



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
320 S. Walnut Street 2nd Floor Lansing, MI 48933
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **9**
to
Contract Number **MA18000000475**

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street Suite 1100
	Kansas City MO 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
		KlineC1@michigan.gov	
	Contract Administrator	Adam Ashley	DTMB
(517)-855-1376			
ashleya2@michigan.gov			

CONTRACT SUMMARY				
Health Care Consulting Services				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
April 1, 2018	March 31, 2023	2 - 12 Months	March 31, 2025	
PAYMENT TERMS		DELIVERY TIMEFRAME		
5NET10 OR NET 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,745,150.00	\$0.00	\$3,745,150.00		
DESCRIPTION				
Effective September 18th, 2024, the State Contract Administrator has been updated to Adam Ashley.				
Email: ashleya2@michigan.gov				
Phone: (517)-855-1376				
All other terms, conditions, specifications and pricing remain the same. Per Contractor and agency agreement, and DTMB Central Procurement Services approval.				



**STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES**

Department of Technology, Management, and Budget
320 S. WALNUT ST., LANSING, MICHIGAN 48933
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **8**
to
Contract Number **180000000475**

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street , Suite 1100
	Kansas City, MO 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
CV0058595	

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
STATE	Contract Administrator	KlineC1@michigan.gov	
		Jordana Sager	DTMB
		(517) 896-1903	
		sagerj2@michigan.gov	

CONTRACT SUMMARY

HEALTH CARE CONSULTING SERVICES

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2025
PAYMENT TERMS		DELIVERY TIMEFRAME	
5NET10 OR NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,745,150.00	\$0.00	\$3,745,150.00		

DESCRIPTION

Effective June 30, 2023, the attached Schedule A - Statement of Work hereby added to the Contract.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.

CCBHC Certification Activities - MDHHS
Contract 180000000475 - CN 8

The Contractor must provide services in the following Task Areas:

Task Area 1 – Project Management. Project management activities to occur during the project timeline related to

Task Area 2 – Certification Activities. The Contractor will complete certification activities in Attachment 1 for up to 20 providers. The Contractor will receive documentation from the CCBHC candidates and post our findings using the state's existing Customer Relationship Management (CRM) system. The Contractor will provide Behavioral Health and Developmental Disabilities Administration (BHDDA) a written recommendation for certification for each CCBHC candidate including any corrective action plan guidance if recommended. Additionally, the Contractor will provide our completed work paper for each CCBHC to BHDDA.

Task Area 3 – Ad-Hoc Services. *Upon written approval from BHDDA, the Contractor will provide additional services as mutually agreed upon.* Such services may include ongoing CCBHC monitoring and oversight support such as re-certification activities including desk and on-site reviews, CCBHC and/or Designated Collaborating Organization training, support BHDDA implementation of CMS demonstration monitoring plan, including development and revision of policies and procedures related to ongoing program monitoring and oversight. Pricing of additional ad hoc services will be approved in writing by BHDDA prior to any work being initiated.

The Contractor will complete project tasks over the course of approximately four months starting upon Delivery Order approval and ending September 30, 2023. The proposed timeline below is tentative and may be adjusted based on the date of Delivery Order approval. This proposal assumes a Delivery Order approval no later than June 14, 2023.

Project Kick-off Meeting: Within five business days of Delivery Order approval.

Task Area 1 – Project Management: Delivery Order approval – September 30, 2023.

Task Area 2 – Certification Activities: Delivery Order approval – September 30, 2023.

Task Area 3 – Ad-Hoc Activities: Delivery Order approval – End of Contract

The Contractor's price of \$456,316.40. Ad-hoc dollars will be added with BHDDA prior approval.

Attachment 1: Detailed Scope of Services

CCBHC Certification Support

Tasks	Approximate Hours	Deliverable	Total	Invoice Amount	Invoice Frequency	
Task Area 1 – Project Management: Delivery Order Approval through 09/30/2023	100		\$21,900.00			
Project Plan Creation.	16	Project Plan submission.	\$3,504.00	\$3,504.00	One Time	
Attend /lead project management and other key meetings as requested by BHDDA staff including supporting preparation, facilitation, and minutes. Provide Project Plan Updates as needed and a monthly Project Status Report.	84	Monthly Project Status Report.	\$18,396.00	\$4,599.00	Monthly	
Task Area 2 – Certification Activities (20 CCBHC Candidates): Delivery Order Approval through 09/30/2023	1,984		\$ 434,416.40	\$21,720.82 per Completed CCBHC Certification		
Pre-certification tasks: Review Existing MI CCBHC Guidance Documents and Certification Review Materials, Gain access to CRM system.		Written certification recommendation, CAP guidance, and Work paper submission.				
Develop CCBHC Reviewer Training specific to MI.						
Train Staff - initial and on-going; supervisory support.						
Conduct Certification Desk Reviews including write-backs – up to 22. Review will include the following requirements: Program Requirement #1 – Staffing - ALL Program Requirement #2 – Availability and Accessibility of Services - ALL Program Requirement #3 – Care Coordination – 3a - all, 3b.1- 3b.3, 3d - all Program Requirement #4 - Scope of Services – 4a.2 - 4a.5, 4b- all, 4c- all, 4d -all, 4e-all, 4f.2, 4f.4, 4g.1, 4k.2, 4k.5 – 4k.7. Program Requirements #5 – Quality and Other Reporting Program Requirement #6 - Organizational Authority, Governance, and Accreditation				\$ 434,416.40	\$21,720.82 per Completed CCBHC Certification	Monthly
Quality Assurance Review of primary reviews.						
Review write back responses and uploaded materials from candidate CCBHC.						
CCBHC provider support - answering questions on write-backs, meetings as requested.						
Provide BHDDA written Recommendations for Certification approvals or CAP Guidance.						
Update and provide work papers to BHDDA						
Task Area 3- Ad Hoc Activities	TBD			\$ -		
Total	2,084			\$ 456,316.40		



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 Department of Technology, Management, and Budget
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CONTRACT CHANGE NOTICE

Change Notice Number 7
 to
 Contract Number 180000000475

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street , Suite 1100
	Kansas City, MO 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
	KlineC1@michigan.gov		
	Contract Administrator	Jordana Sager	DTMB
(517) 896-1903			
sagerj2@michigan.gov			

CONTRACT SUMMARY

HEALTH CARE CONSULTING SERVICES			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
5NET10 OR NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>		<input type="checkbox"/>		March 31, 2025
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,745,150.00	\$0.00	\$3,745,150.00		

DESCRIPTION

Effective February 10, 2023, the following changes are hereby incorporated:

- 2 - 1 year options available on this contract are hereby exercised. The revised contract expiration date is 03/31/2025.
- This contract is hereby amended per the following:
 Of the Standard Contract Terms, Section 7. MiDeal Administrative Fee and Reporting, and Section 8. Extended Purchasing Program is no longer applicable and is reserved.
- Please note the Contract Administrator has been changed to Jordana Sager:
 Jordana Sager
 SagerJ2@michigan.gov
 517-896-1903

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **6**
 to
 Contract Number **18000000475**

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street , Suite 1100
	Kansas City, MO 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
	KlineC1@michigan.gov		
	Contract Administrator	Courtney Powell	DTMB
(517) 249-0452			
powellc1@michigan.gov			

CONTRACT SUMMARY

HEALTH CARE CONSULTING SERVICES

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
5NET10 OR NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,745,150.00	\$0.00	\$3,745,150.00		

DESCRIPTION

Effective November 2, 2020 pricing on this Contract is decreased, per Attachment Schedule B, Pricing.
 All other terms, conditions, specifications and pricing remain the same. Per Contractor and Agency agreement, and DTMB Central Procurement Services approval.

STATE OF MICHIGAN

Contract Dept. 171, No. 180000000475
Health Care Consulting Services

SCHEDULE B PRICING MATRIX

Price includes all costs, including, but not limited to, any one-time, fees, and potential costs that Contractor may charge the State. Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses.

Service Categories	Hourly Rate
Healthcare Financing	\$205.00
Federal Health Programs/Legislation	\$219.00
Strategic Planning	\$219.00
Partnerships/Coalitions	\$195.00
Development, Evaluation and Assessment of Health Programs	\$219.00
Health Care Information Technology	\$210.00
Development of Management and Monitoring Structures for Contractors	\$210.00
Delivery System Reform	\$219.00
Project Management-Health Care Related	\$176.00



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
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CONTRACT CHANGE NOTICE

Change Notice Number **5**
 to
 Contract Number **18000000475**

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street , Suite 1100
	Kansas City, MO 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
		KlineC1@michigan.gov	
	Contract Administrator	Courtney Flores	DTMB
		(517) 249-0452	
		floresc@michigan.gov	

CONTRACT SUMMARY

HEALTH CARE CONSULTING SERVICES			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
5NET10 OR NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,745,150.00	\$0.00	\$3,745,150.00		

DESCRIPTION
 Effective August 28, 2019, the attached Schedule H – Additional Scope of Work is hereby incorporated into the Contract for the Michigan Department of Health and Human Services (MDHHS).
 All other terms, conditions, specifications and pricing remain the same. Per Contractor and Agency agreement, and DTMB Central Procurement Services approval.

Schedule H - Additional Scope of Work
Program Review of Payment Adjustments
Contract 18000000475 - Change Notice 5

Scope

This project is a program review of the Public Entity Physician Payment Adjustment Program and Specialty Network Access Fee Program¹ (Payment Adjustments). A program review may include review of certain historical payments made to participating public entities, matters of compliance, the source of state matching funds, administration of payments, and how funds received may have been used by participating providers. Analyses will be completed on the processes, calculations, amounts, and adjustments made to payments subsequent to MDHHS' calculations. Program review will not include source data or calculations prior to the distribution of payments from the fiscal agent contractor or Medicaid managed care health plans. This engagement will be performed under the American Institute of Certified Public Accountants professional standards for agreed-upon procedures engagements. Myers and Stauffer will perform this engagement under the direction and oversight of MDHHS.

The Public Entity Physician Payment Adjustment Program (PEPPAP) and Specialty Network Access Fee Program (SNAF), collectively "Payment Adjustments" are designed to provide higher reimbursement to both public and private practitioners and practitioner groups who treat Medicaid patients. Higher reimbursement is used to maintain access to services. Eligibility for Payment Adjustments is limited to practitioners affiliated with seven public entities indicated in Michigan's Medicaid State Plan, Attachment 4.19-B, Page 1a. To be eligible, physicians and practitioners must either be employees of or under contract with the public entity.

The Payment Adjustment applies to services provided by the following practitioners when the services are not included in the facility payments to the public entity:

- Physicians (MD and DO)
- Ophthalmologists
- Oral Surgeons
- Dentists
- Podiatrists
- Physician's Assistants
- Nurse Practitioners
- Clinical Nurse Specialists
- Certified Nurse Midwives
- Certified Registered Nurse Anesthetists
- Certified Anesthesiologist Assistants
- Optometrists

Fee-for-Service

Under fee-for-service (FFS), per Michigan's State Plan (Attachment 4.19-B, Page 1b), beginning April 1, 2013, the payment adjustment is calculated as the lesser of the following:

- The difference between 100 percent of the average commercial rate (ACR) and the total base payments already made to the providers by Medicaid or any other payer;
- or
- The difference between the practitioner FFS Medicaid fee screens and the practitioner's customary charge.

The ACR is established separately for each public entity and is derived by calculating a weighted average by procedure code, of a minimum of five non-governmental payers whose combined business constitutes not less than 50 percent of a practice or practice groups' commercial business. Each participating public entity must submit commercial fee schedules for the taxable entity most representative of the primary provider group of the public entity's medical group. The public entity also must indicate the percent of business each commercial payer constitutes of their total commercial business revenue. A weighted average by procedure code is calculated at the public entity level from the submitted fee schedules. MDHHS calculates average rates on an annual basis using fee schedules in effect for the calendar year that includes the first quarter of the fiscal year for which the average rates will be applied.

Services to beneficiaries enrolled in Medicaid Health Plans (MHPs) are not included in the FFS Payment Adjustments. No provider will receive payments that, in aggregate, exceed their customary charges.

Quarterly, the public entity provides to MDHHS a listing of the identification numbers of practitioners to be included for payment consideration. Based on this list provided by the public entity, MDHHS generates a utilization report that is provided to the public entity. Upon confirmation of the completeness and accuracy of the report by the public entity, MDHHS approves and processes the Payment Adjustment for each fiscal quarter within 60 days.

Payment Adjustments issued by the FFS fiscal agent contractor are made directly to the public entity, unless an Agent is designated to receive payments on behalf of the public entity. Under this scenario, an Agent subsequently makes Payment Adjustments to each eligible and affiliated practitioner under the employment or contract with the public entity.

Medicaid Managed Care

Prior to October 1, 2018, MDHHS operated the Specialty Access Network Fee (SNAF) program to provide supplemental funding to practitioners employed by or contracted with approved public entities paid through the MHPs. This funding has been critical in ensuring that Michigan Medicaid managed care enrollees have access to vital practitioner services.

Upon issuance of the final Medicaid Managed Care Rule, CMS subsequently deemed SNAF Payment Adjustments as “pass-through” payments. MDHHS discontinued the SNAF program effective October 1, 2018 and replaced it with a permissible directed payment to MHPs based on the minimum fee schedule process under 42 CFR 438.6(c)(2)(i)(A). This allows MDHHS to continue to ensure adequate funding is available to incentivize practitioners to participate in the Medicaid managed care program, thereby assuring enrollees receive medically necessary care in the most appropriate and cost effective setting; and in turn ensuring enrollees are satisfied with their services as a Medicaid managed care beneficiary.

The minimum fee schedule is developed using an ACR for services provided during the applicable fiscal year. An ACR fee schedule is developed for each public entity utilizing commercial payer data representative of each entity's commercial rates. The fee schedules submitted must clearly demonstrate pricing information by procedure code by commercial payer. Additionally, the public entity must indicate the percent of business each commercial payer constitutes of their total commercial business revenue. A weighted average by procedure code is calculated at the public entity level from the submitted fee schedules. Lastly, a statewide ACR per procedure code is calculated using a weighted average, based on units served, of each public entity's calculated ACR. MDHHS calculates average rates on an annual basis using fee schedules in effect for the calendar year which includes the first quarter of the fiscal year for which the average rates will be applied. Due to the enhanced minimum fee schedule payment being calculated after the encounter has been received, the supplemental payments occur retroactively to each MHP.

Payment calculations for services provided are the lesser of:

- The difference of the calculated statewide ACR and the MHP's base payments;
- or
- The difference of the practitioner's customary charge and MHP's base payments.

Payment Adjustments issued by 11 MHPs are made directly to the public entity, unless an Agent is designated to receive payments on behalf of the public entity. Under this scenario, an Agent subsequently makes Payment Adjustments to each eligible and affiliated practitioner under the employment or contract with the public entity.

Requirements

1. General Requirements

The primary focus of this initiative is related to the efficiency and appropriateness of Payment Adjustments made to practitioners and practitioner groups contracted with eligible public entities (PEs) for all of state Fiscal Year (SFY) 2018 and any payments for SFY 2019 distributed at the time these agreed upon procedures are conducted. This period includes Payment Adjustments under [PEPPAP, SNAF, and/or directed payments], which shall be included in the program review. The period will be determined for each PE initiative by MDHHS. This initiative includes the following objectives. This period includes Payment Adjustments under [PEPPAP, SNAF, and/or directed payments], which shall be included in the program review. This initiative includes the following objectives:

- Identify and analyze PE's use of, and relationship with, an Agent for the administration of Payment Adjustments, as applicable.
- Identify and analyze Payment Adjustments made to PE and/or the Agent and the methodology for reconciling and distributing Payment Adjustments, including the difference between the Payment Adjustments computed by MDHHS and Payment Adjustments sent to practitioners and practitioner groups contracted with PE.

- Identify and analyze Payment Adjustments received by practitioners and practitioner groups, including any potential adjustments made to payments by the PE and/or Agent, such as administrative fees, expenses, adjustments, other payables, or financial transactions.
- Identify and analyze the sources for Intergovernmental Transfers (IGTs) used in the state share of the total computable for Payment Adjustments.
- Analyze payments, processes, relationships, and IGTs for compliance related subjects such as related party transactions, unmitigated conflicts of interests, donations, referrals, permissibility of funds, and alignment with state plan and/or CMS requirements.

The Contractor must complete analyses, conduct interviews, analyze source materials, and complete other activities to report to MDHHS on these objectives. MDHHS will monitor progress on the initiative, and approve work plan activities. MDHHS will designate individuals within MDHHS who will oversee this engagement, make management decisions, monitor progress, and be available for consultation.

2. Contacts

The Contractor's daily contact for this engagement is Venesa Day, Senior Manager, at vday@mslc.com or 443.695.7903. Other key contacts for this engagement include the following key contributors:

Timothy Guerrant
tguerrant@mslc.com
 800.877.6927

Jared Duzan
jduzan@mslc.com
 800.877.6927

Jerry Dubberly
jdubberly@mslc.com
 (866) 758-3586

Shelley Llamas
slamas@mslc.com
 800.877.6927

3. Project Plan

Procedure #	Procedures
0.1	Planning and Preparation
0.1.1	Prepare workplan; submit and obtain approval from MDHHS.
0.1.2	Update workplan based on MDHHS approval.
0.1.3	Analyze project materials and artifacts (i.e., state plan, regulations, referenced administrative code, policies/procedures, or other documentation).
0.1.4	Draft baseline information requests and data collection tool (if applicable); submit and obtain approval from MDHHS.
0.1.5	Finalize baseline information requests and data collection survey, as necessary.
1	Objective 1: Identify and analyze PE's use of, and relationship with, an Agent for the administration of Payment Adjustments, as applicable.
1.1	Conduct meeting with PE.
1.1.1	Draft meeting agenda and notification letters; submit and obtain approval from MDHHS.
1.1.2	Update materials based on MDHHS approval.
1.1.3	Send notification, documentation request, and agenda to PE.

1.1.4	Conduct entrance meeting with PE leadership to discuss roles and responsibilities and tour facilities (if applicable).
1.1.5	Analyze documents such as contracts and/or agreements between PE and the Agent.
1.1.6	Conduct interviews.
1.1.7	Prepare list of missing or incomplete information or additional / follow-up interviews to be scheduled.
1.1.8	Review status and any applicable findings with MDHHS. Hold closing meeting with PE with MDHHS approval.
1.2	Analyze and/or summarize information received.
1.3	Conduct meeting with Agent, as applicable.
1.3.1	Draft meeting agenda and notification letters; submit and obtain approval from MDHHS.
1.3.2	Update materials based on MDHHS approval.
1.3.3	Send notification, documentation request, and agenda to the Agent.
1.3.4	Conduct entrance meeting with the Agent to discuss roles and responsibilities and tour facilities (if applicable).
1.3.5	Analyze documents such as policy and procedure manuals, contracts and/or agreements between PE and the Agent.
1.3.6	Conduct interviews.
1.3.7	Prepare list of missing or incomplete information or additional / follow-up interviews to be scheduled.
1.3.8	Review status and any applicable findings with MDHHS. Hold closing meeting with PE with MDHHS approval.
1.4	Analyze and/or summarize information received.

Procedure #	Procedures
2	Objective 2: Identify and analyze Payment Adjustments made to PE and/or the Agent and the methodology for reconciling and distributing Payment Adjustments, including the difference between the Payment Adjustments computed by MDHHS and Payment Adjustments sent to practitioners and practitioner groups contracted with PE.
2.1	Identify and document the PE and/Agent's methodology for reconciling and distributing Payment Adjustments.
2.2	Reconcile Payment Adjustments received by the Agent to MDHHS calculations, if applicable.
2.2.1	Obtain list of Payment Adjustments received by the PE and/or Agent. This document should include at a minimum the practitioner identification number, date received, applicable payment quarter, total amount received, and provider distribution amounts.
2.2.2	Confirm the Agent's Payment Adjustments to PE records, if applicable.
2.2.3	Confirm the PE and/or Agent's list of Payment Adjustments to MDHHS calculations.
2.3	Document differences between MDHHS calculations, PE documentation, and the Agent documentation of funds received, if applicable. Perform research and reconcile Payment Adjustments to identify administrative fees, expenses, payables or other transactions.
2.4	Confirm receipt and distribution funds to accounts receivable, accounts payable, and corresponding bank statements, if applicable.
2.5	Confirm compliance to contracts and/or operating agreements.

2.6	Summarize and report findings.
3	Objective 3: Identify and analyze Payment Adjustments received by practitioners and practitioner groups, including any potential adjustments made to payments by the PE and/or Agent, such as administrative fees, expenses, adjustments, other payables, or financial transactions.
3.1	Prepare request letters, authorizations, data collection tool, and other information; obtain MDHHS review and approval.
3.2	Collect and analyze Payment Adjustments to practitioners and practitioner groups.
3.2.1	Obtain and confirm practitioner/practitioner group contracts/agreements and confirm they are on file and support transactions made. Document any omissions of contracts/agreements.
3.2.2	Confirm Payment Adjustments were received by the participating practitioner/practitioner groups.
3.2.2.1	For certain practitioners that constitute a large percentage of payments, confirmation procedures may be through direct interaction, if applicable.
3.2.2.2	For certain practitioners, utilize a data collection survey to obtain information, if applicable.
3.2.2.3	Finalize processes and obtain MDHHS review and approval.
3.2.2.4	Send applicable requests to practitioners.
3.2.3	Confirm compliance to contracts and/or operating agreements.
3.2.4	Analyze how providers used funds.
3.2.5	Identify and reconcile any findings and/or differences noted.
3.3	Document any unresolved differences or other findings.
3.4	Compile, analyze and summarize information and findings.

Procedure #	Procedures
4	Objective 4: Identify and analyze the sources for Intergovernmental Transfers (IGTs) used in the state share of the total computable for Payment Adjustments.
4.1	Review project source material, conduct interviews, and utilize data collection survey to obtain information on sources of funds.
4.2	Compile and analyze information.
4.3	Summarize findings.
5	Objective 5: Analyze payments, processes, relationships, and IGTs for compliance related subjects such as related party transactions, unmitigated conflicts of interests, donations, referrals, permissibility of funds, and alignment with state plan and/or CMS requirements.
5.1	Review project source material, conduct interviews, and utilize data collection survey to obtain information on potential compliance matters.
5.2	Compile and analyze information.
5.3	Summarize findings.
6	Agreed-Upon Procedures Report.
6.1	Prepare draft report
6.1.1	Draft report and presentation of findings. Submit to MDHHS.
6.1.2	Meet with MDHHS to review and discuss draft report.
6.1.3	Obtain comments and/or edits to the draft report.
6.1.4	Provide management representation letter for MDHHS signature.
6.1.5	Revise draft report and submit to MDHHS for final approval
6.2	Prepare Final Report and Submit to MDHHS

6.2.1	Receive confirmation of acceptance of final report from MDHHS.
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Public Entity	Order of Completion	Anticipated Completion Date*
Central Michigan University		
Hurley Hospital		
Michigan State University		
Oakland University		
Wayne State University	1	September 30, 2019
Western Michigan University		
University of Michigan Health System		

* Because the number of transactions to be analyzed is unknown at this time, the anticipated completion date may vary.

4. Michigan Physician Supplemental Payment Review: Estimated Hours

Public Entity ¹	Estimated Hours Per Entity Review ²	Estimated Dollar Amount ³
Entity 1 - Wayne State University	800 Hours	\$168,000
Entity 2 - TBD	400 Hours	\$84,000
Entity 3 - TBD	300 Hours	\$63,000
Entity 4 - TBD	300 Hours	\$63,000
Entity 5 - TBD	300 Hours	\$63,000
Entity 6 - TBD	300 Hours	\$63,000
Entity 7 - TBD	300 Hours	\$63,000
Total	2700 Hours	\$567,000

1 Contractor will work with the Program Manager to determine priority order for completion.

2 Hours are estimated

3 Dollar amount is based on the contract rate of \$210.00 for Healthcare Finance as specified in Schedule B, Pricing.

STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909



REVISED
CONTRACT CHANGE NOTICE

Change Notice Number **4**
 to
 Contract Number **17118000000475**

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street , Suite 1100
	Kansas City, Missouri 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
	KlineC1@michigan.gov		
	Contract Administrator	Courtney Flores	DTMB
(517) 249-0452			
floresc@michigan.gov			

CONTRACT SUMMARY

HEALTH CARE CONSULTING SERVICES

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
5NET10 OR NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,745,150.00	\$0.00	\$3,745,150.00		

DESCRIPTION

Effective July 12, 2019, the attached Schedule G – Additional Scope of Work is hereby incorporated into the Contract for the Michigan Department of Health and Human Services (MDHHS).

All other terms, conditions, specifications and pricing remain the same. Per Contractor and Agency agreement, and DTMB Central Procurement Services approval.

Schedule G - Additional Scope of Work
State Psychiatric Hospital Facility in Caro, Michigan
Contract 18000000475 - Change Notice 4

NEW SCOPE of WORK

Michigan Department of Health and Human Services (MDHHS) requested that the Contractor design and conduct a town hall meeting in Caro in order to capture stakeholder comments regarding the following components of the Caro Psychiatric Hospital construction evaluation:

- 1) The process by which Caro Psychiatric Hospital facility location was determined.
- 2) The status of current psychiatric hospital bed capacity and unmet bed needs.
- 3) Input regarding the appropriate location(s) for state hospital construction.
- 4) Comments on continuing or revising the current Caro build approach to better meet the needs of citizens requiring state hospital supports.

The Contractor's proposed product will include:

- 1) One town hall meeting to be held in Caro, Michigan as early as Thursday, June 13, 2019, but no later than Tuesday, June 18, 2019.
- 2) Two Contractor staff members will be in-person in Caro to request feedback from the stakeholders. The Contractor will provide an introduction as to the purpose of the meeting and describe the meeting format which will be a listening session on our part.
- 3) Depending upon the number of stakeholders wishing to participate, stakeholders may be limited in their time to answer the aforementioned components. The Contractor's staff members will keep track of the time allowed for each participant. Each speaker will be required to sign in and be called upon to offer comments.
- 4) The town hall meeting will last up to three hours.
- 5) Stakeholder comments will be incorporated into the final report as appropriate.
- 6) This proposal assumes that MDHHS will provide the meeting location in Caro and cover any costs of the meeting facility, necessary security personnel, and will ensure any necessary audio equipment, such as microphones, etc., are provided. In addition, MDHHS will issue any media notices and community announcements necessary to notify the public of the event.

MDHHS agrees to move the delivery date of the final report from June 28, 2019 to July 12, 2019 to accommodate sufficient time to conduct this work, review stakeholder input, and consider stakeholder feedback in the final report. Likewise, the draft of the report originally due to MDHHS on June 21, 2019 is moved to July 5, 2019 with MDHHS' feedback due to Myers and Stauffer by July 19, 2019.

Pricing

The Contractor will conduct the Caro in-person town hall meeting and associated tasks as described in this scope of work in an amount not to exceed \$7,900.

EXISTING SCOPE of WORK

By way of clarification and consistent with the existing scope of work, the Contractor will:

1. Conduct up to two, two-hour facilitated webinars with stakeholders identified or agreed to by MDHHS. The two webinars will be offered to the same invitees to offer an option for attendee convenience. These two webinars will be conducted no later than June 12, 2019. The webinars will request stakeholder comments regarding:
 - a. The process by which Caro Psychiatric Hospital facility location was determined.
 - b. The status of current psychiatric hospital bed capacity and unmet bed needs.
 - c. Input regarding the appropriate location(s) for state hospital construction.
 - d. Comments on continuing or revising the current Caro build approach to better meet the needs of citizens requiring state hospital supports.

Based on the number of attendees and the time available, speakers' comment time will be limited to maximize everyone's opportunity to speak; however, the Contractor cannot guarantee all will have ample opportunity to speak.

2. Offer the webinar invitees the opportunity to submit follow up comments in writing through a Contractor established email address, micaroevaluation@mslc.com.
3. For each of the two webinars and any written information received from the identified webinar attendees through the email address, the Contractor will provide a summary of the stakeholder comments and incorporate into the final report as appropriate.

4. Additionally, the Contractor will receive and consider any comments from the general public submitted through the micaroevaluation@mslc.com email address.



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **3**
 to
 Contract Number **17118000000475**

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street , Suite 1100
	Kansas City, Missouri 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
		KlineC1@michigan.gov	
	Contract Administrator	Courtney Flores	DTMB
		(517) 249-0452	
		floresc@michigan.gov	

CONTRACT SUMMARY

HEALTH CARE CONSULTING SERVICES

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
5NET10 or Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
 N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,745,150.00	\$0.00	\$3,745,150.00		

DESCRIPTION

Effective March 21, 2019, the following Schedule G is hereby incorporated into the Contract per the attached Statement of Work (SOW) for the Michigan Department of Health and Human Services (MDHHS).

Please note Section 42 Nondiscrimination of Standard Contract Terms is deleted and replaced with the following:
 "42. Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and Executive Directive 2019-09. Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract."

All other terms, conditions, specifications and pricing remain the same. Per Contractor and Agency agreement, and DTMB Central Procurement Services approval.

Schedule G - Statement of Work

Evaluation of the process and decision to locate a newly constructed State Psychiatric Hospital Facility in Caro, Michigan Contract 18000000475 - Change Notice 3

1. Background

The focus of this request is to conduct an evaluation of the decision to construct a new state psychiatric hospital facility in Caro, Michigan.

In 2017, the Michigan Legislature authorized financing to construct a new hospital on the Caro site, and also directed MDHHS to begin a planning process for the potential construction of a northern satellite facility. In October 2018, the MDHHS hosted a groundbreaking ceremony for a new, state-of-the-art psychiatric hospital in Caro. The 225,000 square foot Caro Psychiatric Hospital was scheduled to be completed in 2021, with the capacity to serve 200 adults, an increase of 50 beds from the existing facility. Constructed in 1913, the existing Caro Center opened in 1914 as the Caro Farm Colony for Epileptics, serving as the only state of Michigan residential treatment center for individuals with seizure disorders until 1997.

The factors prompting this evaluation were relayed to the Contractor as:

- *Staffing shortages and barriers to recruitment of new staff at a location in Caro have become a greater concern. Currently, no active permanent psychiatrist is on staff, with no potential prospects available.*
- *As of February 11, 2019, 102 patients reside at Caro Center. However, only 30 live within 75 miles of Caro, resulting in less family and community engagement which are considered to be key elements to psychological stability and improvement.*
- *Michigan's overall state psychiatric hospital census count by county shows significant clusters far from Caro.*
- *Identifying a safe, sustainable water source has been difficult. This requires further analysis to ensure patients and staff at the facility have safe water at an acceptable cost, which has resulted in a delay in the design of the facility.*

2. Scope of Work

MDHHS requested that the Contractor design and conduct an evaluation that includes the following components:

- *A review of the process by which Caro Psychiatric Hospital facility location was determined.*
- *A review of current psychiatric hospital bed capacity and unmet bed needs.*
- *A determination of the appropriate location(s) for state hospital construction.*

- *A recommendation on continuing or revising the current proposals to better meet the needs of citizens requiring state hospital supports.*

Throughout this engagement, MDHHS requests that the Contractor consider the ability to recruit and hire for the appropriate staffing levels in the hospital location to ensure the proper delivery of services, as well as compliance with accreditation requirements.

3. Proposed Approach

The Contractor will approach this three-month engagement in four phases: initiation, methodology development, evaluation, and reporting. Each of these phases and our proposed approach for each is outlined below.

Phase I: Initiation (April 1, 2019 – April 12, 2019)

- *Schedule and conduct in-person project initiation meeting with MDHHS project lead and other key State staff.*
- *Discuss The Contractor's proposal and planned activities, while making mutually agreed-upon adjustments, as necessary.*
- *Identify existing documentation and data sources that are publicly available, as well as those data sources that can be made available to the Contractor through MDHHS.*
- *Plan and conduct interviews with up to five key informants as identified and/or agreed to by MDHHS.*
- *Receive available documentation that was submitted to the 2017 Michigan Legislature for funding consideration.*
- *Collect publicly available documentation related to the determination of the site location.*
- *In collaboration with MDHHS, identify and request other relevant information that may be available through the Michigan Behavioral Health and Developmental Disabilities Administration or other state agencies or sources.*

Phase II: Methodology Development (April 13, 2019 – April 30, 2019)

- *Based on available information and data, develop a methodology for MDHHS consideration.*
- *Propose evaluation methodology for MDHHS review and approval so MDHHS' approval of final methodology is received on or before April 30, 2019.*

Phase III: Evaluation (May 1, 2019 – May 30, 2019)

- *Utilize the MDHHS-approved methodology to conduct an evaluation. Subject to the availability of information and other applicable constraints or limitations, the Contractor anticipate the evaluation will consider:*
 - *Current bed capacity of the Caro facility and any other similar facilities in the state as identified during the initial phase of this engagement.*
 - *Projected demand for services comparable to those provided by the Caro facility, by geographic area of the state.*
 - *Workforce capacity for projected staffing needs, by geographic area.*
 - *Economic growth and other trends or factors in key geographic areas that may indicate future changes in workforce capacity and/or the ability to attract and retain necessary staffing in these areas.*
 - *Other factors (e.g., safe and sustainable water sources at a reasonable cost) that may be identified through research, discussions with the State, or key informant interviews.*

Phase IV: Reporting (June 1, 2019 – June 30, 2019)

- *Develop a draft report and recommendations for MDHHS' consideration. Deliver the draft to the State on or before June 14, 2019.*
- *Conduct a walk-through of the draft report and recommendations with MDHHS.*
- *Receive MDHHS' feedback on or before June 21, 2019.*
- *Make final revisions to the draft report. Prepare and submit a final report for MDHHS' acceptance on or before June 28, 2019.*

In addition to the activities listed in the four phases above, the Contractor will apply a disciplined project management strategy throughout the engagement. The Contractor will offer MDHHS weekly telephonic status update meetings and provide a monthly written summary of progress and other project activities. The Contractor will collaborate with MDHHS to identify and use the project management approach that works best for the State.

4. Assumptions

In developing this proposal, the Contractor made the following assumptions.

- *As "unlicensed" state psychiatric hospital, this facility was neither subject to the Certificate of Need (CON) process, nor any other formal requests for a new hospital or expansion. Therefore,*

there is no existing CON application or CON documentation available for review and consideration.

- *State hospital beds, such as those in the Caro facility, reflect the long-term care needs of individuals diagnosed with serious mental illnesses, intellectual disabilities, and forensic needs. Hence, unmet bed needs published on the CON website are not a good or representative proxy of unmet bed needs that the Caro facility is envisioned to address.*
- *At the time of this proposal, the data elements and the inventory of existing documentation that will be available to conduct this evaluation are unknown. After the initiation phase of this engagement, the Contractor will propose an evaluation methodology based on the available data and documentation for MDHHS review and approval.*
- *MDHHS will appoint a project lead as the primary point of contact for this engagement who will be accessible and responsive to the Contractor.*
- *MDHHS will provide the Contractor with all available documentation regarding the location decisions of the facilities.*
- *To the extent reasonable, the Contractor would appreciate receiving MDHHS' support to facilitate the production of new data that may be necessary to conduct the evaluation. Such data may exist within MDHHS or other state agencies and contain data such as health care professional licensure data, workforce shortage information, economic growth reports, summary patient demographic data (non-patient health information), etc.*

5. Pricing and Invoice Schedule

The Contractor will conduct this engagement under our existing Health Care Consulting Services contract, 171-180000000475. The Contractor offers MDHHS a firm fixed fee for this three-month engagement of \$277,200.00. This is an all-inclusive fee with estimated project hours not to exceed 1232 hours. Invoices will be submitted in three equal monthly installments.

6. Term

This engagement will begin on the date of the fully executed agreement, which is expected on or before April 1, 2019. This project will terminate on June 30, 2019 unless otherwise agreed to by MDHHS and the Contractor.

Note

Throughout this document, the Contractor may use terms such as "review", "evaluate", and "assess." These and other related terms have been utilized to describe the scope of work and do not necessarily imply an audit or examination as those terms are used and defined in the accounting profession according to the American Institute of Certified Public Accountants (AICPA) standards. This project will be completed under the AICPA standards for consulting engagements. The Contractor is precluded from making management decisions. MDHHS retains the responsibility for evaluating the Contractor's evaluation and any resulting recommendations regarding the location of a new psychiatric hospital facility.



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 2
 to
 Contract Number 18000000475

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street
	Kansas City, Missouri 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	MDHHS
		(517)284-1184	
		KlineC1@michigan.gov	
	Contract Administrator	Courtney Flores	DTMB
		(517) 249-0452	
		floresc@michigan.gov	

CONTRACT SUMMARY

HEALTH CARE CONSULTING SERVICES

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,371,150.00	\$374,000.00	\$3,745,150.00		

DESCRIPTION

Effective September 28, 2018, the following Schedule F is hereby incorporated into the Contract per the attached Statement of Work (SOW) for the Michigan Department of Health and Human Services (MDHHS). Additionally, this Contract is increased by \$374,000.00 for MDHHS use.

All other terms, conditions, specifications and pricing remain the same. Per Contractor and Agency agreement, and DTMB Procurement approval.

Schedule F - Statement of Work

Technical Assistance for Tracking and Reporting Ryan White Part B and D Actual Costs by Service Category Contract 180000000475 - Change Notice 2

The Contractor will manage this engagement under the existing structure of Contract 171 180000000475. The Contractor will draw from their national pool of experts to assist with various aspects and phases of this engagement. The Contractor will supply a project manager, Ms. Venesa Day, who will serve as the single point of contact for this engagement and ensure on-time deliverables that are of the highest quality. Ms. Day will schedule and lead project status updates on a weekly basis, or at an alternative frequency as requested by Michigan Department of Health and Human Services (MDHHS), provide a monthly written status report, and will be responsible for delivery of the services under this engagement.

The scope of work under this proposed engagement encompasses the following three areas:

- *Stakeholder Engagement.*
- *Technical Assistance.*
- *Program Reporting.*

1. Background

The Health Resources Services Agency (HRSA) found that Michigan public health agencies (PHAs) receiving Ryan White (RW) Parts B and D funding are providing cost estimates instead of tracking and reporting actual costs by service category as required. In response to the findings, the State provided a webinar, supporting budget tools, and educational materials to support PHA staff in fulfilling the HRSA reporting requirements. In addition, the State will provide technical assistance to PHA to track and report RW Parts B and D actual costs by service category.

2. Stakeholder Engagement

The Contractor will conduct up to 16 telephonic stakeholder interviews with PHA contacts provided by the State to determine the following:

- *Current accounting systems each PHA uses.*
- *Accounting system capabilities for tracking and reporting RW Parts B and/or D actual costs by service category.*
- *Appropriate PHA accounting staff understanding of the requirement to track and report RW Parts B and/or D services by category.*
- *The Contractor will use the data gathered from stakeholder interviews to develop a technical assistance plan, including a timeline through November 1, 2018, for MDHHS review and approval. The technical assistance plan will:*
- *Provide an initial estimate for scheduled individual PHA sessions, including telephone and web-based group sessions.*
- *Include a direct contact and set timeframe for telephonic "office hours" during which PHA staff may contact the Contractor directly for assistance.*

3. Technical Assistance

The Contractor will assist MDHHS in providing group and/or individual technical assistance to up to 16 PHAs to support them in using their existing accounting systems and/or developing allocation methodologies to track and report RW Parts B and/or D actual costs by service category.

The Contractor also will support MDHHS in ensuring PHA staff have a basic understanding of the HRSA reporting requirements for RW B and/or D actual costs by service category.

4. Project Reporting

The Contractor will develop and update at a regular interval throughout the project, a report on up to 16 PHAs that outlines the following:

- *Initial tracking and reporting capabilities for each PHA.*
- *Type of technical assistance provided.*
- *Progression status for each PHA.*

At the completion of the project, the Contractor will provide a final report that, in addition to the information provided above, details the following:

- *PHA communication beginning with the initial stakeholder interview.*
- *Confirmation that appropriate PHA staff are able to reasonably demonstrate the capacity for tracking and reporting RW Parts B and/or D actual costs by service category.*

5. Staff Resources

All staff assigned to this contract have direct, hands-on experience as accountants and data analysts, and with providing Medicaid consulting and other health care services to state Medicaid agencies. These individuals offer value-added insight and creative solutions to our clients.

Our proposed key personnel and their demonstrated expertise and experience are identified in the staffing chart below. While these are key personnel, the Contractor will staff this engagement with additional resources to accomplish the agreed upon scope of work.

Key Personnel	
Team Member	Role in Project
Jerry Dubberly, PharmD, MBA <i>Principal/ Partner</i>	Engagement Partner: Responsible for all aspects of the project, ensuring client satisfaction, and establishing the overall delivery approach.
Venesa Day, MPA <i>Senior Manager</i>	Project Manager: Serves as the single point of contact for this engagement. She is responsible for daily operations and ensuring timely and high-quality deliverables. She will also assist with the delivery of training sessions as appropriate.
Timothy Guerrant, CPA <i>Partner</i>	Supporting Partner and Accounting TA Lead: Serves as the lead in providing direct technical assistance to PHA staff.
Kevin Tolmich, MBA, PMP, PMI-PBA, CSSGB <i>Senior Manager</i>	Accounting Systems support: Serves as Public Health Agency subject matter expert.

6. Pricing

The work will be performed under the Healthcare Financing Category in Schedule B of the Contract. The contractual billing is \$210.00 per hour.

MDHHS will be invoiced on a monthly basis with a full description of the hours billed. Each invoice will be accompanied by a written status report. Eligible travel costs will be pre-approved and reimbursed consistent with Section 6.2 (Payment Methods) of the executed contract.

Assumptions

- *The Contractor will be responsible for training session meeting scheduling, meeting invitations, WebEx technology, conference lines, recording webinars, and online training presentations. In-person trainings will not be recorded.*
- *The Contractor will not be financially responsible for costs associated with securing a meeting facility or the other logistical costs for training sessions. Should any such costs arise and should MDHHS make a written request for the Contractor to cover these requests, the Contractor will do so with these costs passed through to MDHHS on the monthly invoice.*
- *MDHHS will be responsible for any website that will house the training materials generated by the Contractor for posting to the internet.*
- *MDHHS will notify the PHA and other appropriate parties of the Contractor's role and the expectation of reasonable responsiveness to any requests that the Contractor may make necessary to assist MDHHS with the activities included in this scope of work.*
- *To the extent available and possible, any existing data, research, and materials relevant to this scope of work will be made available to the Contractor.*
- *While the Contractor may make recommendations for adjustments to accounting systems, accounting systems output, or the development of allocation methodologies, these recommendations are business recommendations and shall not be interpreted as rendering legal advice or opinions.*



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**
Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number **17118000000475**

CONTRACTOR	MYERS AND STAUFFER LC
	700 W. 47th Street
	Kansas City, Missouri 64112
	Jerry Dubberly
	404-524-9519
	jdubberly@mslc.com
	CV0058595

STATE	Program Manager	Crystal Kline	
		(517)284-1184	
		KlineC1@michigan.gov	
	Contract Administrator	Courtney Flores	DTMB
		(517) 249-0452	
		floresc@michigan.gov	

CONTRACT SUMMARY				
HEALTH CARE CONSULTING SERVICES				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
April 1, 2018	March 31, 2023	2 - 1 Year	March 31, 2023	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	March 31, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,346,250.00	\$24,900.00	\$3,371,150.00		
DESCRIPTION				

Effective June 11, 2018 please note the following:

- 1) This Contract is hereby increased by \$24,900, to fund the following Services for the Michigan Department of Health and Human Services (MDHHS), Division of HIV and STD Programs (DHSP):
 - a) Training on billing for HIV/STD prevention and treatment to individual agencies.
 - b) Assistance for agencies with denied claims to capture revenue and ensure payment for services.
 - c) Development and maintenance of web-based trainings on an HIV/STD Billing Toolkit.
 - d) Facilitate meetings between DHSP, MDHHS Medicaid offices and State Quality Committees, and between MI Medicaid Managed Care plans and local HIV/STD agencies throughout Michigan.
 - e) Assistance in the development of model agreements for HIV/STD agencies throughout Michigan.
 - f) Assistance in the development of model agreements for HIV/STD agencies to use in contracting with various Health Plans.
 - g) Provide training to local agencies on credentialing and community health worker capacity.
 - h) Collaborate with the Medicaid Health Plans on allowing payment of repeat HIV and STD screenings to meet State and Federal guidelines and to assure revenue is not lost.

Please Note: the identified services will be performed for the negotiated rate of \$210.00 per hour, billed to MDHHS on a monthly basis. For further information regarding Services provided under attachment – Schedule E HIV/STD Billing Training Services Proposal.

2) Please Note the Contract Administrator has been changed to Courtney Flores, email: FloresC@michigan.gov; phone: 517-249-0452.

All other terms, conditions, specifications and pricing remain the same, per Contractor and agency agreement, and DTMB Procurement approval.



**MYERS AND
STAUFFER** LC
CERTIFIED PUBLIC ACCOUNTANTS

Schedule E – HIV/STD Billing Training Service Proposal

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

HIV/STD Billing Training Services Proposal

Revised May 31, 2018





**MYERS AND
STAUFFER** LC
CERTIFIED PUBLIC ACCOUNTANTS

May 30, 2018

Ms. Kathryn Macomber, MPH, Director
Division and HIV and STD Programs
State of Michigan, Department of Health and Human Services
109 W. Michigan Avenue – 10th Floor
Lansing, Michigan 48913

Dear Ms. Macomber:

This correspondence is provided as a follow up to our recent discussions with Ms. Duke-Littlejohn you regarding Myers and Stauffer's services available through Contract 171-180000000475 with the State of Michigan. Specifically, the work discussed related to the human immunodeficiency virus/sexually transmitted disease (HIV/STD) billing training, web-based training for the billing toolkit, collaboration with the stakeholder community, development of model agreements for public health agencies and health plans around HIV/STD treatment and billing, recommendations for billing systems, and recommendations for billing pathways.

We understand from our initial conversation that this work is transitioning from a previous contractor. We appreciate the effort that has already gone into this project, and we understand the need to continue the work as quickly as possible. As discussed on the follow-up call, we are providing this proposal for decision. We look forward to working with you and your team.

To this engagement, we bring our deep-rooted understanding of the Michigan Medicaid program, our national Medicaid experience over the last 40 years, our managed care expertise, extensive work in public health, and our staff's firsthand experience with stakeholder engagement in the Medicaid environment.

Myers and Stauffer is uniquely positioned to provide Michigan Department of Health and Human Services (MDHHS) with these services due to our nationwide experience performing similar services for numerous other state Medicaid agencies. We appreciate the opportunity to expand our services in the state of Michigan, and we look forward to partnering with you to conduct this scope of work. If you have any questions or need any additional information, please feel free to contact me by phone at 404.524.0775 or email at jdubberly@mslc.com.

Sincerely,

Jerry Dubberly, PharmD, MBA
Principal



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Proposed Scope of Work

Myers and Stauffer will manage this engagement under the existing structure of our Michigan Consulting Services contract (171-18000000475). We will draw from our national pool of experts to assist with various aspects and phases of this engagement. We will supply a project manager, Ms. Venesa Day, who will serve as the single point of accountability for this engagement, and ensure on-time deliverables that are of the highest quality. Ms. Day will schedule and lead project status updates on a weekly basis or at an alternative frequency as requested by MDHHS, she will provide a monthly written status report, and will be responsible for delivery of the services under this engagement.

The scope of work under this proposed engagement encompasses six major areas:

- 1. HIV/STD billing training for individual agencies.*
- 2. Development and maintenance of web-based training on HIV/STD billing toolkit.*
- 3. Collaboration and meetings with the MDHHS HIV/STD stakeholder community regarding related billing and payment considerations.*
- 4. Assist in the development of model agreements for HIV/STD agencies to use in contracting with various health plans.*
- 5. Provide recommendations for provider billing systems.*
- 6. Provide recommendations for billing pathways for select services.*

Background

Myers and Stauffer understands this work has been under development for some time, much of it with a previous contractor. Relationships have been built and the community is eager to continue this effort to offer providers a full understanding of what services are currently billable with a focus on those services that will enhance treatment for the populations served. We have familiarized ourselves with the toolkit, and will continue to research other publicly available resources to educate ourselves about ongoing work. Once we have exhausted our research, we will prepare targeted and informed questions for the State as part of our learning process. As always, our approach will be respectful of state time and minimize effort for state staff.

1. HIV/STD Billing Training for Individual Agencies

Myers and Stauffer will assist MDHHS in providing HIV/STD billing training to individual agencies across the state. Our approach will be to quickly get up to speed on the historical work performed, then become engrained in the HIV/STD training work moving forward. We will begin by using the previously developed HIV/STD billing toolkit as the foundation of our training. We will complete an analysis of available data and gather stakeholder input, as needed, to tailor each training to



support the specific needs of the audience. We will utilize this information to recommend updates to the toolkit as needed. Trainings will begin in the fall of 2018. In completing this work we will:

1. *Work with MDHHS staff to design and deliver up to one training per quarter. The trainings will be tailored to either clinical or non-clinical audiences and focus on billing for HIV/STD prevention and treatment, as well as denied claims assistance to promote appropriate revenue and payment for services. We will conduct these trainings in-person or as web-based trainings as mutually agreed upon by MDHHS and Myers and Stauffer.*
2. *Use de-identified claims, encounter, and summary data, to the extent made available, to determine prevalent denial codes and identify consistent coding errors that may result in non-payment or revenue loss.*
3. *As appropriate, design and administer a survey to identify provider concerns regarding billing and coding for HIV/STD prevention and treatment services. We will use the survey results to frame problems and solutions and tailor the training sessions to the needs of the audience.*
4. *Collaborate with MDHHS and payers to understand and include current benefit design and appropriate billing procedures based on individual payer requirements.*
5. *Support the participant registration process for in-person and web-based trainings.*
6. *Work with MDHHS to design an evaluation process and feedback loop for attendees to assess the quality and usefulness of trainings.*
7. *Provide hard copy training materials for in-person trainings as required.*
8. *Facilitate questions and answers and develop frequently asked questions (FAQs) for inclusion in future training materials.*
9. *Record web-based trainings for future use by MDHHS.*
10. *Provide related research, consulting, and technical assistance to the MDHHS staff during the training cycle and as requested.*

2. Development and Maintenance of Web-based Training on HIV/STD Billing Toolkit

The toolkit is a significant resource that will continue to evolve as more providers begin to bill and identify questions or unique problems. Myers and Stauffer will work with MDHHS to develop and maintain a web-based training solution that focuses specifically on high priority content. To address any questions that may arise from the web-based training forum, we recommend the inclusion of a training-specific email account and FAQ section to be housed on the MDHHS website. Myers and Stauffer will recommend updates to the FAQs and the toolkit as appropriate. We propose that Myers and Stauffer monitor the email account either through the use of a Myers and Stauffer email address or through an automatic forward of the email submissions to us for review and response. As part of this effort, we will:

1. *Work with MDHHS to design a series of interactive webinars that focuses on high priority topics from the toolkit. Myers and Stauffer will record these webinars for future use as online training resources.*



2. *Provide monitoring of toolkit training mailbox, working with MDHHS to respond to questions and inquiries.*
3. *Develop toolkit, toolkit-related training, and HIV/STD-related FAQ content for posting to the MDHHS website.*
4. *Stay abreast of changes in HIV/STD coverage and billing policy that impacts the toolkit by monitoring sources, research, and engaging with MDHHS staff and stakeholders.*
5. *Facilitate stakeholder feedback on toolkit and training. We will:*
 - *Capture stakeholder feedback on the toolkit.*
 - *Complete analysis of stakeholder feedback.*
 - *Make recommendations to MDHHS on changes to the toolkit based on stakeholder feedback.*
 - *Coordinate with the State on toolkit and training improvements, gaps reported since publishing, and other stakeholder feedback.*
6. *Update the toolkit and web-based training at regular intervals as determined with MDHHS. This includes:*
 - *Review of areas for updating.*
 - *Develop revised draft for State review.*
 - *Discussions with MDHHS on recommended revisions and finalization of any resulting updates.*

3. Collaboration and Meetings with the MDHHS HIV/STD Stakeholder Community Regarding Related Billing and Payment Considerations

Myers and Stauffer understands that developing strong relationships with the HIV/STD stakeholder community is the cornerstone of this work. We have worked with other clients undertaking important stakeholder efforts, helping them to bring payers and providers to the table around important issues. We will support MDHHS in continuing its work with stakeholders. We will support staff in collaborating with the Medicaid health plans on allowing payment consistent with standards of practice and state and national guidelines. For example, we will promote the appropriate permission to receive payment for repeat HIV and STD screenings as appropriate. We will also participate in meetings between Division of HIV and STD Programs, MDHHS Medicaid offices, and the State Quality Committees, as well as meetings between Michigan Medicaid managed care plans and local HIV/STD agencies throughout Michigan. To assist MDHHS staff, we will:

1. *Coordinate an in-person kick-off meeting with the State as appropriate.*
2. *To the extent available and productive, participate in any telephonic meetings with the State and the previous contractor to gather information and transition the project.*
3. *Participate in collaborative sessions and meetings with each Medicaid health plan as necessary.*



4. *Work with MDHHS to determine the level of participation for Myers and Stauffer staff in each meeting (i.e., advisory capacity, facilitation, note taking, provide materials, agenda, conference line, etc.).*
5. *Participate in additional stakeholder meetings as requested by MDHHS, and complete follow-up tasks that occur as a result of meetings in collaboration with the State.*
6. *Develop an inventory of individual plan billing requirements for ease of use in the trainings and possibly as a part of the toolkit.*

4. Assist in Development of Model Agreements for HIV/STD Agencies to Use in Contracting with Medicaid Health Plans*

Sound and consistent contract language gives providers a safeguard in working with health plans and other payers while supporting appropriate revenue for services delivered. By developing model agreements, agencies can ensure a mutual understanding that is consistent with the standards of practice for treatment and clearly documents billing expectations. Myers and Stauffer will research Michigan and national resources to assist in drafting model agreements for MDHHS consideration. As part of this work we will:

1. *Work with MDHHS to identify and review successful in-state contract language examples.*
2. *Provide research on national best practices regarding contract language for HIV/STD billing.*
3. *Compile model agreement language and coordinate with MDHHS to make any changes and support clearing the resulting model agreements through MDHHS' appropriate channels.*
4. *Provide clearance documents and talking points as requested.*
5. *Develop final draft of model agreements for publication and sharing with providers.*
6. *Work with MDHHS to design separate web-based model agreement training.*

*Note these drafts will reflect business needs and decisions. However, no part of Myers and Stauffer's work shall be considered to be legal advice.

5. Provide Recommendations for Provider Billing Systems

We understand that as agencies are able to bill health plans, they will need to have the appropriate billing systems in place. Myers and Stauffer will assist with reviewing needs of the billing agencies, required functionality, and features the agency may want to consider during the acquisition of a billing system. We will:

1. *Work with MDHHS and stakeholders to create a standardized list of system specifications and operational criteria.*
2. *Work with MDHHS to develop an inventory of existing billing systems that meet the standardized qualifications. This inventory may include a scoring system to support provider selection based on provider priorities.*

6. Recommendations for Billing Pathways for Select Services

Social determinants of health are an important aspect of health care in general, but particularly when dealing with chronic diseases that have been stigmatized. We understand the importance of community health workers and non-medical case management services to help individuals navigate the complex health care system in a manner that achieves optimal outcomes while



considering social determinants of health and other non-medical factors. We will assist MDHHS in identifying the value of these important services and negotiating the inclusion of these services in the health plan benefit as a reimbursable service which may include consideration of bundled services.



Staff Resources

Myers and Stauffer brings MDHHS a team of highly-skilled experts with significant knowledge and expertise in the health care industry. We staff each project to exceed our clients' expectations, including ensuring appropriate staffing levels, meeting all required deadlines, and emphasizing quality in our services and deliverables. All staff assigned to this contract have direct, hands-on experience as clinicians, coders, data analysts, and programmers, or with managed care consulting and other health care services to state Medicaid agencies. These individuals offer value-added insight and provide creative solutions to our clients.

Myers and Stauffer's key personnel and their demonstrated expertise and experience are identified in the staffing chart below, as well as in the form of resumes in *Appendix A: Resumes*. While these are key personnel, Myers and Stauffer will staff this engagement with other resources to accomplish the agreed upon scope of work.

Myers and Stauffer: Key Personnel		
Team Member	Role in Project	Qualifications
Jerry Dubberly, PharmD, MBA <i>Principal/ Partner</i>	Engagement Partner: Responsible for all aspects of the project, ensuring client satisfaction, and establishing the overall delivery approach.	With more than 28 years of experience, Dr. Dubberly brings a wide range of experience with state health care programs. He formerly served as Georgia's Medicaid Director for six years where he was responsible for health care coverage for 1.9 million Georgians and a benefits budget of \$10 billion. Prior to becoming Georgia's Medicaid Director, he served as the state's Deputy Director of the Medical Assistance Policy Section. Dr. Dubberly brings a wide range of experience with state health care programs. Since joining Myers and Stauffer in 2015, Dr. Dubberly has focused on Myers and Stauffer's integrated care model accounts which include the firm's State Innovation Model (SIM), Delivery System Reform Incentive Payment (DSRIP) program, and consulting activities.
Venesa Day, MPA <i>Senior Manager</i>	Project Manager: Serves as the single point of contact for this engagement. She is responsible for daily operations and ensuring timely and high-quality deliverables. She will also assist with the delivery of training sessions as appropriate.	Ms. Day has more than 18 years of experience working with Medicaid health care policy and finance, providing assistance to states and stakeholders in a variety of policy areas. Her expertise includes federal Medicaid authority and flexibilities, funding, and program development for special populations like Medicare-Medicaid enrollees or "duals" and "super-utilizers". Ms. Day has extensive experience working with 1115(a) waivers and alternative payment models, including the development and design of program specific quality measure sets and incentive model design. More than 15 years of her career were spent with the Centers for Medicare & Medicaid Services (CMS) working in various reimbursement and policy areas.
Alicia Jansen, BSN, RN, COC-A <i>Senior Manager</i>	Clinical and Coding Expert: Serves as a clinical resource familiar with HIV and STD disease states and treatments. She incorporates her skills as a certified	Ms. Jansen is a registered nurse, certified coder, and program integrity manager. She has served on the New Jersey DSRIP engagement where her primary role is development of program protocols and quality improvement programs, and working with hospitals in the development of their DSRIP plans. Ms. Jansen also serves as the Project Director for the Vermont Health Care Innovation Project/SIM Sustainability Plan engagement where she has consulted on a number of innovative payment and delivery system efforts, identified sustainable innovation approaches and



Myers and Stauffer: Key Personnel

Team Member	Role in Project	Qualifications
	coder to prepare and administer training sessions.	the financing of these approaches, as well as facilitated numerous stakeholder engagement forums. In addition, Ms. Jansen serves as an Operations Manager for the New Hampshire DSRIP independent assessor engagement where she is responsible for the provider entry application development, criteria development for scoring, and oversight of the write-back process with providers.



Pricing and Assumptions

Pricing

Myers and Stauffer proposes to perform this work under the Healthcare Financing Category of our scope of work. Our contractual billing rate negotiated with MDHHS is \$210.00 per hour. MDHHS will be invoiced on a monthly basis with a full description of the hours billed. Each invoice will be accompanied by a written status report. Eligible travel costs will be reimbursed consistent with Section 6.2 (Payment Methods) of the executed contact.

Assumptions

- *Myers and Stauffer will be responsible for training session meeting scheduling, meeting invitations, WebEx technology, conference lines, recording webinars, and online training presentations. In-person trainings will not be recorded.*
- *Myers and Stauffer will not be financially responsible for costs associated with securing a meeting facility or the other logistical costs for training sessions. Should any such costs arise and should MDHHS make a written request for Myers and Stauffer to cover these requests, we will do so with these costs passed through to MDHHS on the monthly invoice.*
- *MDHHS will be responsible for any website that will house the training materials generated by Myers and Stauffer for posting to the internet.*
- *Myers and Stauffer and MDHHS will identify any claims data needed with a preference to receive de-identified patient information or summary level data when possible.*
- *MDHHS will notify the Managed Care Organizations (MCOs) and other health plans of Myers and Stauffer's role and the expectation of reasonable responsiveness to any requests that Myers and Stauffer may make necessary to assist MDHHS with the activities included in this scope of work.*
- *To the extent available and possible, any existing data, research, and materials relevant to this scope of work will be made available to Myers and Stauffer.*
- *While Myers and Stauffer may make recommendations for model agreements between the billing agencies and the plans, these recommendations are business recommendations and shall not be interpreted as rendering legal advice or opinions.*

Appendix A: Resumes for Key Personnel

Below, we have provided the resumes for key personnel. While other Myers and Stauffer staff may still participate in the delivery of services under this delivery order, the key personnel will be responsible for all deliverables and Myers and Stauffer's work product.

■ JERRY DUBBERLY, PharmD, MBA

Dr. Dubberly serves as the director of Myers and Stauffer's Center of Quality Analytics, Design, and Payment. Previously, he served as Georgia's Medicaid Director for the past six years where he was responsible for health care coverage for 1.9 million Georgians and a benefits budget of \$10 billion. Prior to becoming Georgia's Medicaid Director, he served as the Deputy Director of the Medical Assistance Policy Section; four years prior to that he was the director of pharmacy services. Dr. Dubberly is currently a licensed pharmacist in Georgia and Tennessee. He brings a wide range of experience with state health care programs.

Since joining Myers and Stauffer, he has led the development of the Nevada State Health System Innovation Plan (SHSIP) project as a part of Nevada's State Innovation Model (SIM) design award. This involved supporting Nevada stakeholders at all levels, including health care payers, providers, and community advocates. In addition, he reviewed and recommended health care delivery and payment transformation opportunities. For the Nevada Certified Community Behavioral Health Clinics (CCBHC) planning grant, he serves as subject matter expert to support the state efforts to establish CCBHC, drive integration of physical and behavioral health, and establish innovative reimbursement models.

He also led the team assisting American Samoa in the development of their State Health Innovation Plan, the New Hampshire DSRIP program, and Vermont SIM Sustainability Plan engagement. This included advising and consulting regarding population health improvement opportunities and strategies as well as reviewing funding mechanisms to support the innovation projects and sustainability.

Jerry Dubberly, PharmD, MBA

Principal

*Director of the Center of
Quality Analytics, Design, and
Payment*

EDUCATION

*PharmD, Pharmacy,
University of Arkansas
Medical Sciences*

*M.B.A., Health Services
Management, University of
Tennessee at Chattanooga*

*B.S., Pharmacy, University of
Georgia*

EXPERIENCE

*25 years
professional experience*

CORE COMPETENCIES

*former state Medicaid director
and state Medicaid pharmacy
director*

*pharmacy benefit
management*

health plan management

*public policy and program
design*

His past experience with the state of Georgia includes leading efforts to redesign Medicaid and CHIP programs to bring administrative and financial efficiencies while improving outcomes. He was also responsible for the highly successful Medicaid Management Information System (MMIS) design, development, and implementation. He provided oversight for the implementation and maximization of the ICD-10 implementation.

In addition, he managed the expansion of the Medicaid MCOs to include 24,000 children in foster care, adoption assistance, and in the juvenile justice system who would benefit from enhanced care. He also provided executive oversight and project management of the implementation of Medicare Part D, and was the project owner for the state's Money Follows the Person (MFP) program.

Specifically, Dr. Dubberly led numerous projects throughout his tenure with the state, several of which include:

- **Procurement of a Medicaid Pharmacy Benefits Manager (PBM) contract for the Georgia Medicaid population.** *As pharmacy director, his responsibilities included RFP creation, evaluation of responses, contracting, and implementation of the PBM vendor contract. This effort resulted in savings of more than \$12.2 million over the five and a half year life of the contract. He also designed end-user functionality of a new pharmacy claims processing platform. This project required analysis of current system functionality, current and future business needs, and efficiency and ease of use for end-users. Each of these parameters had to be evaluated and implemented under the guidance and limitations of industry transaction standards.*
- **ICD-10 Implementation Executive Sponsor.** *Through this project, he held oversight and leadership responsibilities for implementation and maximization of ICD-10 implementation. This project included an analysis of the entire claims processing system looking for opportunities —given more specific diagnoses — to introduce more precise editing and auditing of claims during adjudication. Further, this project offered the opportunity to reduce unnecessary prior authorization and pre-certification requirements to make Medicaid a more attractive payer while maintaining appropriate fiscal controls.*
- **Aged Blind and Disabled (ABD) Care Coordination Project.** *Recognizing the ABD population's absence of meaningful access to medical coordination and case management along with their significant fiscal contribution to total Medicaid expenditures, a program was designed to address this gap. The program was developed to include features of Patient-Centered Medical Home (PCMH), primary care case management (PCCM), and disease management and care coordination.*
- **Expansion of Medicaid Managed Care Organizations.** *This project involved the identification of children in foster care, adoption assistance, and certain children in the juvenile justice system who could benefit from enhanced care coordination, increased medical oversight, and improved health outcomes.*
- **Medicaid Redesign Project.** *A holistic review of the Medicaid and CHIP program was undertaken to identify opportunities to improve health outcomes, establish long-term fiscal sustainability, and ensure appropriate utilization of health care resources. This project involved extensive stakeholder input with 30 stakeholder forums throughout the state.*

Additionally, the resulting strategic direction brought together task forces that provided critical and ongoing input into the future direction of the program.

- **Executive Sponsor of MMIS Implementation.** *This effort replaced the Georgia MMIS system utilized to pay claims, manage utilization, and provide all federal and state reporting. To accomplish this objective, the implementation approach was defined by the business owners with the systems staff supporting the business needs of the organization. This project culminated with what providers and CMS deemed as a smooth implementation.*

PRESENTATIONS AND PUBLICATIONS

“Everything You Wanted to Know about Medicaid but Were Afraid to Ask (Medicaid Waivers and Long Term Support Services component),” National Home and Community Based Services Conference, Washington, DC 2015.

“The Importance of Program Integrity in Home and Community Based Services,” National Home and Community Based Services Conference, Washington DC, 2015.

“A Medicaid Director’s View of Program Integrity in Managed Care,” National Association for Medicaid Program Integrity, New Orleans, LA, 2015.

“Working with Purchasers & Payers to Increase Access, Utilization & Quality of Preventive Services Forum,” Centers for Disease Control and Prevention, Atlanta, GA, 2015.

“New Medicines: Opportunities and Challenges,” National Council of State Legislatures Legislative Summit, Seattle, WA, 2015.

“Managed Medicaid: How Medicaid Programs Are Navigating the Managed Medicaid Trends,” American Drug Utilization Review Society Symposium, Scottsdale, AZ, 2013.

“Health Care Reform Medicaid Agency Impact Highlights,” AMCP 23rd Annual Meeting and Showcase, Minneapolis, MN, 2011.

“Rx Innovations and Challenges,” National Association of Medicaid Directors Fall Conference, Arlington, VA, 2011.

“Medicaid Director Panel Discussion,” National Governors Association Health Reform Meeting, Stowe, VT, 2010.

“Stakeholder Group Forum,” Fourteenth Annual Rosalynn Carter Georgia Mental Health Forum, Atlanta, GA, May 2009.

“J Code Status Update,” IRR’s 12th Annual Summit on the Medicaid Drug Rebate Program, Chicago, IL, September 2007.

“DRA Impact on the States: AMP Data and NDC Capture,” IRR’s 12th Annual Summit on the Medicaid Drug Rebate Program, Chicago, IL, September 2007.

“Compliance Techniques and Step by Step Instructions for State Medicaid Professionals to Improve Processes under the DRA,” IRR’s 12th Annual Summit on the Medicaid Drug Rebate Program, Chicago, IL, September 2007.

AFFILIATIONS

Academy of Managed Care Pharmacy

Georgia Academy of Managed Care Pharmacy

National Association of Medicaid Directors, Alumni Member

■ Venesa Day, MPA

A recent addition to the Myers and Stauffer team, Ms. Day has more than 15 years of direct experience working with CMS.

Specifically for the past four years, she has worked in the Medicare and Medicaid Coordinated Care Office (MMCO) of CMS where she led the Duals Managed Fee-for-Service Financial (MFFS) Alignment Demonstration team. She established shared savings payment parameters for the demonstration, ensuring policy coordination across Medicare and Medicaid, as well as with other shared savings programs. Through this role, she identified and pursued new and existing resources necessary for the implementation of the demonstration, including Medicare and Medicaid policy flexibilities, systems development/enterprise architecture, data collection, funding, and payment. In addition, she led the MMCO quality team in working with states and other internal and external partners to implement demonstration quality parameters, ensuring the use of measures appropriate to incent desired outcomes and ensuring measures for the population consistent with stakeholder concerns for the population and reportable for state participants. She also led the MMCO quality team in working with Center for Medicare (CM), Center for Medicare and Medicaid Innovation (CMMI), Center For Medicaid And Chip Services (CMCS), Center for Clinical Standards and Quality (CCSQ), Agency for Healthcare Research and Quality (AHRQ), National Quality Forum (NQF), and other internal and external quality partners to develop and implement an integrated quality strategy for the Medicare and Medicaid Coordination Office consistent with research and national goals outlined by the Department.

She has also assisted the Medicaid Financial Management Group of CMS where she led a Medicaid collaborative team (financial/clinical) working in partnership with Medicare to develop and implement agency-wide pay for performance and value based purchasing policies, including Medicare and Medicaid hospital acquired conditions and readmissions payment policies. She negotiated complex, high-dollar health care finance proposals involving delivery system redesigns, expansion demonstrations, and provider payment changes. She also led a CMCS regulatory team in drafting the Medicaid health care acquired conditions regulations; participated in the development of the Medicaid expansion regulations; collaborated with various federal agencies and non-governmental organizations on issues related to standardizing quality measures across programs and populations; and oversaw the development, implementation, coordination, and tracking of Medicaid priorities for payment driven quality initiatives. In addition, Ms. Day provided and reviewed legislative proposals related to Medicaid and CHIP, including the review of cross issue impacts of various eligibility, coverage,

Venesa Day, MPA

Senior Manager

EDUCATION

*M.P.A., American University
2003*

*B.A., Political Science,
Morgan State University*

1999

EXPERIENCE

*19 years
professional experience*

*2 years with
Myers and Stauffer LC*

Baltimore, MD

CORE COMPETENCIES

*Medicaid institutional
reimbursement policies*

*pay for performance and value
based purchasing policies*

and innovation legislation on Medicaid financial management. She also assisted CMS as a subject matter expert on all areas of Medicaid institutional reimbursement policy, including Medicaid Disproportionate Share Hospital (DSH), Upper Payment Limit (UPL), Graduate Medical Education (GME), and related funding. She participated in the development, evaluation, review, and implementation of program operations and/or policies related to institutional reimbursement and state financing policies that impact the Federal Medicaid program, including legislative analysis for the Medicaid program (uninsured, health information technology, H1N1, fiscal integrity, and health care reform initiatives). In addition, Ms. Day provided analysis of state Medicaid program and financial policy to help state Medicaid agencies comply with statute and regulation, including efficiency, economy, and quality of care requirements.

PRESENTATIONS

“Medicare Access and CHIP Reauthorization Act (MACRA) – APM,” MSLC - Atlanta RO, Atlanta, GA, 2016.

“Medicare Access and CHIP Reauthorization Act (MACRA) – MIPS,” MSLC - Benefits/Program Integrity Team, Indianapolis, IN, 2016.

“Medicare Access and CHIP Reauthorization Act (MACRA),” MSLC - Integrated Care Model Team, Indianapolis, IN, 2016.

“Nevada Annual Training Health Homes for SMI,” Nevada State Staff, Reno, NV, 2017.

“Nevada Annual Training SAMHSA,” Nevada State Staff, Reno, NV, 2017.

“Plan Do Study Act, Info-Fresher,” New Hampshire DSRIP IDN 2 All Partner Meeting, Concord, NH, 2017.

“Integrated Care Delivery 101,” New Hampshire DSRIP Learning Collaborative, Concord, NH, 2017.

■ ALICIA JANSEN, RN, COC-A

Ms. Jansen is a registered nurse, certified coder and senior policy/reimbursement analyst with Myers and Stauffer. She has assisted the New Jersey Department of Health (DOH) during the past four years with the development and launch of its Delivery System Reform Incentive Payment (DSRIP) program. Ms. Jansen assisted with the development of the program protocols and quality improvement programs, and has provided clinical expertise in those areas. Her responsibilities include ensuring effective communication strategies between the financial, administrative, and clinical experts actively engaged in the program.

Ms. Jansen has served as part of a team that is assisting the State of Vermont with their SIM Sustainability Plan. As the project director, Ms. Jansen serves as the single point of contact and accountability for the engagement. She ensures all deliverables are completed meeting the highest quality standards and in accordance with contractual time lines. In addition, Ms. Jansen also served as an Operations Manager for the New Hampshire DSRIP independent assessor engagement where she is responsible for the provider entry application development, criteria development for scoring, and oversight of the writeback process with providers. In addition to her experience with DSRIP and SIM initiatives, Ms. Jansen performs medical chart reviews, analyses of health care policy, and reimbursement for state Medicaid managed care programs; completes analysis of Medicaid and Children's Health Insurance Program (CHIP) fee-for-service and managed care encounter claims to identify overpayments to providers resulting from aberrant provider billing or MMIS issues; develops analytical tools; generates written and oral reports and presentations; and analyzes prior authorization and utilization management policies of Medicaid managed care organizations to ensure compliance with contractual terms. Prior to working for Myers and Stauffer, Ms. Jansen was a clinical data management coordinator with Eli Lilly and Company. She trained peers on the electronic clinical study data system; utilized computer-based tools to identify clinical study data issues that could impact data analysis; collaborated with clinical study team members to identify and resolve clinical study data related issues; and developed and conducted presentations at team meetings and internal employee forums.

Ms. Jansen has experience in the medical field in numerous capacities. As a case manager and medical management coordinator for M Plan she was responsible for ensuring hospital group compliance with the utilization management standards of the National Committee for Quality Assurance (NCQA). Her clinical background includes home health and hospice in London, Ohio, and critical care nursing with Ball Memorial Hospital in Muncie, Indiana.

PRESENTATIONS

Internal Myers and Stauffer Firm Wide DSRIP Training Seminar, March 20, 2013.
Internal Myers and Stauffer DSRIP Skills Workshop, December 15, 2014.
Internal Myers and Stauffer Benefits and Program Integrity Conference, June 2015.
New Jersey DSRIP Presentations to Hospital Industry, March, 2013, July 2013, August 2013, September 2014, March 2015, September 2015.

CERTIFICATIONS

Registered Nurse
Certified Outpatient Coder

Alicia Jansen, RN, COC-A

Senior Manager

EDUCATION

B.S., Nursing, Ball State University

Clinical Research Certificate Program

EXPERIENCE

21 years professional experience

CORE COMPETENCIES

registered nurse

analysis of health care policy and reimbursement

analysis of fee-for-service and managed care encounter claims

development of analytical tools, reports, and presentations



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management and Budget—Procurement
525 West Allegan, Lansing MI 48933

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **171-180000000475**

between
THE STATE OF MICHIGAN
and

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CONTRACT SUMMARY			
DESCRIPTION: Health Care Consulting Services			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
4/1/2018	3/31/2023	2, 1-year	N/A
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
THIS IS NOT AN ORDER. This Contract Agreement is awarded on the basis of our inquiring RFP No. 180000000423. Orders for delivery will be issued directly by Departments through the issuance of a Delivery Order Form.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$3,346,250.00

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name & Title

Agency

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and TBD (“**Contractor**”), a TBD. This Contract is effective on April 1, 2018 (“**Effective Date**”), and unless terminated, expires on March 31, 2023.

This Contract may be renewed for up to two additional one-year period(s). Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

- 1. **Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Schedule A – Statement of Work** (the “**Contract Activities**”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Schedule A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

- 2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

<p>If to State: Lisa Spitzley 525 W. Allegan 1st Lansing MI 48913 spitzleyl4@michigan.gov (517)284-7039</p>	<p>If to Contractor: Jerry Dubberly, PharmD, MBA - Principal Myers and Stauffer LC 133 Peachtree Street NE, Suite 3150 Atlanta, Georgia 30303 jdubberly@mmlc.com 404.524.9519</p>
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3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a “**Contract Administrator**”):

State: Lisa Spitzley 525 W. Allegan 1 st Floor Lansing MI 48913 spitzleyl4@michigan.gov (517) 284-7039	Contractor: Jerry Dubberly, PharmD, MBA - Principal Myers and Stauffer LC 133 Peachtree Street NE, Suite 3150 Atlanta, Georgia 30303 jdubberly@mslc.com 404.524.9519
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4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State: Crystal Kline CCC Bldg. 7 th Floor 400 South Pine Street Lansing, MI 48909 KlineC1@michigan.gov (517) 284-1184	Contractor: Vanessa Day, MPA Myers and Stauffer LC 400 Redland Court, suite 300 Ownings Mills, MD 21117 vday@mslc.com 443.695.7903
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5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Automobile Liability Insurance	
<u>Minimal Limits:</u> If a motor vehicle is used in relation to the Contractor's performance, the Contractor must have vehicle liability insurance on the motor vehicle for bodily injury and property damage as required by law.	Contractor must have their policy include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	

<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate <u>Deductible Maximum:</u> \$50,000 Per Loss	
Privacy and Security Liability (Cyber Liability) Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.

If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or delivery order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within five business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **MiDEAL Administrative Fee and Reporting.** Contractor must pay an administrative fee of 1% on payments made to Contractor under the Contract including transactions with MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

Department of Technology, Management and Budget
 Cashiering
 P.O. Box 30681
 Lansing, MI 48909

Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

8. **Extended Purchasing Program.** This contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to impose an administrative fee and negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor. Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in the Contract Activities and all associated intellectual property rights, if any. Such Contract Activities are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Contract Activities and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Contract Activities, including all intellectual property rights therein.
10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.
14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted but noted deficiencies must be corrected; or (b) the Contract Activities are

rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. **Reserved.**

18. **Reserved.**

19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period the State may return such non-conforming Contract Activities to the Contractor for a full refund.

20. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or standard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.

22. **Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

- 24. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
- 25. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 365 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
- 26. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved

by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

27. **Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
28. **Limitation of Liability.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
29. **Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
30. **Reserved.**
31. **State Data.**
 - a. **Ownership.** The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
 - b. **Contractor Use of State Data.** Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Contract Activities, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.
 - c. **Extraction of State Data.** Contractor must, within five business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
 - d. **Backup and Recovery of State Data.** Unless otherwise specified in Schedule A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Schedule A, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two hours at any point in time.

- e. Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This section survives termination or expiration of this Contract.

32. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential

Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.

- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

33. Data Privacy and Information Security.

- a. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.
- b. Audit by Contractor. No less than annually, Contractor must conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.
- c. Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy

and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

- d. Audit Findings. Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.
- e. State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

34. Reserved.

35. Reserved.

36. Records Maintenance, Inspection, Examination, and Audit. The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for four years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

37. Warranties and Representations. Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.

38. Conflicts and Ethics. Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

39. Compliance with Laws. Contractor must comply with all federal, state and local laws, rules and regulations.

40. Reserved.

41. Reserved.

42. Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.

43. Unfair Labor Practice. Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.

44. Governing Law. This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.

45. Non-Exclusivity. Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.

46. Force Majeure. Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.

47. Dispute Resolution. The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.

48. Media Releases. News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.

49. Website Incorporation. The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.

50. Entire Agreement and Order of Precedence. This Contract, which includes Schedule A – Statement of Work, and expressly incorporated schedules and exhibits, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE,

EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

51. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
52. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
53. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
54. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

STATE OF MICHIGAN

Contract Dept. 171, No. 18000000475
Health Care Consulting Services

SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

This schedule identifies the requirements of this Contract.

SCOPE

The Contractor must provide consulting and technical assistance to the Michigan Department of Health and Human Services (DHHS) on Medicaid special financing, pharmacy policy, Third Party Liability (TPL), federal waivers, provider tax issues; as well as guidance on federal health programs/legislation, strategic planning, delivery system reform, health care related project management, and health care information technology.

This Contract will also be available to other State Departments and MiDEAL members (authorized local units of government). The Contractor must primarily provide services to DHHS.

REQUIREMENTS

1. General Requirements

1.1. Work and Deliverables

The Contractor must provide the Service Categories for Health Care Consulting (including Revenue Maximization), including, but not limited to, the following:

- A. Healthcare Financing
 - 1. Identify federal revenue enhancement opportunities and strategies for the State or identified partners that exist under federal statutes, regulations and/or policies where the State is not maximizing potential federal revenues. Provide guidance to said partners on technical assistance needed (software, capacity, resolution of barriers, etc.) to achieve these outcomes.
 - 2. Assist in identifying recoveries that have been paid by Medicaid when other insurances were available; allowing recoveries to be processed.
 - 3. Identify and assist in resolving Hospital Credit Balances, in order to be in compliance with federal regulations.
 - 4. Identify and recover improper Medicaid payments paid to healthcare providers under fee-for-service (FFS).
 - 5. Develop and assist in implementing changes in State programs, policies and procedures necessary to realize the federal revenue enhancement opportunities.
 - 6. Develop and assist in implementing federal and other cost savings and cost containment strategies that minimize cost of services or enhance existing recovery activities and develop additional means of recovery for costs incurred by the State.
- B. Federal Health Programs/Legislation

The Contractor must review and interpret federal health programs and related legislation and translate these in a way that allows the State to make considered and appropriate decisions and effectively communicate them to stakeholders. This includes but is not limited to: interpretation of federal regulations and grant programs, identifying impacts of emerging programs, and recommending how to align the designed and delivered solutions with the needs of stakeholders.
- C. Strategic Planning

The Contractor must work with public and private sector clients to develop strategic plans. For example, in the areas of: health care and health insurance trends such as benefits insurance; health information technology; health care policy; health care delivery systems (e.g. Medical Homes, chronic care delivery systems, Medicaid Transformation); health benefit management; accountable care organizations; value-based purchasing; process improvements, and related project management services.

D. Partnerships/Coalitions

The Contractor must work with public and private sector clients in establishing and maintaining community partnerships, coalition building with public agencies, health care providers and health insurance providers, facilitate external or internal client focus groups, and establish governance models for new programs. This includes but is not limited to: developing strategic solutions to address specific business needs, identifying common ground communications, sustainable financing models, administrative procedures, and dispute resolution processes. The Contractor must convene and host large meetings; including agenda preparation, scheduling speakers, moderate sessions, and evaluating meeting outcomes is required.

E. Development, Evaluation and Assessment of Health Programs

The Contractor must develop tools and processes to assess the integrity and effectiveness of health programs and insurance benefits. This includes but is not limited to: assessment of benefits packages; enrollment; eligibility; coverage; strategic plans; surveys of providers or clients; developing strategy models to determine recommended changes and project management services. Additional services include, but not limited to: cost-effectiveness analysis, evaluating utilization and expenditures over time, determining costs, utilization methods, quality of care measures, providing written reports for public dissemination and/or to meet federal requirements.

F. Health Care Information Technology

Contractor must assist agency to identify and articulate solutions and changes through technology, this includes, but is not limited to; systems/process analysis and assessment; understanding of applicable State and federal laws and regulations; health care and IT trends and best practices; implementation and integration of applications and systems on premises and in the cloud; communications; quality assurance reporting, clinical quality measurement; conduct feasibility studies and possibly business cases to justify an investment in change. Contractor will provide recommendations to address specific connectivity issues and designs tailored for HIT and HIE solutions.

Contractor's HIT services include the following:

- Statewide HIT planning, evaluation, and strategic consultation, including development of HIT Roadmaps, SHSIP, population health management and data analytics strategies, governance programs, and step-by-step HIT-related tactical plans to support SIM, DSRIP programs, and other key state innovations and initiatives.
- Support state's behavioral health and public health teams in developing a HIT strategy, data reporting matrix, and performance measures; including HIT system gap analysis and needs assessments and/or environmental scans.
- Assist state in evaluating technology vendors to support HIT initiatives to support transitions of care, care management, and/or the submission and coordination of financial data reporting and HIE.
- Develop state documents for funding requests such as Advanced Planning Documents (APDs) and SMHP, reporting and/or compliance with federal agencies such as CMS, Agency for Healthcare Research and Quality (AHRQ), the Substance Abuse and Mental Health Services Administration (SAMHSA), the OIG, or other entity.
- Provide program management of inter-related health care and HIT-focused efforts (e.g., 1115 waiver, innovation grants, VBP, DSRIP program, MCO oversight, certifying CCBHCs, etc.).
- Conduct business and technical evaluation and feasibility studies of statewide and local HIEs, including an examination of the organization's financial sustainability, governance, and other areas as they relate to HIT deployment, utilization, and growth strategies.
- Enterprise business process modeling or re-engineering, data modeling, and governance.
- Stakeholder engagement, interviewing, taskforce/workgroup management, facilitation, and learning collaboration.
- Reviews of IT and stakeholder governance structure, policies, and procedures.
- Assessments of current data governance structure, identification of future enterprise-wide data governance recommendations, and implementation of enterprise-wide data governance structure, policies, processes, and standards.
- Reviews of system development life cycle and change management processes/procedures.

G. Development of Management and Monitoring Structures for Contractors

The Contractor must provide assistance to government entities related to procurement and contracting;

such as, performance measurement, model design and requirements for new integrated delivery systems. Contractor must provide assistance with Medicaid with integration of physical and mental health/substance use disorder treatment and other long term supports and services. Contractor must monitor and evaluate program, including value-based purchasing and payment models, technical writing, meeting facilitation which could include stakeholder input and project management services. Contractor must assist with synthesizing and analyzing information from a variety of sources within an enterprise, including tools, processes to align the designed and delivered solutions, strategy models to determine recommended changes that serve as the foundation for solutions.

H. Delivery System Reform

The Contractor must be able to provide the State with innovative, cutting-edge initiatives to drive delivery system reform; which includes but is not limited to: development of new models for the payment and delivery of healthcare services and the inclusion of social supports into clinical models. Contractor must also provide the following:

1. Expertise on strategic health care and community partnerships that will accelerate the transition, through payment methods, targeted incentives and provider capacity support, to deliver value for outcomes. Assist with technical support in program design, program financing, and processes for comprehensive project planning development and implementations.
2. Assistance with technical support in program design, program financing, and processes for comprehensive project planning development and implementations.
3. Expertise in community needs assessments and capacity planning as well as support at the individual provider level. Must have the ability to rapidly deploy experts and consultants to assist in regional health system capacity building and transformation
4. Project management services related to the delivery system reform initiatives. Additional services include but are not limited to: providing guidance on certificates of needs, anti-trust issues, and legal entity options.

I. Project Management-Health Care Related

The Contractor must provide project management services and provide program with consensus, openness and balance to achieve specific project results with informed decisions, objectives and to identify best practices and standards. Contractor must assess and benchmark to reduce risk and to achieve goals and performance strategies.

2. Acceptance Inspection and Testing

The State will use the following criteria to determine acceptance of the Contract Activities: Section 16, Acceptance, of the Standard Contract Terms.

3. Staffing

3.1. Contractor Representative

The Contractor appoints the following Contractor Representative, specifically assigned to State of Michigan accounts that will respond to State inquiries regarding the Contract Activities. Contractor's Representative:

Jerry Dubberly, PharmD, MBA - Principal
Myers and Stauffer LC
133 Peachtree Street NE, Suite 3150
Atlanta, Georgia 30303
jdubberly@mslc.com
404.524.9519

The Contractor must notify the Contract Administrator at least 15 calendar days before removing or assigning a new Contractor Representative.

3.2. Work Hours

The Contractor must provide Contract Activities during the State's normal working hours Monday – Friday, 7:00 a.m. to 6:00 p.m. EST, and possible night and weekend hours depending on the requirements of the project.

3.3. Key Personnel

1. The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel

position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30-calendar day training period for replacement personnel.

Myers and Stauffer:

Jerry Dubberly, PharmD, MBA
Principal/Partner
Atlanta Office

Dr. Dubberly will be responsible for all aspects of the project, ensuring client satisfaction, and establishing the overall delivery approach. Dr. Dubberly will work with DHHS to ensure successful service delivery and performance under this engagement.

Timothy Guerrant, CPA
Indianapolis Office
Consulting Partner, Health Care Financing

Mr. Guerrant will be responsible for strategic consulting activities related to health care financing activities under this engagement.

Venesa Day
Senior Manager
Baltimore Office
Project Director

Ms. Day will serve as the single point of contact for this engagement. She will oversee and coordinate all staff and activities under this engagement on a daily basis. She will serve as a single point of contact for Myers and Stauffer.

Kevin Tolmich, MBA, PMP, PMI-PBA, CSSGB
Senior Manager
Atlanta Office
Strategic Planning and Project Manager

Mr. Tolmich will be responsible for facilitating strategic planning activities and leading all project management activities throughout the engagement.

Bobby Courtney, MPH, JD
Senior Manager
Indianapolis Office
Federal and Legislative Lead Manager

Mr. Courtney will lead the team in the identification and interpretation of legislative and regulatory items and their impact on policy and DHHS' strategic objectives. He will also lead our work efforts related to certificate of need, antitrust issues, and review of legal entity options.

Terri Branning
Senior Manager
Atlanta Office
Health Care Transformation Assessment and Oversight Lead Manager

Ms. Branning will lead a team of transformation managers and analysts driving and supporting delivery system innovation implementation as well as the monitoring and oversight of contractors and programs behind the transformation. Part of her responsibilities will also include the coordination and execution of stakeholder engagement activities.

Kelly Gonzalez, MS, PMP, CUA
Director

Atlanta Office
Health Care Information Technology Manager

The Health Care Information Technology Manager will provide the oversight, direction, and consultative services required by DHHS to identify and articulate solutions and changes to be effectuated through technology. Ms. Gonzalez and her team will also work closely with the Myers and Stauffer Health Care Financing Manager to ensure proper claiming and maximization of federal funds for health care information technology needs.

Terry Moritz, CPA
Senior Manager
Indianapolis Office
Health Care Financing Manager

Mr. Moritz will be responsible for leadership and execution of all health care financing activities identified in Section A 1.1.A (Healthcare Financing) of the RFP. Mike Horoho
Senior Manager
Indianapolis Office Consulting Health Care Financing Manager

2. Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an "Unauthorized Removal Credit"):

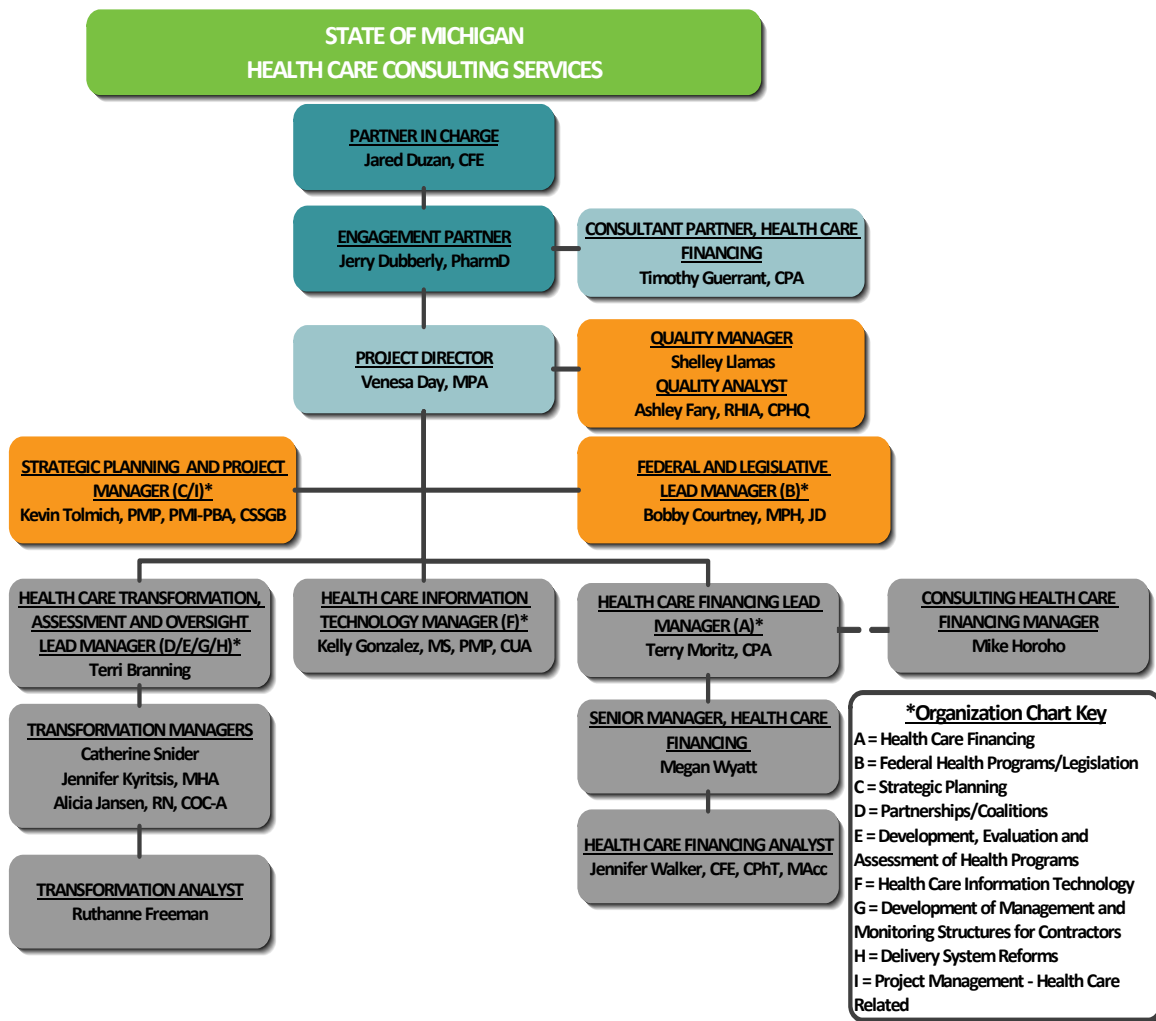
(i) For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$25,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.

(ii) If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$25,000.00 credit specified above, Contractor will credit the State \$833.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$50,000.00 per individual.

Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any fees or other charges payable to Contractor under this Contract.

3.4. Organizational Chart

The Contractor's overall organizational chart that details staff members, by name and title, and subcontractors, below:



3.5. Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must disclose: :

The legal business name; address; telephone number; a description of subcontractor’s organization and the services it will provide; and information concerning subcontractor’s ability to provide the Contract Activities.

Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.

A complete description of the Contract Activities that will be performed or provided by the subcontractor.

4. Project Management

Dependent on the work being done, the Contractor will be expected to provide weekly updates (via e-mail) as well as monthly progress reports to the respective State Program Manager.

4.1. Project Plan

The Contractor will carry out this project under the direction and control of the Program Manager. Within 30 calendar days of the Effective Date, the Contractor must submit a project plan to the Program Manager for final approval. The plan must include: (a) the Contractor’s organizational chart with names and title of personnel assigned to the project, which must align with the staffing stated in accepted proposals; and (b) the project breakdown showing sub-projects, tasks, and resources required.

4.2. Meetings

The Contractor must attend the Kick-Off meeting and any applicable meetings associated with the work that is being conducted on the specific project/Statement of Work.

The State may request other meetings, as it deems appropriate.

Contractor must conduct weekly project management update meetings with the Program Manager to discuss decision points, risk/risk mitigate points, issues, issue resolutions, Contractor activities, and other project related activities. Contractor must provide a written status report within two business days of meeting to the Program Manager.

4.3. Reporting

The Contractor must explain its reporting capabilities and any reporting that is included in its proposal, including the frequency. Reports will be sent to the respective Program Manager.

On a monthly basis, the Contractor must provide DHHS with a written progress report. This progress report will contain a comprehensive summary of all activities undertaken during the monthly period; and deviation from the project plan and expected progress; a description of any deviation and any associated project impact; activities planned next reporting period; a refreshed Issues and Risk Mitigation Log; as well as a refreshed project plan.

The Contractor recognizes that DHHS may need written or verbal reports for either internal or external purposes throughout this engagement. The Contractor will work with DHHS to fulfill those reporting needs as they arise. The Contractor must deliver the reported information in DHHS' requested format (narrative, table, bulleted, PowerPoint, etc.).

5. Ordering

5.1. Authorizing Document

The appropriate authorizing document for the Contract will be a delivery order (DO), which will be issued for each Administration within the MDHHS that is utilizing this Contract.

6. Invoice and Payment

6.1. Invoice Requirements

The agency will use the invoice language defined in Section 20, Terms of Payment, in the Standard Contract Terms. All invoices submitted to the State must include: (a) date; (b) delivery order; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); and (g) total price. Overtime and holiday pay will not be paid.

6.2. Payment Methods

The State will make payment for Contract Activities based on monthly invoices submitted, which will include any travel or staffing costs as required as part of this agreement, and in accordance with the state travel rates which can be accessed via http://www.michigan.gov/dtmb/0,5552,7-150-9141_13132---,00.html.

7. Liquidated Damages Late or improper completion of the Contract Activities will cause loss and damage to the State and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, if there is late or improper completion of the Contract Activities the State is entitled to collect liquidated damages in the amount of \$5,000 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work in Section 1.1 Work and Deliverables.

STATE OF MICHIGAN

Contract Dept. 171, No. 180000000475
Health Care Consulting Services

SCHEDULE B PRICING MATRIX

Price includes all costs, including, but not limited to, any one-time, fees, and potential costs that Contractor may charge the State. Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses.

Service Categories	Estimated* Hours per Year	Hourly Rate
Healthcare Financing	500	\$210.00
Federal Health Programs/Legislation	500	\$225.00
Strategic Planning	500	\$225.00
Partnerships/Coalitions	250	\$200.00
Development, Evaluation and Assessment of Health Programs	300	\$225.00
Health Care Information Technology	300	\$215.00
Development of Management and Monitoring Structures for Contractors	250	\$215.00
Delivery System Reform	300	\$225.00
Project Management- Health Care Related	200	\$180.00
TOTAL YEARLY PRICE		\$669,250.00

TOTAL FIVE YEAR PRICE	\$3,346,250.00
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*Hours are an estimate only. The actual number of hours that will be needed for each project will vary and are not guaranteed.

Schedule C Federal Provisions

The provisions in this addendum may apply if the purchase will be paid for in whole or in part with funds obtained from the federal government. If any provision below is not required by federal law for this Contract, then it does not apply and must be disregarded. If any provision below is required to be included in this Contract by federal law, then the applicable provision applies, and the language is not negotiable. If any provision below conflicts with the State's terms and conditions, including any attachments, schedules, or exhibits to the State's Contract, the provisions below take priority to the extent a provision is required by federal law; otherwise, the order of precedence set forth in the Contract applies. Hyperlinks are provided for convenience only; broken hyperlinks will not relieve Contractor from compliance with the law.

1. Federally Assisted Construction Contracts

If this contract is a “**federally assisted construction contract**” as defined in [41 CRF Part 60-1.3](#), and except as otherwise may be provided under [41 CRF Part 60](#), then during performance of this Contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

(4) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Contractor will comply with all provisions of [Executive Order 11246](#) of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Contractor will furnish all information and reports required by [Executive Order 11246](#) of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in [Executive Order 11246](#) of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in [Executive Order 11246](#) of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of [Executive Order 11246](#) of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

2. Davis-Bacon Act (Prevailing Wage)

If applicable, the Contractor (and its subcontractors) for **prime construction contracts** in excess of \$2,000 must comply with the Davis-Bacon Act ([40 USC 3141-3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction").

3. Copeland "Anti-Kickback" Act

If applicable, the Contractor must comply with the [Copeland "Anti-Kickback" Act \(40 USC 3145\)](#), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"), which prohibits the Contractor and subrecipients from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

4. Contract Work Hours and Safety Standards Act

If the Contract is **in excess of \$100,000** and **involves the employment of mechanics or laborers**, the Contractor must comply with [40 USC 3702](#) and [3704](#), as supplemented by Department of Labor regulations ([29 CFR Part 5](#)), as applicable.

5. Rights to Inventions Made Under a Contract or Agreement

If the Contract is funded by a federal "funding agreement" as defined under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

6. Clean Air Act

If this Contract is **in excess of \$150,000**, the Contractor must comply with all applicable standards, orders, and regulations issued under the Clean Air Act (42 USC 7401-7671q) and the Federal Water Pollution Control Act (33 USC 1251-1387). Violations must be reported to the federal awarding agency and the regional office of the Environmental Protection Agency.

7. Debarment and Suspension

A "contract award" (see [2 CFR 180.220](#)) must not be made to parties listed on the government-wide exclusions in the [System for Award Management \(SAM\)](#), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

8. Byrd Anti-Lobbying Amendment

If this Contract **exceeds \$100,000**, bidders and the Contractor must file the certification required under [31 USC 1352](#).

9. Procurement of Recovered Materials

Under [2 CFR 200.322](#), a non-Federal entity that is a state agency or agency of a political subdivision of a state **and its contractors** must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at [40 CFR part 247](#) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Schedule D
HIPAA BUSINESS ASSOCIATE AGREEMENT ADDENDUM

This Business Associate Agreement Addendum (“Addendum”) is made a part of the contract (“Contract”) between the Michigan Department of Health and Human Services (“Covered Entity”), and TBD, (“Business Associate”).

The Business Associate performs certain services for the Covered Entity under the Contract that requires the exchange of information including protected health information under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), as amended by the American Recovery and Reinvestment Act of 2009 (Pub.L. No. 111-5). The Michigan Department of Health and Human Services is a hybrid covered entity under HIPAA and the parties to the Contract are entering into this Addendum to establish the responsibilities of both parties regarding HIPAA-covered information and have the underlying Contract comply with HIPAA.

RECITALS

- A. Under the terms of the Contract, the Covered Entity wishes to disclose certain information to the Business Associate, some of which may constitute Protected Health Information (“PHI”). In consideration of the receipt of PHI, the Business Associate agrees to protect the privacy and security of the information as set forth in this Addendum.
- B. The Covered Entity and the Business Associate intend to protect the privacy and provide for the security of PHI disclosed to the Business Associate under the Contract in compliance with HIPAA and the HIPAA Rules.
- C. The HIPAA Rules require the Covered Entity to enter into a contract containing specific requirements with the Business Associate before the Covered Entity may disclose PHI to the Business Associate.

1. Definitions.

a. The following terms used in this Agreement have the same meaning as those terms in the HIPAA Rules: Breach; Data Aggregation; Designated Record Set; Disclosure; Health Care Obligations; Individual; Minimum Necessary; Notice of Privacy Practices; Protected Health Information; Required by Law; Secretary; Security Incident; Security Measures, Subcontractor; Unsecured Protected Health Information, and Use.

b. “Business Associate” has the same meaning as the term “business associate” at 45 CFR 160.103 and regarding this Addendum means [Insert Name of Business Associate]

c. “Covered Entity” has the same meaning as the term “covered entity” at 45 CFR 160.103 and regarding this Addendum means the Michigan Department of Health and Human Services.

d. “HIPAA Rules” means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

e. “Agreement” means both the Contract and this Addendum.

f. “Contract” means the underlying written agreement or purchase order between the parties for the goods or services to which this Addendum is added.

2. Obligations of Business Associate.

The Business Associate agrees to

a. use and disclose PHI only as permitted or required by this Addendum or as required by law.

b. implement and use appropriate safeguards, and comply with Subpart C of 45 CFR 164 regarding electronic protected health information, to prevent use or disclosure of PHI other than as provided in this Addendum. Business Associate must maintain, and provide a copy to the Covered Entity within 10 days of a request from the Covered Entity, a comprehensive written information privacy and security program that includes security measures that reasonably and appropriately protect the confidentiality, integrity, and availability of PHI relative to the size and complexity of the Business Associate’s operations and the nature and the scope of its activities.

c. report to the Covered Entity within 24 hours of any use or disclosure of PHI not provided for by this Addendum of which it becomes aware, including breaches of Unsecured Protected Health Information as required by 45 CFR 164.410, and any Security Incident of which it becomes aware. If the Business Associate is responsible for any unauthorized use or disclosure of PHI, it must promptly act as required by applicable federal and State laws and regulations. Covered Entity and the Business Associate will cooperate in investigating whether a breach has occurred, to decide how to provide breach notifications to individuals, the federal Health and Human Services’ Office for Civil Rights, and potentially the media.

d. ensure, according to 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, that any subcontractors that create, receive, maintain, or transmit PHI on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate regarding such information. Each subcontractor must sign an agreement with the Business Associate containing substantially the same provisions as this Addendum and further identifying the Covered Entity as a third party beneficiary of the agreement with the subcontractor. Business Associate must implement and maintain sanctions against subcontractors that violate such restrictions and conditions and must mitigate the effects of any such violation.

e. make available PHI in a Designated Record Set to the Covered Entity within 10 days of a request from the Covered Entity to satisfy the Covered Entity’s obligations under 45 CFR 164.524.

f. within ten days of a request from the Covered Entity, amend PHI in a Designated Record Set under 45 CFR § 164.526. If any individual requests an amendment of PHI directly from the Business Associate or its agents or subcontractors, the Business Associate must notify the Covered Entity in writing within ten days of the request, and then, in that case, only the Covered Entity may either grant or deny the request.

g. maintain, and within ten days of a request from the Covered Entity make available the information required to enable the Covered Entity to fulfill its obligations under 45 CFR § 164.528. Business Associate is not required to provide an accounting to the Covered Entity of disclosures : (i) to carry out treatment, payment or health care operations, as set forth in 45 CFR § 164.506; (ii) to individuals of PHI about them as set forth in 45 CFR § 164.502; (iii) under an authorization as provided in 45 CFR § 164.508; (iv) to persons involved in the individual's care or other notification purposes as set forth in 45 CFR § 164.510; (v) for national security or intelligence purposes as set forth in 45 CFR § 164.512(k)(2); or (vi) to correctional institutions or law enforcement officials as set forth in 45 CFR § 164.512(k)(5); (vii) as part of a limited data set according to 45 CFR 164.514(e); or (viii) that occurred before the compliance date for the Covered Entity. Business Associate agrees to implement a process that allows for an accounting to be collected and maintained by the Business Associate and its agents or subcontractors for at least six years before the request, but not before the compliance date of the Privacy Rule. At a minimum, such information must include: (i) the date of disclosure; (ii) the name of the entity or person who received PHI and, if known, the address of the entity or person; (iii) a brief description of PHI disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. If the request for an accounting is delivered directly to the Business Associate or its agents or subcontractors, the Business Associate must forward it within ten days of the receipt of the request to the Covered Entity in writing.

h. to the extent the Business Associate is to carry out one or more of the Covered Entity's obligations under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity when performing those obligations.

i. make its internal practices, books, and records relating to the Business Associate's use and disclosure of PHI available to the Secretary for purposes of determining compliance with the HIPAA Rules. Business Associate must concurrently provide to the Covered Entity a copy of any PHI that the Business Associate provides to the Secretary.

j. retain all PHI throughout the term of the Agreement and for a period of six years from the date of creation or the date when it last was in effect, whichever is later, or as required by law. This obligation survives the termination of the Agreement.

k. implement policies and procedures for the final disposition of electronic PHI and the hardware and equipment on which it is stored, including but not limited to, the removal of PHI before re-use.

1. within ten days after a written request by the Covered Entity, the Business Associate and its agents or subcontractors must allow the Covered Entity to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of PHI under this Addendum for the purpose of determining whether the Business Associate has complied with this Addendum; provided, however, that: (i) the Business Associate and the Covered Entity must mutually agree in advance upon the scope, timing and location of such an inspection; (ii) the Covered Entity must protect the confidentiality of all confidential and proprietary information of the Business Associate to which the Covered Entity has access during the course of such inspection; and (iii) the Covered Entity or the Business Associate must execute a nondisclosure agreement, if requested by the other party. The fact that the Covered Entity inspects, or fails to inspect, or has the right to inspect, the Business Associate's facilities, systems, books, records, agreements, policies and procedures does not relieve the Business Associate of its responsibility to comply with this Addendum. The Covered Entity's (i) failure to detect or (ii) detection, but failure to notify the Business Associate or require the Business Associate's remediation of any unsatisfactory practices, does not constitute acceptance of such practice or a waiver of the Covered Entity's enforcement rights under this Addendum.

3. Permitted Uses and Disclosures by the Business Associate.

a. Business Associate may use or disclose PHI:

(i) for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate; provided, however, either (A) the disclosures are required by law, or (B) the Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes 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;

(ii) as required by law;

(iii) for Data Aggregation services relating to the health care operations of the Covered Entity;

(iv) to de-identify, consistent with 45 CFR 164.514(a) – (c), PHI it receives from the Covered Entity. If the Business Associates de-identifies the PHI it receives from the Covered Entity, the Business Associate may use the de-identified information for any purpose not prohibited by the HIPAA Rules; and

(v) for any other purpose listed here: carrying out the Business Associate's duties under the Contract.

b. Business Associate agrees to make uses and disclosures and requests for PHI consistent with the Covered Entity's minimum necessary policies and procedures.

c. Business Associate may not use or disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by the Covered Entity except for the specific uses and disclosures described above in 3(a)(i) and (iii).

4. Covered Entity's Obligations

Covered entity agrees to

a. use its Security Measures to reasonably and appropriately maintain and ensure the confidentiality, integrity, and availability of PHI transmitted to the Business Associate under the Agreement until the PHI is received by the Business Associate.

b. provide the Business Associate with a copy of its Notice of Privacy Practices and must notify the Business Associate of any limitations in the Notice of Privacy Practices of the Covered Entity under 45 CFR 164.520 to the extent that such limitation may affect the Business Associate's use or disclosure of PHI.

c. notify the Business Associate of any changes in, or revocation of, the permission by an individual to use or disclose the individual's PHI to the extent that such changes may affect the Business Associate's use or disclosure of PHI.

d. notify the Business Associate of any restriction on the use or disclosure of PHI that the Covered Entity has agreed to or is required to abide by under 45 CFR 164.522 to the extent that such restriction may affect the Business Associate's use or disclosure of PHI.

5. Term. This Addendum must continue in effect as to each Contract to which it applies until such Contract is terminated or is replaced with a new contract between the parties containing provisions meeting the requirements of the HIPAA Rules, whichever first occurs.

6. Termination.

a. Material Breach. In addition to any other provisions in the Contract regarding breach, a breach by the Business Associate of any provision of this Addendum, as determined by the Covered Entity, constitutes a material breach of the Addendum and is grounds for termination of the Contract by the Covered Entity under the provisions of the Contract covering termination for cause. If the Contract contains no express provisions regarding termination for cause, the following apply to termination for breach of this Addendum, subject to 6.b.:

(i) Default. If the Business Associate refuses or fails to timely perform any of the provisions of this Addendum, the Covered Entity may notify the Business Associate in writing of the non-performance, and if not corrected within thirty days, the Covered Entity may immediately terminate the Contract. Business Associate must continue performance of the Contract to the extent it is not terminated.

(ii) Associate's Duties. Notwithstanding termination of the Contract, and subject to any directions from the Covered Entity, the Business Associate must timely, reasonably and necessarily act to protect and preserve property in the possession of the Business Associate in which the Covered Entity has an interest.

(iii) Compensation. Payment for completed performance delivered and accepted by the Covered Entity must be at the Contract price.

(iv) Erroneous Termination for Default. If the Covered Entity terminates the Contract under Section 6(a) and after such termination it is determined, for any reason, that the Business Associate was not in default, or that the Business Associate's action/inaction was excusable, such termination will be treated as a termination for convenience, and the rights and obligations of the parties will be the same as if the Contract had been terminated for convenience.

b. Reasonable Steps to Cure Breach. If the Covered Entity knows of a pattern of activity or practice of the Business Associate that constitutes a material breach or violation of the Business Associate's obligations under the provisions of this Addendum or another arrangement and does not terminate this Contract under Section 6(a), then the Covered Entity must notify the Business Associate of the pattern of activity or practice. The Business Associate must then take reasonable steps to cure such breach or end such violation, as applicable. If the Business Associate's efforts to cure such breach or end such violation are unsuccessful, the Covered Entity must either (i) terminate this Agreement, if feasible or (ii) if termination of this Agreement is not feasible, the Covered Entity must report the Business Associate's breach or violation to the Secretary of the Department of Health and Human Services.

c. Effect of Termination. After termination of this Agreement for any reason, the Business Associate, with respect to PHI it received from the Covered Entity, or created, maintained, or received by the Business Associate on behalf of the Covered Entity, must:

(i) retain only that PHI which is necessary for the Business Associate to continue its proper management and administration or to carry out its legal responsibilities;

(ii) return to the Covered Entity (or, if agreed to by the Covered Entity in writing, destroy) the remaining PHI that the Business Associate still maintains in any form;

(iii) continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as the Business Associate retains the PHI;

(iv) not use or disclose the PHI retained by the Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out at Section 3(a)(1) which applied before termination; and

(v) return to the Covered Entity (or, if agreed to by the Covered Entity in writing, destroy) the PHI retained by the Business Associate when it is no longer needed by the Business Associate for its proper management and administration or to carry out its legal responsibilities.

7. No Waiver of Immunity. The parties do not intend to waive any of the immunities, rights, benefits, protection, or other provisions of the Michigan Governmental Immunity Act, MCL 691.1401, *et seq.*, the Federal Tort Claims Act, 28 U.S.C. 2671 *et seq.*, or the common law.

8. Data Ownership. The Business Associate has no ownership rights in the PHI. The covered entity retains all ownership rights of the PHI.

9. Disclaimer. The Covered Entity makes no warranty or representation that compliance by the Business Associate with this Addendum, HIPAA or the HIPAA Rules will be adequate or

satisfactory for the Business Associate's own purposes. Business Associate is solely responsible for all decisions made by the Business Associate regarding the safeguarding of PHI.

10. Certification. If the Covered Entity determines an examination is necessary to comply with the Covered Entity's legal obligations under HIPAA relating to certification of its security practices, the Covered Entity or its authorized agents or contractors, may, at the Covered Entity's expense, examine the Business Associate's facilities, systems, procedures and records as may be necessary for such agents or contractors to certify to the Covered Entity the extent to which the Business Associate's security safeguards comply with HIPAA, the HIPAA Rules or this Addendum.

11. Amendment.

a. The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of this Addendum may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA and the HIPAA Rules. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum embodying written assurances consistent with the standards and requirements of HIPAA and the HIPAA Rules. Either party may terminate the Agreement upon thirty days written notice if (i) the Business Associate does not promptly enter into negotiations to amend this Agreement when requested by the Covered Entity under this Section or (ii) the Business Associate does not enter into an amendment to this Agreement providing assurances regarding the safeguarding of PHI that the Covered Entity, in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA and the HIPAA Rules.

12. Assistance in Litigation or Administrative Proceedings. Business Associate must make itself, and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement, available to Covered Entity, at no cost to Covered Entity, to testify as witnesses, or otherwise, if someone commences litigation or administrative proceedings against the Covered Entity, its directors, officers or employees, departments, agencies, or divisions based upon a claimed violation of HIPAA or the HIPAA Rules relating to the Business Associate's or its subcontractors use or disclosure of PHI under this Agreement, except where the Business Associate or its subcontractor, employee or agent is a named adverse party.

13. No Third Party Beneficiaries. Nothing express or implied in this Addendum is intended to confer any rights, remedies, obligations or liabilities upon any person other than the Covered Entity, the Business Associate and their respective successors or assigns.

14. Effect on Contract. Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Contract must remain in force and effect. The parties expressly acknowledge and agree that sufficient mutual consideration exists to make this Addendum legally binding in accordance with its terms.

Business Associate and the Covered Entity expressly waive any claim or defense that this Addendum is not part of the Contract.

15. Interpretation and Order of Precedence. This Addendum is incorporated into and becomes part of the Contract. Together, this Addendum and each separate Contract constitute the “Agreement” of the parties with respect to their Business Associate relationship under HIPAA and the HIPAA Rules. The provisions of this Addendum must prevail over any provisions in the Contract that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the Contract must be interpreted as broadly as necessary to implement and comply with HIPAA and the HIPAA Rules. The parties agree that any ambiguity in this Addendum must be resolved in favor of a meaning that complies and is consistent with HIPAA and the HIPAA Rules. This Addendum supersedes and replaces any previous separately executed HIPAA addendum between the parties. If this Addendum conflicts with the mandatory provisions of the HIPAA Rules, then the HIPAA Rules control. Where the provisions of this Addendum differ from those mandated by the HIPAA Rules, but are nonetheless permitted by the HIPAA Rules, the provisions of this Addendum control.

16. Effective Date. This Addendum is effective upon receipt of the last approval necessary and the affixing of the last signature required.

17. Survival of Certain Contract Terms. Notwithstanding anything in this Addendum to the contrary, the Business Associate’s obligations under Section 6(d) and record retention laws (“Effect of Termination”) and Section 13 (“No Third Party Beneficiaries”) survive termination of this Addendum and are enforceable by the Covered Entity if the Business Associate fails to perform or comply with this Addendum.

18. Representatives and Notice.

a. Representatives. For the purpose of this Addendum, the individuals identified in the Contract must be the representatives of the respective parties. If no representatives are identified in the Contract, the individuals listed below are designated as the parties’ respective representatives for purposes of this Addendum. Either party may from time to time designate in writing new or substitute representatives.

b. Notices. All required notices must be in writing and must be hand delivered or given by certified or registered mail to the representatives at the addresses set forth below.

Covered Entity Representative:

Name: Christine H. Sanches
Title: Director
Department and Division: Michigan Department of Health and Human Services
Bureau of Grants and Purchasing
Address: 235 So. Grand Avenue, Grand Tower, 12th Floor
Lansing, MI 48933

Business Associate Representative:

Name: _____
Title: _____
Department and Division: _____
Address: _____

Any notice given to a party under this Addendum must be deemed effective, if addressed to such party, upon: (i) delivery, if hand delivered; or (ii) the third (3rd) Business Day after being sent by certified or registered mail.

Business Associate
[INSERT NAME]
By: _____
Date: _____
Print Name: _____
Title: _____

Covered Entity
Michigan Department of Health and Human Services
By: _____
Date: _____
Print Name: Christine H. Sanches
Title: Director, Bureau of Grants and Purchasing