigation and Criminal Conviction Form.

1. The Offeror shall disclose if it, or any of its subcontractors, or their officers, directors, or Key Personnel who may provide Services under any contract awarded pursuant to this solicitation, have ever been convicted of a felony, or any crime involving moral turpitude, including, but not limited to fraud, misappropriation, or deception.
2. The Offeror shall disclose if it, or its any of its subcontractors, are the subject of any current litigation or investigations of noncompliance under Federal or State law.
3. The Offeror shall disclose any civil litigation, regulatory finding or penalty, arbitration, proceeding, or judgments against it or its subcontractors during the three (3) years preceding its offer that involve (1) Services or related goods similar to those provided pursuant to any contract and that involve a claim that may affect the viability or financial stability of the Contractor, or (2) a claim or written allegation of fraud by the Contractor or any subcontractor hereunder, arising out of their business activities, or (3) a claim or written allegation that the Contractor or any subcontractor violated any Federal, State or local statute, regulation or ordinance. Multiple lawsuits and or judgments against the Offeror or subcontractor shall be disclosed to the State to the extent they affect the financial solvency and integrity of the Offeror or subcontractor.
4. In the event the Offeror, an officer of the Offeror, or an owner of a twenty-five percent (25%) or greater share of the Offeror, is convicted of a criminal offense incident to the application for or performance of a State, public or private Contract or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of North Carolina employees; convicted under State or Federal antitrust statutes; or convicted of any other criminal offense which, in the sole discretion of the State, reflects upon the Offeror's business integrity, such Offeror shall be prohibited from entering into a contract for goods or Services with any department, institution, or agency of the State.
5. The Offeror shall disclose in the gray shaded space below any legal action that could adversely affect the Offeror's financial conditions or ability to meet the requirements of any Contract resulting from the RFP.

**By signing the RFP, Offeror certifies that the information provided in response to the RFP is true to the best of its information and belief. Offeror agrees to notify Department of any changes to the information provided that arise prior to award of any Contract resulting from the RFP. By signing the RFP, Offeror further acknowledges the requirements set forth in the BACKGROUND CHECKS AND DISCLOSURE OF LITIGATION AND CRIMINAL CONVICTION OR ADVERSE FINANCIAL CONDITIONS term of the Contract and the resulting obligations should a Contract be awarded to the Offeror.**

## ATTACHMENT H: LOCATION OF WORKERS UTILIZED BY THE CONTRACTOR

Upon Contract Award, the successful Offeror becomes a Contractor providing goods and or services to the State. In addition to any other evaluation criteria identified in this RFP, the Department may, for purposes of evaluating proposed or actual contract performance outside of the United States, also consider how that performance may affect the following factors to ensure that any award will be in the best interest of the Department:

1. Total cost to the Department;
2. Level of quality provided by the Contractor;
3. Process and performance capability across multiple jurisdictions;
4. Protection of the State's information and intellectual property;
5. Availability of pertinent skills;
6. Ability to understand the Department's business requirements and internal operational culture;
7. Identified risk factors such as the security of the State's information technology;
8. Relations with citizens and employees; and
9. Contract enforcement jurisdictional issues.

In accordance with G.S. § 143-59.4, the Contractor shall detail the location(s) at which performance will occur, as well as the way it intends to utilize resources or workers outside of the United States in the performance of this Contract. The Department will evaluate the additional risks, costs, and other factors associated with such utilization prior to making an award. Items a, b, and c below **MUST BE COMPLETED**.

**a) Will any work under this Contract be performed outside the United States?**

YES  NO

If the Contractor answered "YES" above, the Contractor shall complete items 1 and 2 below:

1. List the location(s) outside the United States where work under this Contract will be performed by the Contractor, any subcontractors, employees, or other persons performing work under the Contract:
2. Describe the corporate structure and location of corporate employees and activities of the Contractor, its affiliates, or any other subcontractors that will perform work outside the U.S.:

**b) The Contractor agrees to provide notice, in writing to the Department, of the relocation of the Contractor, employees of the Contractor, subcontractors of the Contractor, or other persons performing services under the Contract outside of the United States**

YES  NO

**c) Identify all U.S. locations at which performance will occur:**

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Signature of Authorized Representative

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Name of Entity

---

Name and Title

---

Date

## ATTACHMENT I: IDENTIFICATION OF SUBCONTRACTORS

Offeror must identify and provide the information below for all subcontractors who will perform any services pursuant to the Contract.

Legal Name of Subcontractor and name used for business (if different)	Term of Contract between Offeror and Subcontractor	Description of Services Provided by Subcontractor as it relates to RFP Requirements	Estimated Value of the Contract

By signing the RFP, Offeror certifies that the information provided in response to this *Attachment I* is true. Offeror agrees to notify Department of any changes to the information provided that arise prior to award of any Contract resulting from the RFP. By signing the RFP, Offeror further acknowledges the requirements set forth in the terms and conditions and the resulting obligations should a Contract be awarded to the Offeror.

**The remainder of this page is intentionally left blank.**

## ATTACHMENT J: BUSINESS ASSOCIATE AGREEMENT

### NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“BAA”) is made effective the \_\_\_\_ of \_\_\_\_\_, 20\_\_\_\_, by and between the North Carolina Department of Health and Human Services (“Covered Entity”) and \_\_\_\_\_ (“Business Associate”) (collectively the “Parties”).

#### 1. BACKGROUND

- a. Covered Entity and Business Associate are parties to a contract entitled \_\_\_\_\_, whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.
- b. Covered Entity is an organizational unit of the North Carolina Department of Health and Human Services (the “Department”) that has been designated in whole or in part by the Department as a health care component for purposes of the HIPAA Privacy Rule.
- c. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a “business associate” within the meaning of the HIPAA Privacy Rule.
- d. The Parties enter into this Business Associate Addendum to the Contract with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose protected health information to a business associate and may allow a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

#### 2. DEFINITIONS

*Unless some other meaning is clearly indicated by the context, the following terms shall have the following meaning in this BAA:*

- a. “Electronic Protected Health Information” shall have the same meaning as the term “electronic protected health information” in 45 C.F.R. § 160.103.
- b. “HIPAA” means the Administrative Simplification Provisions, Sections 261 through 264, of the Federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, as modified and amended by the Health Information Technology for Economic and Clinical Health (“HITECH”) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009, Public Law 111-5.
- c. “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- d. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. § Part 160 and Part 164.
- e. “Protected Health Information” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- f. “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.
- g. “Secretary” shall mean the Secretary of the United States Department of Health and Human Services or the person to whom the authority involved has been delegated.
- h. Unless otherwise defined in this BAA, terms used herein shall have the same meaning as those terms have in the Privacy Rule.

#### 3. OBLIGATIONS OF BUSINESS ASSOCIATE

- a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by this BAA or as Required by Law.
- b. Business Associate agrees to use appropriate safeguards and comply, where applicable, with subpart C of 45 C.F.R. § 164 with respect to electronic protected health information, to prevent use or disclosure of the Protected Health Information other than as provided for by this BAA.



- c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this BAA.
- d. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this BAA of which it becomes aware, including breaches of unsecured protected health information as required by 45 C.F.R. § 164.410.
- e. Business Associate agrees, in accordance with 45 C.F.R. § 164.502(e)(1) and 164.308(b)(2), to ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of Business Associate agree to the same restrictions and conditions that apply to Business Associate with respect to such information.
- f. Business Associate agrees to make available protected health information as necessary to satisfy Covered Entity's obligations in accordance with 45 C.F.R. § 164.524.
- g. Business Associate agrees to make available Protected Health Information for amendment and incorporate any amendment(s) to Protected Health Information in accordance with 45 C.F.R. § 164.526.
- h. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from or created or received by Business Associate on behalf of, Covered Entity available to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- i. Business Associate agrees to make available the information required to provide an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

#### **4. PERMITTED USES AND DISCLOSURES**

- a. Except as otherwise limited in this BAA or by other applicable law or agreement, if the Contract permits, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Contract, provided that such use or disclosure:
  - 1) would not violate the Privacy Rule if done by Covered Entity; or
  - 2) would not violate the minimum necessary policies and procedures of the Covered Entity.
- b. Except as otherwise limited in this BAA or by other applicable law or agreements, if the Contract permits, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate, provided that:
  - 1) The disclosures are Required by Law; or
  - 2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- c. Except as otherwise limited in this BAA or by other applicable law or agreements, if the Contract permits, Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- d. Notwithstanding the foregoing provisions, Business Associate may not use or disclose Protected Health Information if the use or disclosure would violate any term of the Contract or other applicable law or agreements.

#### **5. TERM AND TERMINATION**

- a. Term. This BAA shall be effective as of the effective date stated above and shall terminate when the Contract terminates.
- b. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
  - 1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this BAA and services provided by Business Associate, to the extent permissible by law,

- if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
  - 2) Immediately terminate this BAA and services provided by Business Associate, to the extent permissible by law; or
  - 3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.
- c. Effect of Termination.
- 1) Except as provided in paragraph (2) of this section or in the Contract or by other applicable law or agreements, upon termination of this BAA and services provided by Business Associate, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
  - 2) If Business Associate determines that returning or destroying the Protected Health Information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this BAA to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

**6. GENERAL TERMS AND CONDITIONS**

- a. Except as provided in this BAA, all Terms and Conditions of the Contract shall remain in force and shall apply to this BAA as if set forth fully herein.
- b. In the event of a conflict in terms between this BAA and the Contract, the interpretation that is in accordance with the Privacy Rule shall prevail. If a conflict then remains, the Contract terms shall prevail so long as they are in accordance with the Privacy Rule.
- c. A breach of this BAA by Business Associate shall be considered sufficient basis for Covered Entity to terminate the Contract for cause.

\_\_\_\_\_  
Signature of Authorized Representative of Business Associate

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

## ATTACHMENT K: STATE CERTIFICATIONS

### Contractor Certifications Required by North Carolina Law

**Instructions: The person who signs this document should read the text of the statutes and Executive Order listed below and consult with counsel and other knowledgeable persons before signing. The text of each North Carolina General Statutes and of the Executive Order can be found online at:**

- Article 2 of Chapter 64:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter\\_64/Article\\_2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf)
- G.S. 133-32: <http://www.ncga.state.nc.us/gascritps/statutes/statutelookup.pl?statute=133-32>
- Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009):  
<http://www.ethicscommission.nc.gov/library/pdfs/Laws/EO24.pdf>
- G.S. 105-164.8(b):  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_105/GS\\_105-164.8.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf)
- G.S. 143-48.5:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-48.5.html](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-48.5.html)
- G.S. 143-59.1:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.1.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf)
- G.S. 143-59.2:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf)
- G.S. 143-133.3:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter\\_143/GS\\_143-133.3.html](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-133.3.html)
- G.S. 143B-139.6C:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143B/GS\\_143B-139.6C.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143B/GS_143B-139.6C.pdf)

### CERTIFICATIONS

- (1) **Pursuant to G.S. 133-32 and Executive Order No. 24 (Perdue, Gov., Oct. 1, 2009)**, the undersigned hereby certifies that the Contractor named below is in compliance with, and has not violated, the provisions of either said statute or Executive Order.
- (2) **Pursuant to G.S. 143-48.5 and G.S. 143-133.3**, the undersigned hereby certifies that the Contractor named below, and the Contractor's subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the Federal E-Verify system." E-Verify System Link: [www.uscis.gov](http://www.uscis.gov)
- (3) **Pursuant to G.S. 143-59.1(b)**, the undersigned hereby certifies that the Contractor named below is not an "ineligible Contractor" as set forth in G.S. 143-59.1(a) because:
  - (a) Neither the Contractor nor any of its affiliates has refused to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina when the sales met one or more of the conditions of G.S. 105-164.8(b); and
  - (b) [check one of the following boxes]
    - Neither the Contractor nor any of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001; or
    - The Contractor or one of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001 but the United States is not the principal market for the public trading of the stock of the corporation incorporated in the tax haven country.
- (4) **Pursuant to G.S. 143-59.2(b)**, the undersigned hereby certifies that none of the Contractor's officers, directors, or owners (if the Contractor is an unincorporated business entity) has been convicted of any

violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within ten (10 years immediately prior to the date of the bid solicitation.

- (5) **Pursuant to G.S. 143B-139.6C**, the undersigned hereby certifies that the Contractor will not use a former employee, as defined by G.S. 143B-139.6C(d)(2), of the North Carolina Department of Health and Human Services in the administration of a contract with the Department in violation of G.S. 143B-139.6C and that a violation of that statute shall void the Agreement.
- (6) The undersigned hereby certifies further that:
- (a) He or she is a duly authorized representative of the Contractor named below;
  - (b) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Contractor; and
  - (c) He or she understands that any person who knowingly submits a false certification in response to the requirements of G.S. 143-59.1 and -59.2 shall be guilty of a Class I felony.

**Contractor:**                    **Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Printed Name** \_\_\_\_\_ **Title** \_\_\_\_\_

ATTACHMENT L: FEDERAL CERTIFICATIONS AND DISCLOSURES

The undersigned states that:

- (a) He or she is the duly authorized representative of the Contractor named below;
- (b) He or she is authorized to make, and does hereby make, the following certifications on behalf of the Contractor, as set out herein:
  - a. The Certification Regarding Nondiscrimination;
  - b. The Certification Regarding Drug-Free Workplace Requirements;
  - c. The Certification Regarding Environmental Tobacco Smoke;
  - d. The Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions; and
  - e. The Certification Regarding Lobbying;
- (c) He or she has completed the Certification Regarding Drug-Free Workplace Requirements by providing the addresses at which the contract work will be performed;
- (d) [Check the applicable statement]
  - [ ] He or she **has completed** the attached **Disclosure Of Lobbying Activities** because the Contractor **has made, or has an agreement to make**, a payment to a lobbying entity for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action;
  - OR**
  - [ ] He or she **has not completed** the attached **Disclosure Of Lobbying Activities** because the Contractor **has not made, and has no agreement to make**, any payment to any lobbying entity for influencing or attempting to influence any officer or employee of any agency, any Member of Congress, any officer or employee of Congress, or any employee of a Member of Congress in connection with a covered Federal action.
- (e) The Contractor shall require its subcontractors, if any, to make the same certifications and disclosure.

---

Signature

Title

---

Contractor Name

Date

[This Certification Must be Signed by the Same Individual Who Signed the Proposal Execution Page]

## I. Certification Regarding Nondiscrimination

**The Contractor certifies** that it will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (h) the Food Stamp Act and USDA policy, which prohibit discrimination on the basis of religion and political beliefs; and (i) the requirements of any other nondiscrimination statutes which may apply to this Agreement.

## II. Certification Regarding Drug-Free Workplace Requirements

1. The Contractor certifies that it will provide a drug-free workplace by:
  - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - b. Establishing a drug-free awareness program to inform employees about:
    - i. The dangers of drug abuse in the workplace;
    - ii. The Contractor's policy of maintaining a drug-free workplace;
    - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - c. Making it a requirement that each employee be engaged in the performance of the agreement be given a copy of the statement required by paragraph (a);
  - d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the agreement, the employee will:
    - i. Abide by the terms of the statement; and
    - ii. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
  - e. Notifying the Department within ten days after receiving notice under subparagraph (d)(ii) from an employee or otherwise receiving actual notice of such conviction;

- f. Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
    - i. Taking appropriate personnel action against such an employee, up to and including termination; or
    - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
  - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).
2. The sites for the performance of work done in connection with the specific agreement are listed below (list all sites; add additional pages if necessary):

**Address**

Street

---

City, State, Zip Code

---

Street

---

City, State, Zip Code

---

- 3. Contractor will inform the Department of any additional sites for performance of work under this agreement.
- 4. False certification or violation of the certification may be grounds for suspension of payment, suspension or termination of grants, or government-wide Federal suspension or debarment. 45 C.F.R. § 82.510.

**III. Certification Regarding Environmental Tobacco Smoke**

Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000.00 per day and/or the imposition of an administrative compliance order on the responsible entity.

**The Contractor certifies** that it will comply with the requirements of the Act. The Contractor further agrees that it will require the language of this certification be included in any subawards that contain provisions for children's services and that all subgrantees shall certify accordingly.

#### **IV. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions**

##### **Instructions**

[The phrase "prospective lower tier participant" means the Contractor.]

1. By signing and submitting this document, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originate may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant will provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549, 45 C.F.R. Part 76. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other



remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

#### **Certification**

1. **The prospective lower tier participant certifies**, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **V. Certification Regarding Lobbying**

**The Contractor certifies**, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federally funded contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form SF-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) who receive Federal funds of \$100,000.00 or more and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

## VI. Disclosure of Lobbying Activities

### Instructions

This disclosure form shall be completed by the reporting entity, whether sub awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

1. Identify the status of the covered Federal action.
2. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
3. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the sub awardee, e.g., the first sub awardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
4. If the organization filing the report in Item 4 checks "Sub awardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
5. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
6. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
7. Enter the most appropriate Federal Identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
8. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
9. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.

- (b) Enter the full names of the individual(s) performing services and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).
10. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
11. Check the appropriate boxes. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
12. Check the appropriate boxes. Check all boxes that apply. If other, specify nature.
13. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
14. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
15. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D. C. 20503

**Disclosure of Lobbying Activities**  
**(Approved by OMB 0344-0046)**  
**Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352**

<p>1. Type of Federal Action:</p> <p><input type="checkbox"/> a. contract</p> <p><input type="checkbox"/> b. grant</p> <p><input type="checkbox"/> c. cooperative agreement</p> <p><input type="checkbox"/> d. loan</p> <p><input type="checkbox"/> e. loan guarantee</p> <p><input type="checkbox"/> f. loan insurance</p>	<p>2. Status of Federal Action:</p> <p><input type="checkbox"/> a. Bid/offer/application</p> <p><input type="checkbox"/> b. Initial Award</p> <p><input type="checkbox"/> c. Post-Award</p>	<p>3. Report Type:</p> <p><input type="checkbox"/> a. initial filing</p> <p><input type="checkbox"/> b. material change</p> <p><b>For Material Change Only:</b></p> <p>Year _____ Quarter _____</p> <p>Date Of Last Report: _____</p>
<p>4. Name and Address of Reporting Entity:</p> <p><input type="checkbox"/> Prime</p> <p><input type="checkbox"/> Sub awardee Tier (if known) _____</p> <p>Congressional District (if known) _____</p>	<p>5. If Reporting Entity in No. 4 is Sub awardee, Enter Name and Address of Prime:</p> <p>Congressional District (if known) _____</p>	
<p>6. Federal Department/Agency:</p>	<p>7. Federal Program Name/Description:</p> <p>CFDA Number (if applicable) _____</p>	
<p>8. Federal Action Number (if known)</p>	<p>9. Award Amount (if known) \$</p>	
<p>10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI):</p> <p style="text-align: center;">(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	<p>b. Individuals Performing Services (including address if different from No. 10a.) (last name, first name, MI):</p> <p style="text-align: center;">(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	
<p>11. Amount of Payment (check all that apply):</p> <p>\$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned</p>	<p>13. Type of Payment (check all that apply):</p> <p><input type="checkbox"/> a. retainer</p> <p><input type="checkbox"/> b. one-time fee</p> <p><input type="checkbox"/> c. commission</p> <p><input type="checkbox"/> d. contingent fee</p> <p><input type="checkbox"/> e. deferred</p> <p><input type="checkbox"/> f. other; specify: _____</p>	
<p>12. Form of Payment (check all that apply):</p> <p><input type="checkbox"/> a. cash</p> <p><input type="checkbox"/> b. In-kind; specify: Nature _____</p> <p style="padding-left: 100px;">Value _____</p>		
<p>14. Brief Description of Services Performed or to be Performed and Date(s) of Services, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in Item 11 (attach Continuation Sheet(s) SF-LLL-A, if necessary):</p>		
<p>15. Continuation Sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p>16. Information requested through this form is authorized by title 31 U. S. C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U. S. C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Telephone No: _____ Date: _____</p>	
<p>Federal Use Only</p>		<p>Authorized for Local Reproduction Standard Form - LLL</p>

## ATTACHMENT M: REQUEST FOR PROPOSED MODIFICATIONS TO THE TERMS AND CONDITIONS

As provided for in *Section II.C.3*, Offeror may submit proposed modifications to the terms and conditions of the RFP for consideration by the Department. The proposed modifications do not alter the terms and conditions of the RFP and have no force or effect on the RFP or any contract unless accepted by the Department and incorporated through a BAFO, negotiation document, addenda to the RFP, or amendment to the Contract.

The Department, at its sole discretion, may consider any of the proposed modifications submitted in this *Attachment L*.

Offeror must complete the following table to submit proposed modifications.

	RFP Citation	Redline of Proposed Modification
	(i.e., section & page number)	(i.e., include text as published in RFP and strikethrough words, phrases or sentences proposed to be deleted and underline words, phrases, or sentences proposed to be added)
1.		
2.		
3.		
4.		
5.		

ATTACHMENT N: NORTH CAROLINA MEDICAID MANAGED CARE QUALITY METRICS

1. The *Section VII. Attachment N. Table 1: Survey Measures* and *Section VII. Attachment N. Table 2: General Measures* lists the Department’s quality and administrative measures that are meant to provide the Department with a complete picture of each PHP’s processes and performance. These measures include a select set of Adult and Child Core measures, measures required for accreditation, and a select set of additional measures, including administrative measures aligned with key Department interventions.
2. Priority measures are indicated in the column labeled “Priority Measure.” The Department reserves the right to change the priority measures without need for an amendment to the Contract.

Section VII. Attachment N. Table 1: Survey Measures					
#	Measure Name	Measure Descriptions	Measure Steward	Priority Measure	Withhold Measure
1.	<b>Getting Care Quickly</b> NQF #: 0006	The survey asks beneficiaries how often they got care as soon as needed when sick or injured and got non-urgent appointments as soon as needed and allows the following response options: never; sometimes; usually; or always. <ul style="list-style-type: none"> <li>• Q4: Respondent got care for illness/injury as soon as needed (or, for the Child Version: Child got care for illness/injury as soon as needed)</li> <li>• Q6: Respondent got non-urgent appointment as soon as needed (or, for the Child Version: Child got non-urgent appointment as soon as needed)</li> </ul>	AHRQ (CAHPS Health Plan Survey 5.0H, Adult Version and CAHPS Health Plan Survey 5.0H, Child Version)	X	
2.	<b>Getting Needed Care</b> NQF #: 0006	The survey asks beneficiaries how often it was easy for them to get appointments with specialists and get the care, tests, or treatment they needed through their health plan and allows the following response options: never; sometimes; usually; or always.	AHRQ (CAHPS Health Plan Survey 5.0H, Adult Version and CAHPS Health Plan Survey 5.0H, Child Version)	X	

**Section VII. Attachment N. Table 1: Survey Measures**

#	Measure Name	Measure Descriptions	Measure Steward	Priority Measure	Withhold Measure
		Q9: Easy for respondent to get necessary care, tests, or treatment (or, for the Child Version: Easy for child to get necessary care, tests, or treatment) • Q18: Respondent got appointment with specialists as soon as needed (or, for the Child Version: Respondent got child an appointment with specialists as soon as needed.)			
3.	<b>Coordination of Care</b> NQF #: 0009	Parents' Experiences with Coordination of Their Child's Care • CC7: Respondent got the help needed from doctors or other health providers in contacting child's school or daycare • CC18: Someone from child's health plan, doctor's office, or clinic helped coordinate child's care among different providers or services	AHRQ (CAHPS Health Plan Survey 5.0H, Item Set for Children with Chronic Conditions)	X	
4.	<b>Customer Service</b> NQF #:0006	The survey asks beneficiaries how often customer service staff were helpful and treated them with courtesy and respect and allows the following response options: never; sometimes; usually; or always. • Q22: Customer service gave necessary information/help (or, for the Child Version: Q25: Customer service gave necessary information/help) • Q23: Customer service was courteous and respectful (or, for the Child Version: Q26: Customer service was courteous and respectful)	AHRQ (CAHPS Health Plan Survey 5.0H, Adult Version and CAHPS Health Plan Survey 5.0H, Child Version)	X	
5.	<b>Rating of Health Plan</b> NQF #:0006	The survey asks beneficiaries for several ratings on a scale of 0 to 10, with 0 being the worst and 10 being the best.	AHRQ (CAHPS Health Plan Survey 5.0H, Adult Version)		

**Section VII. Attachment N. Table 1: Survey Measures**

#	Measure Name	Measure Descriptions	Measure Steward	Priority Measure	Withhold Measure
6.	<b>Rating of All Health Care</b> NQF #:0006	The survey asks beneficiaries for several ratings on a scale of 0 to 10, with 0 being the worst and 10 being the best. • Q8: Rating of all health care (or, for the Child Version: Q8: Rating of all health care)	AHRQ (CAHPS Health Plan Survey 5.0H, Adult Version and CAHPS Health Plan Survey 5.0H, Child Version)	X	
7.	<b>Rating of Personal Doctor</b> NQF #:0006	The survey asks beneficiaries for several ratings on a scale of 0 to 10, with 0 being the worst and 10 being the best. • Q16: Rating of personal doctor (or, for the Child Version: Q19: Rating of Personal Doctor)	AHRQ (CAHPS Health Plan Survey 5.0H, Adult Version and CAHPS Health Plan Survey 5.0H, Child Version)	X	
8.	<b>Rating of Specialist Seen Most Often</b> NQF #:0006	The survey asks beneficiaries for several ratings on a scale of 0 to 10, with 0 being the worst and 10 being the best. • Q16: Rating of specialist (or, for the Child Version: Q23: Rating of specialist)	AHRQ (CAHPS Health Plan Survey 5.0H, Adult Version and CAHPS Health Plan Survey 5.0H, Child Version)		
9.	<b>Overall Provider Satisfaction with PHP</b>	Survey asking providers overall experience and satisfaction with PHP based on rating scale of PHP meeting the community providers' needs and expectations within the measurement period.		X	



**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
1.	<b>Adherence to Antipsychotic Medications for Individuals with Schizophrenia</b> NQF #: 1879	The percentage of beneficiaries 19–64 years of age during the measurement year with schizophrenia who were dispensed and remained on an antipsychotic medication for at least eighty percent (80%) of their treatment period.	NCQA - HEDIS		
2.	<b>Adult Body Mass Index (BMI) Assessment</b> NQF #: 0023	The percentage of beneficiaries 18–74 years of age who had an outpatient visit and whose body mass index (BMI) was documented during the measurement year or the year prior to the measurement year.	NCQA - HEDIS	X	
3.	<b>Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents (the total of all ages for each of the 3 rates)</b> NQF #: 0024	The percentage of beneficiaries 3–17 years of age who had an outpatient visit with a PCP or OB/GYN and who had evidence of the following during the measurement year. <ul style="list-style-type: none"> <li>• BMI percentile documentation*</li> <li>• Counseling for nutrition</li> <li>• Counseling for physical activity</li> </ul> <p><i>*Because BMI norms for youth vary with age and gender, this measure evaluates whether BMI percentile is assessed rather than an absolute BMI value.</i></p>	NCQA - HEDIS	X	
4.	<b>Annual Dental Visits (Total Rate)</b> NQF #: 1388	The percentage of beneficiaries 2–20 years of age who had at least one dental visit during the measurement year. This measure applies only if dental care is a covered benefit in the organization’s Medicaid contract.	NCQA - HEDIS		

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
5.	<b>Dental Sealants for 6-9-Year-Old Children at Elevated Carries Risk</b> NQF #: 2508	Percentage of beneficiaries ages 6 to 9 at elevated risk of dental caries (i.e., “moderate” or “high” risk) who received a sealant on a permanent first molar tooth within the measurement year.	ADA on behalf of the Dental Quality Alliance		
6.	<b>Percentage of Eligibles Who Received Preventive Dental Services</b> NQF #: 1334	Percentage of individuals ages 1 to 20 who are enrolled in Medicaid or CHIP Medicaid Expansion programs for at least ninety (90) consecutive days, are eligible for Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services, and who received at least one preventive dental service during the reporting period.	CMS (collected via CMS-416)	X	
7.	<b>Antidepressant Medication Management (Both Rates)</b> NQF #: 0105	The percentage of beneficiaries 18 years of age and older who were treated with antidepressant medication, had a diagnosis of major depression and who remained on an antidepressant medication treatment. Two rates are reported. 1. <i>Effective Acute Phase Treatment</i> . The percentage of beneficiaries who remained on an antidepressant medication for at least eighty-four (84) days (12 weeks). 2. <i>Effective Continuation Phase Treatment</i> . The percentage of beneficiaries who remained on an antidepressant medication for at least one hundred eighty (180) days (6 months).	NCQA - HEDIS		
8.	<b>Appropriate Testing for Children with Pharyngitis</b> NQF #: 0002	The percentage of children 3–18 years of age who were diagnosed with pharyngitis, dispensed an antibiotic and received a group A streptococcus (strep) test for the episode. A higher rate represents better performance (i.e., appropriate testing).	NCQA - HEDIS		

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
9.	<b>Appropriate Treatment for Children with Upper Respiratory Infection</b> NQF #: 0069	The percentage of children 3 months–18 years of age who were given a diagnosis of upper respiratory infection (URI) and were not dispensed an antibiotic prescription.	NCQA - HEDIS		
10.	<b>Medication Management for People with Asthma (Medication Compliance 75% Rate only)</b> NQF #: 1799	The percentage of beneficiaries 5–64 years of age during the measurement year who were identified as having persistent asthma and were dispensed appropriate medications that they remained on during the treatment period. Two rates are reported: 1. The percentage of beneficiaries who remained on an asthma controller medication for at least fifty percent (50%) of their treatment period. 2. The percentage of beneficiaries who remained on an asthma controller medication for at least seventy-five percent (75%) of their treatment period.	NCQA - HEDIS		
11.	<b>Asthma Medication Ratio (Total Rate)</b> NQF #: 1800	The percentage of beneficiaries 5–64 years of age who were identified as having persistent asthma and had a ratio of controller medications to total asthma medications of 0.50 or greater during the measurement year.	NCQA - HEDIS	X	X
12.	<b>Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis</b> NQF #: 0058	The percentage of adults 18–64 years of age with a diagnosis of acute bronchitis who were not dispensed an antibiotic prescription.	NCQA - HEDIS		
13.	<b>Breast Cancer Screening</b> NQF #: 2372	The percentage of women 50–74 years of age who had a mammogram to screen for breast cancer.	NCQA - HEDIS		

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
14.	<b>Cervical Cancer Screening</b> <b>NQF #: 0032</b>	The percentage of women 21–64 years of age who were screened for cervical cancer using either of the following criteria: 1. Women 21–64 years of age who had cervical cytology performed every 3 years 2. Women 30–64 years of age who had cervical cytology/human papillomavirus (HPV) co-testing performed every 5 years	NCQA - HEDIS	X	X
15.	<b>Childhood Immunization Status (Combination 10)</b> <b>NQF #: 0038</b>	The percentage of children 2 years of age who had four diphtheria, tetanus and acellular pertussis (DTaP); three polio (IPV); one measles, mumps and rubella (MMR); three haemophilus influenza type B (HiB); three hepatitis B (HepB), one chicken pox (VZV); four pneumococcal conjugate (PCV); one hepatitis A (HepA); two or three rotavirus (RV); and two influenza (flu) vaccines by their second birthday. The measure calculates a rate for each vaccine and nine separate combination rates.	NCQA - HEDIS	X	
16.	<b>Chlamydia Screening in Women (Total Rate)</b> <b>NQF #: 0033</b>	The percentage of women 16–24 years of age who were identified as sexually active and who had at least one test for chlamydia during the measurement year.	NCQA - HEDIS		

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
17.	<p><b>Comprehensive Diabetes Care (BP Control [<math>&lt;140/90</math>], HbA1c Control [<math>&lt;8.0\%</math>], Eye Exam)</b></p> <p><b>NQF #: 0061; 0575; 0055</b></p>	<p>The percentage of beneficiaries 18–75 years of age with diabetes (type 1 and type 2) who had each of the following:</p> <ul style="list-style-type: none"> <li>• Hemoglobin A1c (HbA1c) testing.</li> <li>• HbA1c poor control (<math>&gt;9.0\%</math>).</li> <li>• HbA1c control (<math>&lt;8.0\%</math>).</li> <li>• HbA1c control (<math>&lt;7.0\%</math>) for a selected population*</li> <li>• Eye exam (retinal) performed.</li> <li>• Medical attention for nephropathy.</li> <li>• BP control (<math>&lt;140/90</math> mm Hg).</li> </ul> <p>* Additional exclusion criteria are required for this indicator that will result in a different eligible population from all other indicators. This indicator is only reported for the commercial and Medicaid product lines.</p>	NCQA - HEDIS		
18.	<p><b>Comprehensive Diabetes Care: HbA1c poor control (<math>&gt;9.0\%</math>).<sup>7</sup></b></p> <p><b>NQF #: 0059</b></p>	<p>The percentage of patients 18-75 years of age with diabetes (type 1 and type 2) whose most recent HbA1c level during the measurement year was greater than nine percent (9.0%) (poor control) or was missing a result, or if an HbA1c test was not done during the measurement year.</p>	NCQA - HEDIS	X	X
19.	<p><b>Statin Therapy for Patients with Diabetes (Both Rates)</b></p> <p><b>NQF #: 0547</b></p>	<p>The percentage of beneficiaries 40–75 years of age during the measurement year with diabetes who do not have clinical atherosclerotic cardiovascular disease (ASCVD) who met the following criteria. Two rates are reported:</p> <ol style="list-style-type: none"> <li>1. <i>Received Statin Therapy</i>. Beneficiaries who were dispensed at least one statin medication of any intensity during the measurement year.</li> <li>2. <i>Statin Adherence eighty percent (80%)</i>. Beneficiaries who remained on a statin medication of any intensity for at least eighty percent (80%) of the treatment period.</li> </ol>	NCQA - HEDIS		

<sup>7</sup> Both this measure and the Comprehensive Diabetes Care measure are included because the Department believes HbA1c: poor control ( $>9.0\%$ ) is more feasible for inclusion in the Quality Withhold program. In future years, HbA1c: poor control ( $>9.0\%$ ) may be removed.

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
20.	<b>Comprehensive Diabetes Care (CDC)</b> <b>NQF #: 0731</b>	The focus is on the percentage of beneficiaries 18-75 years of age with a diagnosis of Diabetes (Type 1 and Type 2) who had each of the following during the measurement year, as identified by claim/encounter or automated laboratory data. Hemoglobin A1c (HbA1c) testing in the current measurement year, HbA1c poor control (>9.0%), HbA1c control, Eye exam (retinal) performed, Medical attention for Nephropathy, B/P control (<140/90 mm Hg.)	NCQA - HEDIS		
21.	<b>Controlling High Blood Pressure</b> <b>NQF #:0018</b>	The percentage of beneficiaries 18–85 years of age who had a diagnosis of hypertension (HTN) and whose BP was adequately controlled during the measurement year based on the following criteria: 1. Beneficiaries 18–59 years of age whose BP was <140/90 mm Hg 2. Beneficiaries 60–85 years of age with a diagnosis of diabetes whose BP was <140/90 mm Hg 3. Beneficiaries 60–85 years of age without a diagnosis of diabetes whose BP was <150/90 mm Hg <i>Note: Use the Hybrid Method for this measure. A single rate is reported and is the sum of all three groups.</i>	NCQA - HEDIS	X	
22.	<b>Diabetes Screening for People with Schizophrenia or Bipolar Disorder Who Are Using Antipsychotic Medications</b> <b>NQF #: 1932</b>	The percentage of beneficiaries 18–64 years of age with schizophrenia or bipolar disorder, who were dispensed an antipsychotic medication and had a diabetes screening test during the measurement year.	NCQA - HEDIS		

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
23.	<p><b>Statin Therapy for Patients with Cardiovascular Disease (Both Rates)</b>  <b>NQF #: 0543—adherence</b></p>	<p>The percentage of males 21–75 years of age and females 40–75 years of age during the measurement year, who were identified as having clinical atherosclerotic cardiovascular disease (ASCVD) and met the following criteria. The following rates are reported:</p> <ol style="list-style-type: none"> <li>1. <i>Received Statin Therapy</i>. Beneficiaries who were dispensed at least one high-intensity or moderate-intensity statin medication during the measurement year.</li> <li>2. <i>Statin Adherence eighty percent (80%)</i>. Beneficiaries who remained on a high-intensity or moderate-intensity statin medication for at least eighty percent (80%) of the treatment period.</li> </ol>	NCQA - HEDIS		
24.	<p><b>Annual Monitoring for Patients on Persistent Medications</b>  <b>NQF #: 2371</b></p>	<p>This measure assesses the percentage of patients eighteen (18) years of age and older who received a least one hundred eighty (180) treatment days of ambulatory medication therapy for a select therapeutic agent during the measurement year and at least one therapeutic monitoring event for the therapeutic agent in the measurement year. Report the following three rates and a total rate:</p> <ol style="list-style-type: none"> <li>1. Annual Monitoring for patients on angiotensin converting enzyme (ACE) inhibitors or angiotensin receptor blockers (ARB): At least one serum potassium and a serum creatinine therapeutic monitoring test in the measurement year.</li> <li>2. Annual monitoring for patients on digoxin: At least one serum potassium, one serum creatinine and a serum digoxin therapeutic monitoring test in the measurement year.</li> <li>3. Annual monitoring for patients on diuretics: At least one serum potassium and a serum creatinine therapeutic monitoring test in the measurement year.</li> </ol> <p>Total rate. (the sum of the three numerators divided by the sum of the three denominators)</p>	NCQA-HEDIS		

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
25.	<b>Flu Vaccinations for Adults Ages 18-64</b> <b>NQF #: 0039</b>	The percentage of beneficiaries 18–64 years of age who received a flu vaccination between July 1 of the measurement year and the date when the CAHPS 5.0H Adult Survey was completed.	NCQA-HEDIS		
26.	<b>Follow-Up After Hospitalization for Mental Illness</b> <b>NQF #: 0576</b>	The percentage of discharges for beneficiaries 6 years of age and older who were hospitalized for treatment of selected mental illness diagnoses and who had a follow-up visit with a mental health practitioner. Two rates are reported: 1. The percentage of discharges for which the beneficiary received follow-up within thirty (30) days after discharge. 2. The percentage of discharges for which the beneficiary received follow-up within seven (7) days after discharge.	NCQA - HEDIS	X	X
27.	<b>Follow-Up for Children Prescribed ADHD Medication (Both Rates)</b> <b>NQF #: 0108</b>	The percentage of children newly prescribed attention-deficit/hyperactivity disorder (ADHD) medication who had at least three follow-up care visits within a ten (10) month period, one of which was within thirty (30) days of when the first ADHD medication was dispensed. Two rates are reported. 1. <i>Initiation Phase</i> . The percentage of beneficiaries 6–12 years of age as of the IPSD with an ambulatory prescription dispensed for ADHD medication, who had one follow-up visit with practitioner with prescribing authority during the thirty (30) day Initiation Phase. 2. <i>Continuation and Maintenance (C&amp;M) Phase</i> . The percentage of beneficiaries 6–12 years of age as of the IPSD with an ambulatory prescription dispensed for ADHD medication, who remained on the medication for at least two hundred ten (210) days and who, in addition to the visit in the Initiation Phase, had at least two follow-up visits with a practitioner within two hundred seventy (270) days (9 months) after the Initiation Phase ended.	NCQA - HEDIS		



**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
28.	<p><b>Frequency of Prenatal Care (≥81 percent of expected visits only)</b> <b>NQF #: 1391</b></p>	<p>The percentage of Medicaid deliveries on or between November 6 of the year prior to the measurement year and November 5 of the measurement year that had the following number of expected prenatal visits:</p> <ol style="list-style-type: none"> <li>1. &lt;21 percent of expected visits</li> <li>2. 21 percent–40 percent of expected visits</li> <li>3. 41 percent–60 percent of expected visits</li> <li>4. 61 percent–80 percent of expected visits</li> <li>5. ≥81 percent of expected visits</li> </ol> <p><i>Note: this measure uses the same denominator as the Prenatal and Postpartum Care measure.</i></p> <p><i>Note: this measure has the same structure as measures in the Effectiveness of Care domain. The organization must follow the Guidelines for Effectiveness of Care Measures when calculating this measure.</i></p>	NCQA - HEDIS		
29.	<p><b>Prenatal and Postpartum Care (Both Rates)</b> <b>NQF #: 1517</b></p>	<p>The percentage of deliveries of live births on or between November 6 of the year prior to the measurement year and November 5 of the measurement year. For these women, the measure assesses the following facets of prenatal and postpartum care.</p> <ol style="list-style-type: none"> <li>1. <i>Timeliness of Prenatal Care.</i> The percentage of deliveries that received a prenatal care visit as a beneficiary of the organization in the first trimester, on the enrollment start date or within forty-two (42) days of enrollment in the organization.</li> <li>2. <i>Postpartum Care.</i> The percentage of deliveries that had a postpartum visit on or between twenty-one (21) and fifty-six (56) days after delivery.</li> </ol>	NCQA - HEDIS	X	X

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
30.	<p><b>Contraceptive Care: Postpartum</b>  <b>NQF #: 2904</b></p>	<p>Among women ages 15 through 44 who had a live birth, the percentage that is provided:</p> <ol style="list-style-type: none"> <li>1. A most effective (i.e., sterilization, implants, intrauterine devices or systems (IUD/IUS)) or moderately (i.e., injectables, oral pills, patch, ring, or diaphragm) effective method of contraception within three (3) and sixty (60) days of delivery.</li> <li>2. A long-acting reversible method of contraception (LARC) within three (3) and sixty (60) days of delivery.</li> </ol> <p>Two (2) time periods are proposed (i.e., within three (3) and sixty (60) days of delivery) because each reflects important clinical recommendations from the U.S. Centers for Disease Control and Prevention (CDC) and the American College of Obstetricians and Gynecologists (ACOG). The sixty (60) day period reflects ACOG recommendations that women should receive contraceptive care at the six (6) week postpartum visit. The three (3) day period reflects CDC and ACOG recommendations that the immediate postpartum period (i.e., at delivery, while the woman is in the hospital) is a safe time to provide contraception, which may offer greater convenience to the client and avoid missed opportunities to provide contraceptive care.</p>	U Office of Population Affairs	X	
31.	<p><b>Contraceptive Care: Most &amp; Moderately Effective Method</b>  <b>NQF #: 2902</b></p>	<p>The percentage of women aged 15-44 years at risk of unintended pregnancy that is provided a most effective (i.e., sterilization, implants, intrauterine devices or systems (IUD/IUS)) or moderately effective (i.e., injectables, oral pills, patch, ring, or diaphragm) FDA-approved methods of contraception. The proposed measure is an intermediate outcome measure because it represents a decision that is made at the end of a clinical encounter about the type of contraceptive method a woman will use, and because of the strong association between type of contraceptive method used and risk of unintended pregnancy.</p>	US Office of Population Affairs	X	

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
32.	<b>Immunizations for Adolescents (Combination 2)</b> <b>NQF #: 1407</b>	The percentage of adolescents 13 years of age who had one dose of meningococcal conjugate vaccine, one tetanus, diphtheria toxoids and acellular pertussis (Tdap) vaccine, and have completed the human papillomavirus (HPV) vaccine series by their 13th birthday. The measure calculates a rate for each vaccine and two combination rates.	NCQA - HEDIS	X	
33.	<b>Adolescent Well-Care Visit</b> <b>NQF #:</b>	Percentage of adolescents ages 12 to 21 who had at least one comprehensive well-care visit with a primary care practitioner (PCP) or an obstetric/gynecologic (OB/GYN) practitioner during the measurement year.	NCQA - HEDIS		
34.	<b>Initiation and Engagement of Alcohol and Other Drug Dependence Treatment (Both Rates)</b> <b>NQF #: 0004</b>	The percentage of adolescent and adult beneficiaries with a new episode of alcohol or other drug (AOD) abuse or dependence who received the following. 1. <i>Initiation of AOD Treatment.</i> The percentage of beneficiaries who initiate treatment through an inpatient AOD admission, outpatient visit, intensive outpatient encounter or partial hospitalization, telehealth or medication assisted treatment (MAT) within fourteen (14) days of the diagnosis. 2. <i>Engagement of AOD Treatment.</i> The percentage of beneficiaries who initiated treatment and who had two or more additional AOD services or MAT within thirty-four (34) days of the initiation visit.	NCQA - HEDIS	X	X

**Section VII. Attachment N. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
35.	<b>Medical Assistance with Smoking and Tobacco Use Cessation</b> <b>NQF #: 0027</b>	<p>The following components of this measure assess different facets of providing medical assistance with smoking and tobacco use cessation:</p> <ol style="list-style-type: none"> <li>1. Advising Smokers and Tobacco Users to Quit. A rolling average represents the percentage of beneficiaries 18 years of age and older who were current smokers or tobacco users and who received advice to quit during the measurement year.</li> <li>2. Discussing Cessation Medications. A rolling average represents the percentage of beneficiaries 18 years of age and older who were current smokers or tobacco users and who discussed or were recommended cessation medications during the measurement year.</li> <li>3. Discussing Cessation Strategies. A rolling average represents the percentage of beneficiaries 18 years of age and older who were current smokers or tobacco users and who discussed or were provided cessation methods or strategies during the measurement year.</li> </ol>	NCQA - HEDIS	X	X
36.	<b>Pharmacotherapy Management of COPD Exacerbation (Both Rates)</b> <b>NQF #: 2856</b>	<p>The percentage of COPD exacerbations for beneficiaries 40 years of age and older who had an acute inpatient discharge or ED visit on or between January 1–November 30 of the measurement year and who were dispensed appropriate medications. Two rates are reported:</p> <ol style="list-style-type: none"> <li>1. Dispensed a systemic corticosteroid (or there was evidence of an active prescription) within fourteen (14) days of the event.</li> <li>2. Dispensed a bronchodilator (or there was evidence of an active prescription) within thirty (30) days of the event.</li> </ol>	NCQA - HEDIS		
37.	<b>Visits in the First 15 Months of Life</b> <b>NQF #: 1392</b>	<p>The percentage of children fifteen (15) months old who had the recommended number of well-child visits with a PCP during their first fifteen (15) months of life.</p>	NCQA - HEDIS		

**Section VII. Attachment C. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
38.	<b>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</b> NQF #: 1516	The percentage of children three (3) to six (6) years of age who had one or more well-child visits with a PCP during the measurement year.	NCQA - HEDIS	X	X
39.	<b>Children and Adolescents' Access to Primary Care Practitioners</b>	Percentage of children and adolescents ages 12 months to 19 years who had a visit with a primary care practitioner (PCP). Four separate percentages are reported:  1. Children ages 12 to 24 months and 25 months to 6 years who had a visit with a PCP during the measurement year  2. Children ages 7 to 11 years and adolescents 12 to 19 years who had a visit with a PCP during the measurement year or the year prior to the measurement year	NCQA - HEDIS		
40.	<b>Live Births Weighing Less than 2,500 Grams</b> NQF #: 1382	The percentage of births with birthweight <2,500 grams	CDC	X	X
41.	<b>Use of Opioids at High Dosage in Persons Without Cancer</b> NQF #: 2940	The proportion (XX out of 1,000) of individuals without cancer receiving prescriptions for opioids with a daily dosage greater than 120mg morphine equivalent dose (MED) for ninety (90) consecutive days or longer.	PQA		

**Section VII. Attachment C. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
42.	<b>Concurrent use of Prescription Opioids and Benzodiazepines</b>	This measure examines the percentage of individuals 18 years and older with concurrent use of prescription opioids and benzodiazepines. The denominator includes individuals eighteen (18) years and older by the first day of the measurement year with two (2) or more prescription claims for opioids filled on two (2) or more separate days, for which the sum of the days' supply is fifteen (15) or more days during the measurement period. Patients in hospice care and those with a cancer diagnosis are excluded. The numerator includes individuals from the denominator with two (2) or more prescription claims for benzodiazepines filled on two (2) or more separate days, and concurrent use of opioids and benzodiazepines for thirty (30) or more cumulative days.	PQA	X	
43.	<b>Use of Imaging Studies for Low Back Pain</b> NQF #:0052	The percentage of beneficiaries with a primary diagnosis of low back pain who did not have an imaging study (plain X-ray, MRI, CT scan) within twenty-eight (28) days of the diagnosis.	NCQA - HEDIS		
44.	<b>Total Cost of Care<sup>8</sup></b>	Total Medicaid Managed Care spend per Member per month			
45.	<b>Ambulatory Care (AMB)</b>	This measure summarizes utilization of ambulatory care in the following categories: outpatient visits, ED visits. Results reported as visits per 1,000 beneficiary months	NCQA - HEDIS		
46.	<b>Inpatient Utilization-General Hospital/Acute Care (IPU)</b> NQF #: 1598	This measure summarizes utilization of acute inpatient care and services in the following categories: total inpatient, maternity, surgery, medicine.	NCQA - HEDIS	X	

<sup>8</sup> Measures designed by the Department. Technical specifications currently under development.

**Section VII. Attachment C. Table 2: General Measures**

#	Measure Name	Measure Description	Measure Steward	Priority Measure	Withhold Measure
47.	<b>Plan All-Cause Readmissions</b> <b>NQF #: 1768</b>	For beneficiaries 18 years of age and older, the number of acute inpatient stays during the measurement year that were followed by an unplanned acute readmission for any diagnosis within thirty (30) days and the predicted probability of an acute readmission. Data are reported in the following categories: <ol style="list-style-type: none"> <li>1. Count of Index Hospital Stays (IHS) (denominator)</li> <li>2. Count of thirty (30) day Readmissions (numerator)</li> <li>3. Expected Readmissions Rate</li> </ol>	NCQA - HEDIS		
48.	<b>Select Public Health measures-- TBD BY the Department<sup>9</sup></b>	Population Health Indicators as reported by the Division of Public Health, for attributed Medicaid Managed Care Members as indicated within the measurement period including Infant Mortality (Medicaid), Health Days, Tobacco Use Rates, Overweight/Obesity Rates.			

<sup>9</sup> Measures designed by the Department. Technical specifications currently under development.

**ATTACHMENT O: NORTH CAROLINA MEDICAID MANAGED CARE NETWORK ADEQUACY STANDARDS**

At a minimum, a PHP’s network shall consist of hospitals, physicians, advanced practice nurses, substance use disorder and behavioral health treatment providers, emergent and non-emergent transportation services, safety net hospitals, and all other provider types necessary to support capacity to make all services sufficiently available.

For the purposes of this attachment and the Network Adequacy Standards, “urban” is defined as non-rural counties, or counties with average population densities of two hundred fifty (250) or more people per square mile. This includes twenty (20) counties that are categorized by the North Carolina Rural Economic Development Center as “regional cities or suburban counties” or “urban counties.” “Rural” is defined as a county with average population density of less than two hundred fifty (250) people per square mile.

More information is available at: [http://www.ncleg.net/documentsites/committees/BCCI-6678/4-6-16/NCRC3%20Rural\\_Center\\_Impacts\\_Report.pdf4-6-16.pdf](http://www.ncleg.net/documentsites/committees/BCCI-6678/4-6-16/NCRC3%20Rural_Center_Impacts_Report.pdf4-6-16.pdf).

To ensure that all Members have timely access to all covered health care services, the PHP shall ensure its network meets the following time and distance standards as measured from the Member’s residence for adult and pediatric providers separately through geo-access mapping at least annually, at a minimum:

<b>Section VII. Attachment O. Table 1: PHP Time and Distance Standards</b>			
<b>Reference Number</b>	<b>Service Type</b>	<b>Urban Standard</b>	<b>Rural Standard</b>
1	Primary Care	≥ 2 providers within 30 minutes or 10 miles for at least 95% of Members	≥ 2 providers within 30 minutes or 30 miles for at least 95% of Members
2	Specialty Care	≥ 2 providers (per specialty type) within 30 minutes or 15 miles for at least 95% of Members	≥ 2 providers (per specialty type) within 60 minutes or 60 miles for at least 95% of Members
3	Hospitals	≥ 1 hospital within 30 minutes or 15 miles for at least 95% of Members	≥ 1 hospital within 30 minutes or 30 miles for at least 95% of Members
4	Pharmacies	≥ 2 pharmacies within 30 minutes or 10 miles for at least 95% of Members	≥ 2 pharmacies within 30 minutes or 30 miles for at least 95% of Members
5	OB/GYN <sup>10</sup>	≥ 2 providers within 30 minutes or 10 miles for at least 95% of Members	≥ 2 providers within 30 minutes or 30 miles for at least 95% of Members

<sup>10</sup> Certified Nurse Midwives may be included to satisfy OB/GYN access requirements.



Section VII. Attachment O. Table 1: PHP Time and Distance Standards			
Reference Number	Service Type	Urban Standard	Rural Standard
6	Occupational, Physical, or Speech Therapists	≥ 2 providers (of each provider type) within 30 minutes or 10 miles for at least 95% of Members	≥ 2 providers (of each provider type) within 30 minutes or 30 miles for at least 95% of Members
7	Outpatient Behavioral Health Services	≥ 2 providers of each outpatient behavioral health service within 30 minutes or 30 miles of residence for at least 95% of Members	≥ 2 providers of each outpatient behavioral health service within 45 minutes or 45 miles of residence for at least 95% of Members
8	Location-Based Services (Behavioral Health)	≥ 2 providers of each service within 30 minutes or 30 miles of residence for at least 95% of Members	≥ 2 providers of each service within 45 minutes or 45 miles of residence for at least 95% of Members
9	Crisis Services (Behavioral Health)	≥ 1 provider of each crisis service within each PHP Region	
10	Inpatient Behavioral Health Services	≥ 1 provider of each inpatient BH service within each PHP Region	
11	Partial Hospitalization (Behavioral Health)	≥ 1 provider of partial hospitalization within 30 minutes or 30 miles for at least 95% of Members	≥ 1 provider of specialized services partial hospitalization within 60 minutes or 60 miles for at least 95% of Members
12	Clinically Managed Low-Intensity Residential Treatment Services (Behavioral Health)	≥ 2 providers of clinically managed low-intensity residential treatment services within each PHP Region.	
13	All State Plan LTSS (except	PHP must have at least 2 LTSS provider types (Home Care providers and Home Health	PHP must have at least 2 providers accepting new patients available to deliver each State Plan LTSS in

Section VII. Attachment O. Table 1: PHP Time and Distance Standards			
Reference Number	Service Type	Urban Standard	Rural Standard
	nursing facilities)	providers, including home health services, private duty nursing services, personal care services, and hospice services), identified by distinct NPI, accepting new patients available to deliver each State Plan LTSS in every county.	every county; providers are not required to live in the same county in which they provide services.
14	Nursing Facilities	PHP must have at least 1 nursing facility accepting new patients in every county.	PHP must have at least 1 nursing facility accepting new patients in every county.

The PHP is required to use the definitions of service categories for Behavioral Health time and distance standards found in *Distance Standards* for behavioral health service types in *Section VII. Attachment O. Table 1: PHP Time and Distance Standards* and *Section VII. Attachment O. Table 2: Definition of Service Category for Behavioral Health Time*.

Section VII. Attachment O. Table 2: Definition of Service Category for Behavioral Health Time and Distance Standards		
Reference Number	Service Type	Definition
1.	Outpatient Behavioral Health Services	Outpatient behavioral health services provided by direct-enrolled providers (adults and children)
2.	Location-Based Services (Behavioral Health)	<ul style="list-style-type: none"> <li>a. Psychosocial rehabilitation (adult)</li> <li>b. SA Comprehensive Outpatient (adult)</li> <li>c. SA Intensive Outpatient Program (adults and children)</li> <li>d. Opioid treatment (adult)</li> </ul>
3.	Crisis Services (Behavioral Health)	<ul style="list-style-type: none"> <li>a. Adult facility-based crisis</li> <li>b. Child facility-based crisis</li> <li>c. Non-hospital medical detoxification (adult)</li> <li>d. Ambulatory withdrawal management with extended on-site monitoring</li> <li>e. Medically supervised or alcohol drug abuse treatment center (ADATC) detoxification crisis stabilization (adult)</li> <li>f. Clinically managed residential withdrawal management</li> </ul>

Section VII. Attachment O. Table 2: Definition of Service Category for Behavioral Health Time and Distance Standards		
Reference Number	Service Type	Definition
4.	Inpatient Behavioral Health Services	<p><i>Inpatient Hospital – Adult</i></p> <ul style="list-style-type: none"> <li>a. Acute care hospitals with adult inpatient psychiatric beds</li> <li>b. Other hospitals with adult inpatient psychiatric beds</li> <li>c. Acute care hospitals with adult inpatient substance use beds</li> <li>d. Other hospitals with adult inpatient substance use beds</li> </ul> <p><i>Inpatient Hospital – Adolescent / Children</i></p> <ul style="list-style-type: none"> <li>e. Acute care hospitals with adolescent inpatient psychiatric beds</li> <li>f. Other hospitals with adolescent inpatient psychiatric beds</li> <li>g. Acute care hospitals with adolescent inpatient substance use beds</li> <li>h. Other hospitals with adolescent inpatient substance use beds</li> <li>i. Acute care hospitals with child inpatient psychiatric beds</li> <li>j. Other hospitals with child inpatient psychiatric beds</li> </ul>
5.	Partial Hospitalization (Behavioral Health)	Partial hospitalization (adults and children)
6.	Clinically Managed Low-Intensity Residential Treatment Services (Behavioral Health)	Clinically managed low-intensity residential treatment services

The PHP is additionally required to meet the following appointment wait-time standards for adult and pediatric providers separately, which vary by the type of service:

Section VII. Attachment O. Table 3: Appointment Wait Time Standards			
Reference Number	Visit Type	Description	Standard
Primary Care			
1	Preventive Care Service – adult, 21 years of age and older	Care provided to prevent illness or injury; examples include, but are not limited to, routine physical examinations, immunizations, mammograms and pap smears	Within thirty (30) Calendar days
1a	Preventive Care Services – child, birth through 20 years of age		Within fourteen (14) Calendar days for Member less than six (6) months of age.

Section VII. Attachment O. Table 3: Appointment Wait Time Standards			
Reference Number	Visit Type	Description	Standard
			Within thirty (30) Calendar days for Members six (6) months or age and older.
2	Urgent Care Services	Care provided for a non-emergent illness or injury with acute symptoms that require immediate care; examples include, but are not limited to, sprains, flu symptoms, minor cuts and wounds, sudden onset of stomach pain and severe, non-resolving headache.	Within twenty-four (24) hours
3	Routine/Check-up without Symptoms	Non-symptomatic visits for routine health check-up.	Within thirty (30) Calendar days
4	After-Hours Access – Emergent and Urgent	Care requested after normal business office hours.	Immediately {available twenty-four (24) hours a day, three hundred sixty-five (365) days a year}
<b>Prenatal Care</b>			
5	Initial Appointment – 1 <sup>st</sup> or 2 <sup>nd</sup> Trimester	Care provided to a Member while the Member is pregnant to help keep Member and future baby healthy, such as checkups and prenatal testing.	Within fourteen (14) Calendar days
5a	Initial Appointment – high risk pregnancy or 3 <sup>rd</sup> Trimester		Within five (5) Calendar days
<b>Specialty Care</b>			
6	Urgent Care Services	Care provided for a non-emergent illness or injury with acute symptoms that require immediate care; examples include, but are not limited to, sprains, flu symptoms, minor cuts and wounds, sudden onset of stomach pain and severe, non-resolving headache.	Within twenty-four (24) hours
7	Routine/Check-up without Symptoms	Non-symptomatic visits for health check.	Within thirty (30) Calendar days
8	After-Hours Access – Emergent and Urgent Instructions	Care requested after normal business office hours.	Immediately {available twenty-four (24) hours a day, three hundred sixty-five (365) days a year}
<b>Behavioral Health Care</b>			
9	Mobile Crisis Management Services	Mobile crisis services, for adults and children that are direct and periodic services available at all times, twenty-four (24) hours a day, seven (7) days a week, three hundred sixty-five (365) days	Within thirty (30) minutes

**Section VII. Attachment O. Table 3: Appointment Wait Time Standards**

Reference Number	Visit Type	Description	Standard
		a year, and primarily delivered face-to-face with the individual and in locations outside the agency’s facility for the purposes of the BH appointment wait-time standards.	
10	Urgent Care Services for Mental Health	<ul style="list-style-type: none"> <li>a. Services to treat a condition in which a person is not actively suicidal or homicidal, denies having a plan, means or intent for suicide or homicide, but expresses feelings of hopelessness, helplessness or rage; has potential to become actively suicidal or homicidal without immediate intervention; displays a condition which could rapidly deteriorate without immediate intervention; and/or without diversion and intervention, shall progress to the need for emergent services/care for appointment wait-time standards.</li> <li>b. Services to treat a condition in which a person has potential to become actively suicidal or homicidal without immediate intervention for the purposes of the BH appointment wait-time standards.</li> </ul>	Within twenty-four (24) hours
11	Urgent Care Services for SUDs	<ul style="list-style-type: none"> <li>a. Services to treat a condition in which the person is not imminently at risk of harm to self or others or unable to adequately care for self, but by virtue of the person’s substance use is in need of prompt assistance to avoid further deterioration in the person’s condition which could require emergency assistance for BH appointment wait-time standards.</li> <li>b. Services to treat a condition in which a person displays a condition which could without diversion and intervention, progress to the need for emergent services/care for the purposes of the BH appointment wait-time standards.</li> </ul>	Within twenty-four (24) hours
12	Routine Services for Mental Health	<ul style="list-style-type: none"> <li>a. Services to treat a person who describes signs and symptoms resulting in impaired behavioral functioning, which has impacted person’s ability to participate in daily</li> </ul>	Within fourteen (14) calendar days

**Section VII. Attachment O. Table 3: Appointment Wait Time Standards**

Reference Number	Visit Type	Description	Standard
		<p>living or markedly decreased person’s quality of life for the purposes of the BH appointment wait-time standards.</p> <p>b. Services to treat a person who describes signs and symptoms resulting in impaired mental functioning, which has impacted person’s ability to participate in daily living or markedly decreased person’s quality of life for the purposes of the BH appointment wait-time standards.</p> <p>c. Services to treat a person who describes signs and symptoms resulting in impaired emotional functioning, which has impacted person’s ability to participate in daily living or markedly decreased person’s quality of life for the purposes of the BH appointment wait-time standards</p>	
13	Routine Services for SUDs	Services to treat a person who describes signs and symptoms consequent to substance use resulting in a level of impairment which can likely be diagnosed as a SUD according to the current version of the Diagnostic and Statistical Manual for the purposes of the BH appointment wait-time standards.	Within fourteen (14) calendar days
14	Emergency Services for Mental Health	Services to treat a life-threatening condition in which a person is suicidal, homicidal, actively psychotic, displaying disorganized thinking or reporting hallucinations and delusions that may result in harm to self or harm to others, and/or displaying vegetative signs and is unable to care for self; includes crisis intervention.	Immediately {available twenty-four (24) hours a day, three hundred sixty-five (365) days a year}
15	Emergency Services for SUDs	Services to treat a life-threatening condition in which the person is by virtue of their use of alcohol or other drugs, suicidal, homicidal, actively psychotic, displaying disorganized thinking or reporting hallucinations and delusions which may result in self-harm or harm to others, and/or is unable to adequately care for self without supervision due to the effects of chronic substance use; includes crisis intervention for the purpose of BH appointment wait-time standards.	Immediately {available twenty-four (24) hours a day, three hundred sixty-five (365) days a year}

The PHP is required to use the following provider types as “specialty care” providers for purposes of *Section VII. Attachment O. Table 1: PHP Time and Distance Standards* and *Section VII. Attachment O. Table 3: PHP Appointment Wait Time Standards* as found in this attachment:

<b>Section VII. Attachment . Table 4: Specialty Care Providers</b>	
<b>Reference Number</b>	<b>Service Type</b>
1.	Allergy/Immunology
2.	Anesthesiology
3.	Cardiology
4.	Dermatology
5.	Endocrinology
6.	ENT/Otolaryngology
7.	Gastroenterology
8.	General Surgery
9.	Infectious Disease
10.	Hematology
11.	Nephrology
12.	Neurology
13.	Oncology
14.	Ophthalmology
15.	Optometry
16.	Orthopedic Surgery
17.	Pain Management (Board Certified)
18.	Psychiatry
19.	Pulmonology
20.	Radiology
21.	Rheumatology
22.	Urology

ATTACHMENT P: NORTH CAROLINA MEDICAID AND HEALTH CHOICE HISTORICAL ENROLLMENT

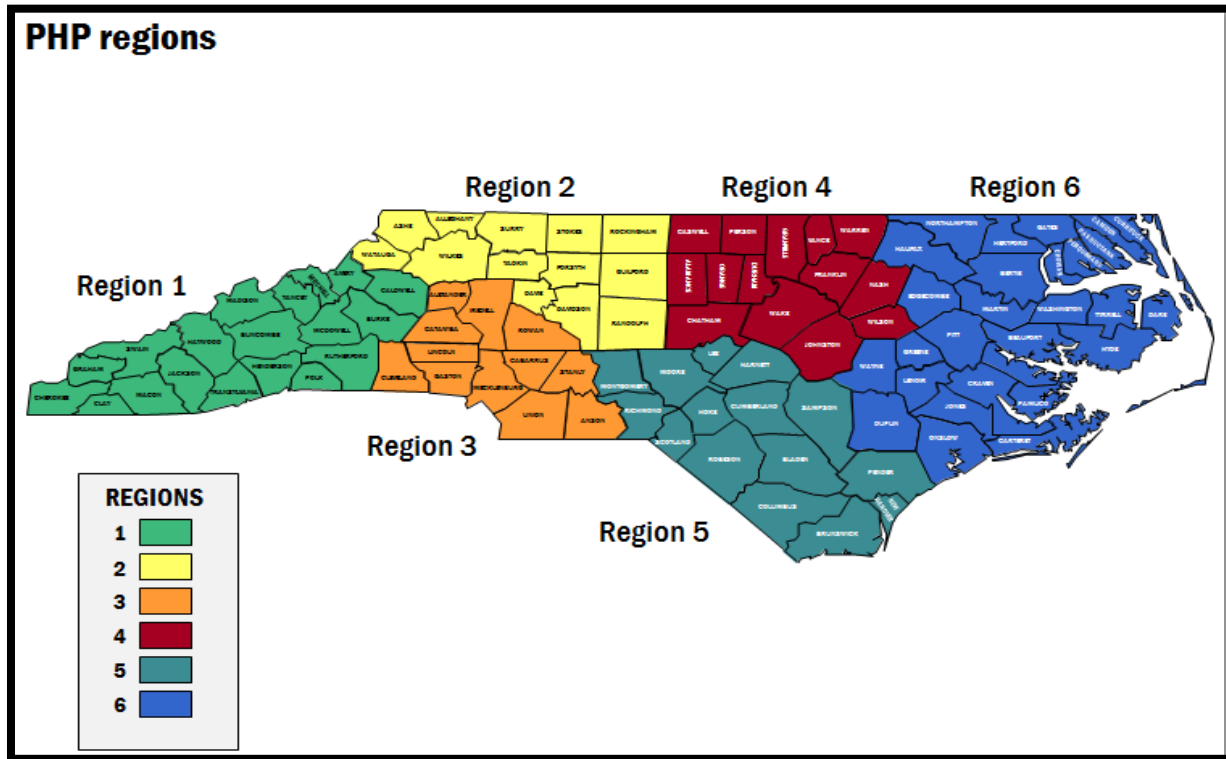
The Department has defined six (6) managed care program regions within North Carolina. See *Section VII. Attachment P. Table 1: List of Counties by Region* for the counties included in each of the six (6) PHP regions, and *Section VII. Attachment P. Figure 1: Map of Regions* that illustrates the PHP regions in map format.

<b>Section VII. Attachment P. Table 1: List of Counties by PHP Region</b>	
<b>PHP Regions</b>	<b>Counties</b>
<b>Region 1</b>	Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Yancey
<b>Region 2</b>	Alleghany, Ashe, Davidson, Davie, Forsyth, Guilford, Randolph, Rockingham, Stokes, Surry, Watauga, Wilkes, Yadkin
<b>Region 3</b>	Alexander, Anson, Cabarrus, Catawba, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly, Union
<b>Region 4</b>	Alamance, Caswell, Chatham, Durham, Franklin, Granville, Johnston, Nash, Orange, Person, Vance, Wake, Warren, Wilson
<b>Region 5</b>	Bladen, Brunswick, Columbus, Cumberland, Harnett, Hoke, Lee, Montgomery, Moore, New Hanover, Pender, Richmond, Robeson, Sampson, Scotland
<b>Region 6</b>	Beaufort, Bertie, Camden, Carteret, Chowan, Craven, Currituck, Dare, Duplin, Edgecombe, Gates, Greene, Halifax, Hertford, Hyde, Jones, Lenoir, Martin, Northampton, Onslow, Pamlico, Pasquotank, Perquimans, Pitt, Tyrrell, Washington, Wayne

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Section VII. Attachment P. Figure 1: Map of Regions



Below is a summary of the NC Medicaid and Health Choice anticipated enrollment by region for those populations the Department intends to enroll in managed care over the next 5 years. Enrollment estimates are available at: <https://files.nc.gov/ncdhs/documents/files/PopulationProfiles.pdf?oI2oB1itRV6ozGxXBzNkaPZPK1zG3jgx>.

**Year 1 – Cross-over population**

Region	FY2016 average member months
Region 1	143,000
Region 2	257,000
Region 3	365,000
Region 4	293,000
Region 5	260,000
Region 6	207,000
Total	1,525,000

**Populations considered for enrollment for future years:**

Foster care and adoptive placement:

Region	FY2016 average member months
Region 1	3,600
Region 2	3,700
Region 3	4,900
Region 4	4,100
Region 5	3,900
Region 6	2,300
Total	22,500