



**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 7  
to  
Contract Number 210000001592

<b>CONTRACTOR</b>	PUBLIC CONSULTING GROUP LLC
	148 State Street, 10th Floor
	Boston MA 02109
	Jennifer MacBlane
	617-777-4889
	jmacblane@pcgus.com
	CV0000862

<b>STATE</b>	<b>Program Manager</b>	Various	Various
<b>STATE</b>	<b>Contract Administrator</b>	Mary Ostrowski	DTMB
		(517) 249-0438	
		OstrowskiM@michigan.gov	

CONTRACT SUMMARY				
Child Welfare System Actuarial Services for MDHHS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
January 1, 2022	December 31, 2024	5 - 1 Year	December 31, 2026	
PAYMENT TERMS		DELIVERY TIMEFRAME		
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 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"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$5,848,249.81	\$2,785,666.00	\$8,633,915.81		

## DESCRIPTION

Effective July 31, 2024, this Contract is increased by \$2,785,666.00 for MDHHS. This addition includes estimated funding needed for the remaining term of the Contract, with \$300,000.00 specifically for consultation on the implementation of Preserving Federal Benefits for Youth operations project.

For the Preserving Federal Benefits for Youth operations project, the Contractor must work with MDHHS to:

- Determine project management systems and tools;
- Establish procedural operations for setting up personal need accounts and Michigan Achieving a Better Life Experience (MiABLE) accounts to save youths' federal and state funds; and
- Develop policies for distribution of funds to youth/families.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on July 30, 2024.

**Program Managers  
for  
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDHHS	Sarah Goad		GoadS@michigan.gov
LEO	Nathan Kammer		KammerN@michigan.gov



**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 6  
to  
Contract Number 210000001592

<b>CONTRACTOR</b>	PUBLIC CONSULTING GROUP LLC
	148 State Street, 10th Floor
	Boston MA 02109
	Jennifer MacBlane
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<b>STATE</b>	<b>Program Manager</b>	Various	Various
<b>STATE</b>	<b>Contract Administrator</b>	Mary Ostrowski	DTMB
		(517) 249-0438	
		OstrowskiM@michigan.gov	

CONTRACT SUMMARY				
Child Welfare System Actuarial Services for MDHHS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
January 1, 2022	December 31, 2024	5 - 1 Year	December 31, 2024	
PAYMENT TERMS		DELIVERY TIMEFRAME		
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 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"/>	2 Years	<input type="checkbox"/>		December 31, 2026
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$4,247,987.77	\$1,600,262.04	\$5,848,249.81		
DESCRIPTION				
Effective June 5, 2024, this Contract is exercising two option years and is increased by \$1,600,262.04 for LEO's two Work Plans, \$1,418,840.04 for Rate Setting and Technical Assistance Work Plan and \$181,422.00 for Disability Innovation Fund Work Plan. The revised Contract expiration date is December 31, 2026. The updated Work Plans are attached.				
All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on June 4, 2024.				

**Program Managers  
for  
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDHHS	Sarah Goad	517-335-4516	GoadS@michigan.gov
LEO	Nathan Kammer	517-335-5035	KammerN@michigan.gov

# Technical Assistance Services

May 2024 – April 2026

Michigan Rehabilitation Services

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# SCOPE OF WORK

Scope of Work from May 2024–April 2026 in technical assistance services for the general program through the following activities:

- VR Program Improvement
- Organizational Change Management
- Vendor Engagement

Details on each group of these activities are described below.

## I. VR PROGRAM IMPROVEMENT

MRS has identified several priorities in programming to focus on over the next two years. Specifically, MRS has prioritized improving the access and delivery of customized employment, Pre-Employment Transition Services (Pre-ETS), and benefits counseling. The approach to improving each of these programs is described below.

### *1.1 Customized Employment*

Based on quantitative and qualitative data analysis, MRS has determined that processes and policy need to be streamlined to increase access to these services as they move from pilot to wider availability. PCG will support MRS in making this transition and implementing wider access. Specifically, PCG will leverage the implementation plan created in 2023 to provide administrative support under MRS direction. These items include:

- 1. Coordinate with MRS leadership to draft CE policy increased access:** First, PCG will work with leadership to draft a service definition that can be applied beyond the pilot. In addition, PCG will draft policies and processes that reflect the revised business process. PCG will submit these documents to MRS leadership for review and feedback. PCG will amend the documents based on MRS feedback and submit a final version for MRS approval.
- 2. Draft communication and training materials:** PCG will draft accompanying communication and training materials specified in the implementation plan. Content will include differentiation for potential program customers, providers, and VR staff. The materials will also include an evaluation plan to monitor progress of communication and training. PCG will submit documentation to MRS leadership for review and feedback. PCG will amend the plan based on MRS feedback and submit final materials for MRS approval.
- 3. Execute the plan:** To support the roll out of the new service definition and accompanying processes, PCG will plan and execute up to three webinars and an accompanying FAQ. PCG will support the development of content provided at these webinars, the logistics and platform, archival and evaluation.
- 4. Evaluate and refine implementation:** After one year of service delivery, PCG will conduct a high-level evaluation using both quantitative and qualitative data analysis, and present findings at an exploratory session. The session will be an opportunity to assess the success of the roll out and identify any opportunities for refinement. PCG will summarize the findings of the session to MRS in a memo.

### *1.2 Pre-Employment Transition Services (Pre-ETS)*

Based on needs assessment results and MRS feedback, there is an opportunity to increase the use and quality of Pre-ETS across Michigan. PCG will partner with MRS to execute the priorities and pathways for program improvement identified in NTACTION's recommendations to the agency. The PCG team will conduct the following activities:

- 1. Explore and affirm priorities based on NTACTION recommendations for MRS:** PCG will review the existing MRS and NTACTION technical assistance agreement to identify opportunities to support without duplicating existing work. The focus will be on areas not included in the agreement and/or where additional resources are needed. Existing MRS Pre-ETS data can be utilized by PCG. PCG will work



with identified MRS staff to coordinate and provide additional information if needed. Following this, PCG will deliver a list of activities for program improvement, with an emphasis on both increasing the utilization and the quality of services. Following this session, PCG will deliver a priority list of activities for program improvement, with an emphasis on both increasing the utilization and the quality of services.

2. **Draft implementation plan:** PCG will draft an implementation plan to conduct the prioritized activities that align with NTACT:C recommendations, as agreed upon by both parties. This plan will not replace current MRS agreed to Pre-ETS priorities, rather it will enhance, support, or fill in gaps. PCG will submit the plan to MRS leadership for review and feedback. PCG will amend the plan based on MRS feedback and submit a final version for MRS approval.
3. **Execute the plan:** To support the implementation of activities addressing agreed upon priorities, PCG will work in partnership with MRS to execute the MRS-approved plan. PCG assumes that execution will include policy and process revisions, with subsequent training to relevant audiences. PCG will support these policy and training activities under MRS direction and in alignment with the approved plan. The team will also plan and execute up to three webinars and an accompanying FAQ. PCG will support the development of content provided at these webinars, the logistics and platform, archival and evaluation.
4. **Evaluate and refine implementation:** After one year of service delivery, PCG will conduct a high-level evaluation using both quantitative and qualitative data analysis, and present findings at an exploratory session. The session will be an opportunity to assess the success of activities and identify any opportunities for refinement. PCG will summarize the findings of the session to MRS in a memo.

### ***1.3 Benefits Counseling***

Through strategic planning, MRS has identified the increased use of benefits planning as being important to reaching larger MRS goals. PCG will combine subject matter expertise in benefits planning and program implementation to support program improvement in this area. The PCG team will conduct the following activities:

1. **Program evaluation:** Project Excellence conducted a study in 2020 to understand who and how benefits planning was used. Research indicates that there is an opportunity to increase the number and quality of benefits counseling to program participants. For example, of the individuals participating in the study, individuals receiving SSI worked a maximum of 20 hours a week, aligning with the common “benefits cliff”. Benefits planning can be used as an education tool to support individuals with SSI and SSDI how employment will support them earning more money than without working, and the incentives to support a support structure. While the study notes several limitations, it provides evidence indicating a need for program improvement.

To ensure that MRS uses the most current information, PCG will work with MRS staff to receive updated metrics. Additionally, PCG will conduct a policy analysis to understand factors impacting program utilization. PCG will first assess data and policy available to the project team and will work with MRS to identify any data gaps. Data sources include:

- Case management data and existing reports
- Policy analysis
- Peer state analysis with up to 4 states (including interviews and policy analysis)

The project team will analyze, summarize, and affirm trends and opportunities for program advancement. PCG will present the findings and recommendations to MRS in an exploratory session for their feedback and guidance on recommendations for implementation.

2. **Draft implementation plan for program improvement:** PCG will conduct a visioning session where compiled data is presented and explored to support MRS leadership identifying the priorities for program improvement. Following this session, PCG will deliver a priority list of activities for program improvement.

3. **Draft implementation plan:** PCG will draft an implementation plan to conduct the prioritized activities, as agreed upon by both parties. PCG will submit the plan to MRS leadership for review and feedback. PCG will amend the plan based on MRS feedback and submit a final version for MRS approval.
4. **Execute the plan:** To support the roll out of the new service definition and accompanying processes, PCG will plan and execute up to three webinars and an accompanying FAQ. PCG will support the development of content provided at these webinars, the logistics and platform, archival and evaluation.
5. **Evaluate and refine implementation:** After one year of service delivery, PCG will conduct a high-level evaluation using both quantitative and qualitative data analysis, and present findings at an exploratory session. The session will be an opportunity to assess the success of activities and identify any opportunities for refinement. PCG will summarize the findings of the session to MRS in a memo.

**PCG Quarterly reports summarizing completed work and progress:** PCG proposes the development and delivery of quarterly reports that record progress in agreed upon work items. Reports would also include recommendations that may drive technical assistance in the following quarter.

## II. ORGANIZATIONAL CHANGE MANAGEMENT

MRS has prioritized using organizational change management practices to support advancement of the organization. PCG will support MRS in organizational change management through technical assistance in leadership, data management, project management, and rate adjustments. These activities are further defined below.

### *II.1 Leadership in systems change*

PCG will provide technical assistance to MRS leadership in implementing effective organizational change practices driven by research and grounded in RSA policy and regulations. To begin, PCG will support the development and implementation of a governance document and decision-map that will support nimble and effective decisions across agency leadership. PCG will also work with MRS leadership and their designated consultants to coordinate and embed effective methods into the way MRS operates.

### *II.2 Data management*

Moving from assessment to accountability is a key component in MRS achieving its agency goals. To leverage data to keep staff accountable requires that data is collected and managed effectively across the organization. PCG will take the following key steps to support effective data management:

- PCG will identify and **address data collection practices by assessing data accuracy and completeness across offices**. This analysis will take into account prior findings on staff confidence and perception of data practices. This will result in a presentation to MRS on findings and recommendations on improving practices.
- PCG will work with MRS to affirm how they would like to proceed and **memorialize these practices in a memo**.
- PCG will develop a **training manual** for consistent data entry based on the upon practices agreed to in the memo. The training manual will be developed using best practices in adult learning. Further, up to 3 supporting materials will be developed to complement the manual and assist learners in accessing information in a different way. Examples of additional materials could include a Frequently Asked Questions document or training videos.
- PCG will facilitate training introducing the importance of data management, the data practices training manual, and updated staff practices. PCG proposes conducting **up to 6 webinars** for staff, and will manage the platform, content development, and modification of content to be **asynchronous training available through YesLMS**.
- To support capacity building related to field staff understanding of data management and use, PCG will support the development and implementation of a **Data Boot Camp**. This Boot Camp will be provided to counselors and managers, as well as other interested staff, with the following objectives:

- i. Build awareness and understanding of data collected by MRS and its utility to daily operations
- ii. Basics in data analysis
- iii. Use of tools like Excel and Tableau to understand VR data
- iv. Making data-based decisions

PCG proposes that this training occurs virtually in 8, 2-hour sessions facilitated at a cadence that is agreeable for both MRS and PCG. However, PCG is happy to revise a schedule that optimizes attendance, learning, and impact for MRS. PCG will record the sessions and transfer to MRS for archival.

Additionally, in collaboration with MRS subject matter experts, PCG will facilitate an optional monthly coaching call for field staff to attend and ask questions about what they learned in data bootcamp. The goal of the coaching sessions will include both supporting field staff in leveraging data effectively and also coaching MRS staff on best practices in adult learning best practices.

### ***II.3 PIOT Project Management:***

MRS has developed a multi-year strategic plan encompassing the following priorities:

- Performance outcomes
- Innovation
- Organization transformation
- Talent development

MRS is addressing these priorities through different divisions of MRS, including both field office staff and administrative divisions. PCG will provide project management of the PIOT plan to support oversight and reporting of the variety of goals and timelines associated with each key area. PCG will work with MRS key staff to refine the current template and develop a process for monthly reporting to MRS leadership. These documents will be provided for review and feedback. PCG will incorporate feedback and submit final versions for approval. PCG will collect and analyze data on a monthly basis to monitor progress, risks, and potential opportunities for improvement. PCG will execute the approved process for MRS leadership on a timeline mutually agreed upon.

### ***II.4 Rate Setting***

#### **1. Exploring and implementing incentives**

PCG will support MRS in exploring, developing, and implementing a mechanism for enhancing payments for improved and enhanced outcomes.

- **Establish prioritized outcomes to focus on incentive development.** Leveraging the data available to PCG and MRS, PCG will support MRS in establishing the priorities of incentive development. Available data includes the recently completed CSNA and case management data analysis used in the 2023 rate refresh. PCG's subject matter experts have national relationships and resources that can efficiently identify programs across the country that may be relevant.
- **Explore potential models and structures.** We will identify best practices to improve participant employment outcomes and improve provider capacity to provide timely and effective services. Leveraging PCG's national network and subject matter expertise of incentive models being implemented across the country, PCG will develop and present a summary of potential models and structures for enhancing payments and improving outcomes. The goal of exploration is for MRS to identify a structure that aligns with their programmatic and administrative priorities.
- **Develop financial model and impact analysis.** The PCG team will develop a financial model for MRS' exploration that will demonstrate the impacts of the incentive on expenditures and outcomes. We will leverage available information on any outcomes and lessons learned to inform our recommendations. Using this financial model and impact analysis, MRS will formalize the incentive structure. PCG will memorialize the incentive structure in a memo.

- **Support implementation.** PCG will support adoption and implementation of the incentives structure by providing technical assistance on policy development and subsequent training to VR and provider staff. PCG will develop communication and training material for both providers and VR staff and facilitate 3 webinars with supporting documentation.

## 2. BND Rate Schedule Assessment and Recommendations

PCG will assess the rate schedule used by the Business Network Division for consulting with external entities. To begin, PCG will conduct data analysis by collecting and analyzing internal MRS policy, billing, and associated documentation. PCG will also conduct market analysis to understand the comparability of rates and services with others who offer it. Finally, PCG will conduct up to 8 interviews to gain a greater depth of knowledge in key areas identified in prior analysis.

Quantitative and qualitative data will be analyzed using nationally accepted methodology to develop rate recommendations. This analysis and recommendations will be presented to MRS for their review, feedback, and additional questions. Using MRS' feedback, PCG will draft and submit a memo detailing the methodology and recommendations for BND's rate schedule. PCG will finalize based on MRS feedback and submit a final version.

## 3. Additional Rate Setting Activities

Throughout the course of time, developments in state and federal policy may result in the need for additional rate setting activities. At the time those activities are identified, PCG will work with MRS to determine if ad hoc funds may be used to fill the request, or further amendments are required.

**PCG Quarterly reports summarizing completed work and progress:** PCG proposes the development and delivery of quarterly reports that record progress in agreed upon work items for organizational change management activities. Reports will also include recommendations that may drive technical assistance in the following quarter.

## III. VENDOR ENGAGEMENT

### III.1 Vendor Attraction

PCG will provide technical assistance to engage with potential vendors and increase participation from existing vendors. Technical assistance will include enhancing and improving existing practices and identify additional opportunities to engage with potential vendors. PCG will also develop up to 4 pieces of collateral and facilitate up to 8 webinars during 2024-2026, on MRS's direction.

### III.2 Vendor Advisory Group

Vendors are a critical partner in delivering effective rehabilitation services to MRS customers, and for MRS to reach its overarching agency goals. To enhance and improve the relationship between MRS and its vendors, PCG will facilitate a Vendor Advisory Group that

- Leverages rapid cycle problem solving to identify and resolve system challenges.
- Identifies successful practices and stories that can be further disseminated across the agency.
- Serves as an opportunity to develop both vendor champions and a feedback loop for MRS leadership.

PCG will draft a charter and objectives for MRS' review and approval. Based on MRS feedback, PCG will refine and finalize the documentation. Subsequently, PCG will work with MRS to recruit advisory group members. Under MRS guidance, PCG will subsequently facilitate this group on a quarterly basis, including hosting, developing the agenda, and distribution of minutes. On a quarterly basis, PCG will also produce a summary of recommendations for MRS based on information from the advisory group.

**PCG Quarterly reports summarizing completed work and progress:** PCG proposes the development and delivery of quarterly reports that record progress in agreed upon work items for vendor engagement activities. Reports will also include recommendations that may drive technical assistance in the following quarter.

#### IV. AD HOC TECHNICAL ASSISTANCE

PCG understands that additional technical assistance, beyond the tasks identified above, may project administration. PCG will work with MRS to establish an approval process described in II.1 of this scope. As needed, PCG can provide technical support.

**Bank of hours:** To provide responsive and flexible technical assistance to MRS leadership, PCG will maintain a bank of 400 hours to be billed using approved rates of the contract. PCG will provide an approximate level of effort for the task outlined by the project leadership. MRS project leadership must approve, in writing, these requests prior to execution of the work.

### WORKPLAN

The following workplan provides additional detail on estimated timelines and cost according to the tasks outlined above.

Michigan Rehabilitation Services		
#	Technical Assistance	Timeframe
I.	VR Program Improvement	
<b>I.1 Customized Employment</b>		
I.1.a	<b>Coordinate with MRS leadership to draft CE policy for statewide roll out</b>	5/1/24-6/30/24
	Assess status and needs for program implementation	
	Draft supporting documentation such as policy and processes for MRS review, feedback, and approval	
	Submit final CE documentation for MRS approval	
I.1.b	<b>Draft communication and training materials</b>	7/1/24-8/1/24
	Content development	
	Differentiate content for potential customers, providers, and VR staff	
	Evaluation plan	
	Submit implementation plan for review and approval	
I.1.c	<b>Execute implementation plan</b>	8/1/24-7/30/25
	Assume planning and execution of 3 webinars + FAQ	
	Manage the content delivery	
	Conduct evaluation plan (assume 4 quarterly reports)	
I.1.d	<b>Evaluate and refine implementation</b>	8/1/25-10/31/25
	Case management data analysis	
	Feedback from provider and staff champions	
	Analysis and exploratory session	
	Summarize agreed upon changes to program in memo	
	Provide TA to support for implementation of revised processes	
<b>I.2 Pre-ETS Program Improvement</b>		
I.2.a	<b>Explore and affirm priorities based on NTACTION recommendations</b>	5/13/24-6/30/24
	Review data and current documentation	
	Conduct visioning session	

	<b>Draft and deliver priority list and activities for program improvement</b>	
I.2.b	<b>Draft implementation plan based on agreed upon priorities</b>	7/15/24-9/3/24
	Update position descriptions, structure, and flow of services	
	Define PCG support in implementing standardized curriculum	
	Activities related to improving quality	
	Content development	
	Evaluation plan	
I.2.c	<b>Execute plan</b>	9/3/24-9/30/25
	Communication content and design	
	Manage the content delivery	
	Conduct evaluation plan (assume 4 quarterly reports)	
I.2.d	<b>Evaluate and refine implementation</b>	11/1/25-2/28/26
	Case management data analysis	
	Feedback from provider and staff champions	
	Analysis and vision session	
	Summarize agreed upon changes to program	
	Provide training and communication support for implementation of revised processes	
<b>I.3 Benefits Counseling</b>		
I.3.a	<b>Program evaluation resulting in recommendations for increasing access and utilization</b>	2/1/25-6/1/25
	Case management data analysis	
	Policy analysis	
	Peer state analysis with up to 4 states (include interviews and policy analysis)	
	Analyze qualitative and quantitative data	
	Present finalized findings and recommendations via presentation and memo	
I.3.b	<b>Draft implementation plan based on recommendations</b>	6/1/25-7/1/25
	Audiences, channels, frequency, content	
	Content development	
	Evaluation plan	
	Submit implementation plan for review and approval	
I.3.c	<b>Execute implementation plan</b>	7/1/25-4/30/26
	Assume planning and execution of 3 webinars + FAQ	
	Manage the content delivery	
	Conduct evaluation plan (assume 3 quarterly data analysis and report)	
I.4	<b>Quarterly Reporting</b>	
	Coordinate and submit quarterly report	
<b>Phase I Cost</b>		<b>\$448,158.00</b>
<b>II.</b>	<b>Organizational Change Management</b>	
<b>II.1 Leadership in Systems Change</b>		
	Technical assistance on implementing effective organizational change management practices	5/13/24-4/30/26
	Coordinate and embed MRS-identified leadership practices into ongoing project activities and work	
	Develop and support implementation of governance document and decision-map	5/13/24-6/30/24

	<b>Develop approval process for empowering MRS staff to request additional support from PCG, under leadership approval</b>	5/13/24-6/30/24
<b>II.2 Data Management: Moving from Assessment to Accountability</b>		
	<b>Identify and address inconsistent data collection practices</b>	5/13/24-10/31/24
	Conduct gap analysis: assessment of practices across offices and provide recommendations	
	<b>Develop consistent training manual in data entry expectations</b>	9/1/24-10/31/24
	<b>Training in consistent data management practices for field offices</b>	11/1/24-1/31/25
	Draft and deliver up to 6 webinars	
	Development of up to 3 supporting materials such as FAQs or training videos	
	Modification of content and development for asynchronous YesLMS training	
	<b>Data boot camp for field staff</b>	
	In collaboration with MRS, develop training objectives	2/1/25-3/1/25
	Develop training (assume up to 16 hours of synchronous training)	3/1/25-4/30/25
	Deliver training	5/1/25-8/31/25
	Conduct pre/post to assess and report on learner engagement and growth	
	Assume 8, 1-hour sessions of optional coaching call	9/1/25-4/30/26
<b>II.3 PIOT Project Management</b>		
<b>II.3.A</b>	<b>Develop template and process for monthly reporting</b>	5/15/24-6/3/24
	Pilot and finalize template and process	6/3/24-6/30/24
	On a monthly basis, collect and analyze data to identify progress, risks, and recommendations	7/1/24-3/30/26
	Produce monthly report	
<b>II.4 Rate adjustments</b>		
<b>II.4.A</b>	<b>Enhancing payments to incentivize outcomes</b>	11/1/24-4/30/25
	Establish prioritized outcomes to focus on	
	Explore potential models and structures	
	Develop financial model and impact analysis	
	Draft and deliver memo with recommendations	
	Support implementation	
<b>II.4.B</b>	<b>BND rate schedule</b>	5/1/25-10/31/25
	<b>Data collection</b>	
	Internal data request and analysis	
	Market data and analysis	
	Interviews with up to 8 individuals	
	<b>Data analysis and recommendations</b>	
	Conduct analysis	
	Initial analysis presentation to MRS	
	<b>Draft and submit rate structure memo with recommendations</b>	
<b>II.5</b>	<b>Quarterly Reporting</b>	
	Coordinate and submit quarterly report	
<b>Phase II Cost</b>		<b>\$671,321.00</b>

<b>III.</b>	<b>Vendor Engagement</b>	
<b>III.1 Vendor attraction - Provide technical assistance to engage with potential vendors and increase participation</b>		
	TA to enhance and improve system practices based on recommendations	7/1/24-4/30/26
	Develop materials (assume 4 pieces of collateral)	
	Facilitate up to 8 webinars (host, develop materials, coordinate, archive for MRS)	
<b>III.2 Vendor advisory group using rapid cycle problem solving</b>		
	Draft charter and objectives	5/13/24-6/30/24
	Engage and recruit advisory group members	7/1/24-4/30/26
	Run quarterly group	
	Develop report that provides recommendations for process improvement	
<b>III.3</b>	<b>Quarterly Reporting</b>	
	Coordinate and submit quarterly report	
<b>Phase III Cost</b>		<b>\$199,361.04</b>

## BUDGET

PCG proposes the following budget based on the effort and tasks outlined in scope of work above for **\$1,418,840.04** for the time period May 1, 2024–April 30, 2026. The estimated cost assumes the level of effort described in this scope with qualified staff assigned to the project. PCG uses the variable-fee rates outlined in the established contract 2100000001592, and cost assumptions for our ITS server and travel costs based on the scope of work MRS would like PCG to complete.

The first table summarizes information about deliverables by phase, estimated billing date, and amount. The subsequent table, ‘Ad Hoc Technical Assistance,’ are funds that MRS may use at their discretion to direct PCG to complete additional work outside of the identified deliverables. As indicated in the statement of work, this cost will be incurred as services are provided.



## DELIVERABLES BUDGET

Deliverable	Estimated Delivery	Unit	#	Total
<b>I. VR Program Improvement</b>				
Customized Employment Documentation	June 2024	\$28,009.87	1	\$28,009.87
Pre-ETS Improvement Priority List	June 2024	\$28,009.88	1	\$28,009.88
Quarterly Reports	2024: October, December; 2025: March, June, October, December; 2026: May	\$56,019.75	7	\$392,138.25
<b>Subtotal</b>				<b>\$448,158.00</b>
<b>II. Organizational Change Management</b>				
Leadership in Systems Change, Governance Document	June 2024	\$41,957.55	1	\$41,957.55
Data Management, Evaluation Plan	June 2024	\$16,783.00	1	\$16,783.00
PIOT Template and Reporting Protocol	June 2024	\$25,174.54	1	\$25,174.54
Quarterly Reports	2024: October, December; 2025: March, June, October, December; 2026: May	\$83,915.13	7	\$587,405.91
<b>Subtotal</b>				<b>\$671,321.00</b>
<b>III. Vendor Engagement</b>				
Vendor Advisory Group Charter	June 2024	\$24,920.13	1	\$24,920.13
Quarterly Reports	2024: October, December; 2025: March, June, October, December; 2026: May	\$24,920.13	7	\$174,440.91
<b>Subtotal</b>				<b>\$199,361.04</b>
<b>Deliverables Budget Total</b>				<b>\$1,318,840.04</b>

## AD HOC TECHNICAL ASSISTANCE

	Phase/Task	Bank of Hours	Estimated Date	Amount
	Ad hoc	Hourly, with prior approval by task	As incurred	\$100,000.00
<b>Ad Hoc Total</b>				<b>\$100,000.00</b>

# STEMM-Up Project Supports

May 2024 – April 2026

Michigan Rehabilitation Services  
Disability Innovation Fund

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For reference on the following Scope of Work:

Technical assistance for the DIF grant refers to supports that Contractor provides MRS in terms of project management. Based on recent developments, this will include supporting MRS on planning and implementing statewide implementation, training MRS counselors on the STEMM-Up program and all applicable processes, identifying procedural gaps and solutions, and providing input to Michigan State University to maintain the integrity of the data/evaluation component of this grant. Technical assistance will not include any advertising-related activities or expenses.

## 1. PROJECT MANAGEMENT SUPPORTS

This Scope of Work is for the period of May 1, 2024, through April 30, 2026, for consulting-related project management supports for MRS and the Michigan's Disability Innovation Fund project, STEMM-Up. Should any marketing and advertising-related needs arise, this Scope of Work will require LEO communications and a State Advertising Contractor to be involved in the development of and perform the execution of the strategy. This scope builds on the collaboration and efforts between Contractor and MRS since 2022 and extends to increase efficacy and sustainability. Throughout this proposed scope, Contractor uses continuous improvement practices to promote optimal outcomes and sustainable practices.

### I. PROJECT MANAGEMENT AND LOGISTICS FACILITATION

Contractor proposes a range of consulting services to support the continued development and delivery of effective processes and infrastructure for project logistics, organization, and program management. The overarching goal of these consulting services is to support MRS in meeting the goals of the STEMM-UP project. The following narrative outlines the proposed approach to this work. Following this narrative, a detailed workplan further outlines the proposed steps.

#### *1.1 Provide technical assistance to MRS to develop, maintain, and provide oversight of the DIF grant project plan and schedule*

Since fall of 2022, Contractor has provided a range of technical assistance to support MRS effectively managing the planning and implementation of the DIF grant. Additionally, these services support MRS's utilization of continuous improvement practices that create systems change and a sustainable program. This change notice extends project management support to continue from 5/1/24 through 4/30/26 to continue effective oversight and sustainability of the program. The following tasks will be included in this process.

1. **Weekly coaching and support to MRS Grant Leadership:** Contractor proposes a weekly 1-hour TA meeting, in addition to facilitation and attendance of ad hoc meetings, to provide a touchpoint for ongoing coaching and support.
2. **Ongoing technical assistance:** To maintain effective program management and mitigate risks, Contractor will work under STEMM-Up leadership to update and maintain project documentation, and additional activities such as documentation, meeting facilitation, and training.
3. **Contractor Quarterly reports summarizing completed work and progress:** Contractor proposes the development and delivery of quarterly reports that record progress in agreed upon work items.

### IV. AD HOC TECHNICAL ASSISTANCE

Contractor understands that additional technical assistance, beyond the tasks identified above, may benefit project administration. As needed, Contractor can provide technical support and oversight of the project leadership in their internal and external execution of the DIF project.

**Bank of hours:** To provide responsive and flexible technical assistance to DIF project leadership, Contractor will maintain a bank of 200 hours to be billed using approved rates of the contract. Contractor will provide an approximate level of effort for the task outlined by the DIF project leadership. MRS project leadership must approve, in writing, these requests prior to execution of the work. Prior written authorization will be required to expend more than 200 hours, or more than the estimated level of effort initially provided.

**Estimated date:** As needed

**Projected amount:** Up to \$50,000

## WORKPLANS

The following workplan provides additional detail on estimated timelines and effort according to the tasks outlined above.

### 1. STEMM-UP PROJECT MANAGEMENT SUPPORTS

STEMM-Up Project Management Supports		
	Project Work Plan	Timeframe
<b>I. Project Management and Logistics Facilitation</b>		
I.1	Provide technical assistance to MRS on maintaining project management practices	5/1/24-4/30/2026
I.2	Weekly mtgs with MRS (assume 1 hr wkly)	
I.3	Coordinate and deliver quarterly reports summarizing services in project management	
<b>Cost</b>		<b>\$131,422.00</b>

## BUDGET

Contractor presents an additional **\$181,422.00** budget based on the effort and tasks outlined in scope of work above for May 13, 2024 – April 30, 2026. This budget total includes Ad-hoc Technical Assistance. The estimated cost assumes the level of effort described in this scope with qualified staff assigned to the project. Contractor uses the existing rates and requirements outlined in the established contract 2100000001592, and cost assumptions for our ITS server and travel costs based on the scope of work MRS would like Contractor to complete.

Contractor will leverage the DIF Quarterly Report Template to report on STEMM-Up activities, and bill in accordance with established practices.

The deliverables budget totals **\$131,422.00** across 3 fiscal years. Below, Contractor summarizes deliverables by State Fiscal Year, phase, estimated billing date, and amount. The subsequent table, 'Ad hoc Technical Assistance' are funds that MRS may use at their discretion to direct Contractor to complete additional work projects under this work plan. As indicated in the statement of work, this cost will be incurred as services are provided.

## DELIVERABLES BUDGET

The table below summarizes information about deliverables by MRS fiscal year, scope, activity, estimated billing date, and amount.

Activity	Deliverable	Estimated Delivery	Cost	#	Total
<b>I. Project Management Supports</b>					
Project Management and Logistics Facilitation	Report for June	Jun-24	\$ 11,428.00	1	\$ 11,428.00
	Quarterly report	July 24 - April 2026	\$ 17,142.00	7	\$ 119,994.00
				<b>Total</b>	<b>\$131,422.00</b>

## AD HOC TECHNICAL ASSISTANCE

Ad hoc technical assistance has been divided by Fiscal Year for the convenience of MRS.

Phase/Task	Bank of Hours	Estimated Date	Amount
FY 24 Ad hoc	Hourly, with prior approval by task	As incurred	\$18,750.00
FY 25 Ad hoc	Hourly, with prior approval by task	As incurred	\$25,000.00
FY 26 Ad hoc	Hourly, with prior approval by task	As incurred	\$6,250.00
	<b>Total Amount</b>		<b>\$50,000</b>



**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 **5**  
 to  
 Contract Number **210000001592**

<b>CONTRACTOR</b>	PUBLIC CONSULTING GROUP LLC
	148 State Street, 10th Floor
	Boston, MA 02109
	Jennifer MacBlane
	617-777-4889
	jmacblane@pcgus.com
	CV0000862

<b>STATE</b>	Program Manager	Various	MULTI
	Contract Administrator	Mary Ostrowski	DTMB
		(517) 249-0438 ostrowskim@michigan.gov	

**CONTRACT SUMMARY**

CHILD WELFARE SYSTEM ACTUARIAL SERVICES FOR MDHHS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
January 1, 2022	December 31, 2024	5 - 1 Year	December 31, 2024

PAYMENT TERMS	DELIVERY TIMEFRAME
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"/>		<input type="checkbox"/>		N/A

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$3,979,970.77	\$268,017.00	\$4,247,987.77

**DESCRIPTION**

Effective November 15, 2023, this Contract is increased by \$268,017.00 for LEO's Rate Setting and Technical Assistance Work Plan. Schedule A, Section 1.g Rate Setting and Technical Assistance Work Plan is updated and replaced below.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB CentralProcurement approval, and State Administrative Board approval on November 14, 2023.

**Program Managers  
for  
Multi-Agency and Statewide Contracts**

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
MDHHS	Sarah Goad	517-335-4516	GoadS@michigan.gov
LEO	Nathan Kammer	517-335-5035	KammerN@michigan.gov



# SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

## 1. Requirements:

### g) Rate Setting and Technical Assistance

Contractor will perform the amended Statement of Work related to rate setting and technical assistance. Contractor is responsible for development, execution, and implementation of this solution. Below, the table summarizes the description of deliverables, including timeline and total cost.

PHASE	Phase Description of Deliverables	Start Date	End Date	Total Cost
0	Project Management, Consultation, & Technical Assistance	1/1/2023	12/31/2023	
1	Labor Market Survey	1/1/2023	5/31/2023	\$88,024
2	Mini Rate Study Psychological & Neurological Services	1/1/2023	6/30/2023	\$70,088
3	Work-based learning experiences (WBLE)	1/1/2023	6/30/2023	\$78,488
4	Pre-ETS Service Delivery Identifying Underserved Populations	7/1/2023	12/31/2023	\$65,303
5	Customized Employment Sustainability	1/1/2023	12/31/2023	\$74,218
6	Vendor Attraction Strategies and Vetting	7/1/2023	12/31/2023	\$84,203
7	Introductory Concepts and Process of Tableau	1/1/2023	6/30/2023	\$29,900
8	Methodology - Missed Appointments	7/1/2023	12/30/2023	\$77,743
9	Established Rate Refresh	9/15/2023	2/29/2024	\$268,017
<b>TOTAL</b>				<b>\$835,984</b>

The following workplan outlines each phase resulting in the deliverables described above.

#	PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
0	<b>Project Management, Consultation, &amp; Technical Assistance</b>	<b>1/1/2023</b>	<b>12/31/2023</b>	
0.1	Weekly check-in meetings			
0.2	Ongoing project management activities			
0.3	Ongoing consultation and technical assistance for rate implementation and monitoring			
0.4	Impact analysis of rates			
1	<b>Labor Market Survey</b>	<b>1/1/2023</b>	<b>5/31/2023</b>	
1.1	<b>Gather &amp; Analyze MRS Data</b>			
1.1.1	Create & submit data request			
1.1.2	Analyze existing roles, education requirements, and salary information			
1.2	<b>Research state and national data</b>			
1.2.1	Research statewide salary information			
1.2.2	Identify up to four state programs for target comparison			
1.2.3	Gather and analyze state data			
1.2.4	Perform nationwide research, select states to compare			
1.2.5	Identify up to four states for target comparison			

1.2.6	Gather and analyze data			
1.2.7	Review Bureau of Labor Market Survey (BLS) Data			
1.3	<b>Develop Final Report</b>			
1.3.1	Submit draft report			
1.3.2	Make suggested revisions			
1.3.3	Submit final draft			
				\$ 88,024
<b>#</b>	<b>PROJECT PHASE/TASK</b>	<b>START DATE</b>	<b>END DATE</b>	<b>TOTAL COST</b>
<b>2</b>	<b>Mini Rate Study Psychological &amp; Neurological Services</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
2.1	<b>Gather &amp; Analyze MRS Data</b>			
2.1.1	Submit data request			
2.1.2	Analyze data to identify services, average costs, providers, etc.			
2.2	<b>Focus Groups &amp; Survey Development</b>			
2.2.1	Identify providers for focus groups			
2.2.2	Develop questionnaire outline for focus groups			
2.2.3	Review questionnaire with MRS for approval			
2.2.4	Schedule up to three focus group meetings			
2.2.5	Collect and analyze focus group information and use to assist with developing survey questions			
2.2.6	Develop survey questions for providers			
2.2.7	Review questionnaire with MRS for approval			
2.2.8	Send survey out to identified providers			
2.2.9	Collect and analyze survey responses			
2.3	<b>Develop rate methodology for psychological &amp; neurological services</b>			
2.3.1	Identify methodology for rate setting			
2.3.2	Present preliminary findings to MRS			
2.3.3	Implement suggested revisions			
2.4	<b>Develop Final Report</b>			
2.4.1	Submit draft report			
2.4.2	Make suggested revisions			
2.4.3	Submit final draft			
				\$ 70,088
<b>3</b>	<b>Work-based learning experiences (WBLE)</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
3.1	<b>Gather &amp; Analyze MRS Data</b>			
3.1.1	Submit data request			
3.1.2	Analyze data to identify various programs, costs, requirements, etc.			
3.2	<b>Conduct State Research</b>			
3.2.1	Identify state agencies that utilize WBLE programs			
3.2.2	Conduct research of similar programs (rates, fidelity, etc.)			
3.2.3	Summarize and analyze findings			
3.3	<b>Focus Groups &amp; Survey Development</b>			
3.3.1	Identify providers for focus groups			
3.3.2	Develop questionnaire outline for focus groups			
3.3.3	Review questionnaire with MRS for approval			
3.3.4	Schedule up to three focus group meetings			
3.3.5	Collect and analyze focus group information and use to assist with developing survey questions			
3.3.6	Develop survey questions for providers			

3.3.7	Review questionnaire with MRS for approval			
3.3.8	Send survey out to identified providers			
3.3.9	Collect and analyze survey responses			
3.4	<b>Develop rate methodology and fidelity needs for WBLE programs</b>			
3.4.1	Identify methodology for rate setting			
3.4.2	Present preliminary findings to MRS			
#	<b>PROJECT PHASE/TASK</b>	<b>START DATE</b>	<b>END DATE</b>	<b>TOTAL COST</b>
3.4.3	Present preliminary findings to ambassador providers			
3.4.4	Implement suggested revisions			
3.5	<b>Develop Final Report</b>			
3.5.1	Submit draft report			
3.5.2	Make suggested revisions			
3.5.3	Submit final draft			
				\$ 78,488
4	<b>Pre-ETS Service Delivery Identifying Underserved Populations</b>	7/1/2023	12/31/2023	
4.1	<b>Gather &amp; Analyze Data</b>			
4.1.1	Submit data request to MRS			
4.1.2	Analyze data to identify various costs, schools, participant information, and demographics			
4.1.3	Utilize national and state data to identify underserved areas			
4.1.4	Compare VR data to state data to identify underserved areas			
4.1.5	Analyze findings of national/state and program data			
4.1.6	Develop data visualizations of underserved areas, service gaps, and services provided			
4.2	<b>Develop Final Report and Recommendations</b>			
4.2.1	Draft preliminary findings report			
4.2.2	Review findings with MRS			
4.2.3	Make suggested revisions			
4.2.4	Submit final draft			
				\$ 65,303
5	<b>Customized Employment Sustainability</b>	1/1/2023	12/31/2023	
5.1	<b>Sustainability Management and Support</b>			
5.1.1	Conduct monthly meetings with providers on CE sustainability			
5.1.2	Provide technical assistance and consultation on CE			
5.1.3	Support staff training on CE services and resources			
5.2	<b>Fidelity Assessment</b>			
5.2.1	Identify timeline for fidelity assessments			
5.2.2	Conduct training to provider on fidelity measures and assessment tools			
5.2.3	Conduct fidelity assessments			
5.3	<b>Develop Final Fidelity Report and Recommendations</b>			
5.3.1	Draft preliminary findings report			
5.3.2	Present findings with MRS			
5.3.3	Make suggested revisions			
5.3.4	Submit final draft			

				\$ 74,218
<b>6</b>	<b>Vendor Attraction Strategies and Vetting</b>	<b>7/1/2023</b>	<b>12/31/2023</b>	
<b>6.1</b>	<b>Gather &amp; Analyze Data</b>			
6.1.1	Submit data request to MRS			
6.1.2	Analyze data to identify total count of providers, types of services provided, regions services, gaps in service locations, etc.			
<b>#</b>	<b>PROJECT PHASE/TASK</b>	<b>START DATE</b>	<b>END DATE</b>	<b>TOTAL COST</b>
6.1.3	Provide preliminary findings to MRS using data visualizations			
<b>6.2</b>	<b>Vetting &amp; Outreach Strategies for Vendors</b>			
6.2.1	Conduct research with up to three out-of-state programs			
6.2.2	Schedule interviews with up to three in-state vendors			
6.2.3	Conduct interviews and document findings			
<b>6.3</b>	<b>Implementation of Vendor Attraction and Evaluation of Progress</b>			
6.3.1	Identify targeted areas for vendor attraction			
6.3.2	Review targeted areas with MRS for goal setting			
6.3.3	Draft vendor information language for communication			
6.3.4	Conduct vendor attraction meeting(s) up to three			
6.3.5	Provide technical assistance and consultation to address vendor questions, feedback, etc.			
<b>6.4</b>	<b>Web Redesign</b>			
6.4.1	Study similar websites across the nation for vendors			
6.4.2	Perform review of existing site and content			
6.4.3	Draft web redesign recommendations for vendor attraction and vetting			
6.4.4	Review web redesign recommendations with MRS and make revisions as needed			
6.4.5	Support MRS web team with web changes			
				\$ 84,203
<b>7</b>	<b>Introductory Concepts and Process of Tableau</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
<b>7.1</b>	<b>Training Material Development</b>			
7.1.1	Develop Training Materials-training on introductory concepts and processes of Tableau, followed introduction of the Aware database and connecting databases, and basic concepts of visualizing data.			
7.1.2	Remote meeting with project team to identify state specific training needs and questions			
7.1.3	Develop training table of contents			
7.1.4	Review training table of contents with MRS team and revise as needed			
7.1.5	Develop training guide and include additional Tableau resources available			
<b>7.2</b>	<b>Conduct Training</b>			
7.2.1	Develop a tentative outline schedule with two training members			
7.2.2	Conduct training sessions up to 25 hours			
7.2.3	Provide training outline and materials			
				\$29,900.00
<b>8</b>	<b>Methodology - Missed Appointments</b>	<b>7/1/2023</b>	<b>12/30/2023</b>	

<b>3.1</b>	<b>Gather &amp; Analyze MRS Data</b>			
3.1.1	Submit data request (assumes MRS conducts survey to gather data on existing practices + CSSNM expenditures)			
3.1.2	Analyze data			
<b>3.2</b>	<b>Conduct Comparative Research</b>			
<b>#</b>	<b>PROJECT PHASE/TASK</b>	<b>START DATE</b>	<b>END DATE</b>	<b>TOTAL COST</b>
3.2.1	Identify state agencies that utilize missed appointment fees inside and outside of MI			
3.2.2	Conduct research of similar programs (rates, descriptions, methods etc.)			
3.2.3	Summarize and analyze findings			
<b>3.3</b>	<b>Provider Survey Development and Delivery</b>			
3.3.6	Develop survey questions for providers			
3.3.7	Review questionnaire with MRS for approval			
3.3.8	Send survey out to identified providers			
3.3.9	Collect and analyze survey responses			
<b>3.4</b>	<b>Develop rate methodology</b>			
3.4.1	Identify methodology for rate setting			
3.4.2	Present preliminary findings to MRS			
3.4.3	Present preliminary findings to ambassador providers			
3.4.4	Implement suggested revisions			
<b>3.5</b>	<b>Develop Final Report</b>			
3.5.1	Submit draft report			
3.5.2	Make suggested revisions			
3.5.3	Submit final draft			
				<b>\$ 77,743</b>

<b>9</b>	<b>Established Rate Refresh</b>	<b>START DATE</b>	<b>END DATE</b>	<b>Total Cost</b>
<b>1</b>	<b>INITIAL ASSESSMENT</b>	<b>9/15/2023</b>	<b>10/18/2023</b>	
1.1	Kickoff meeting between Contractor and MRS project team	9/15/2023	9/22/2023	
1.2	Up to 2 virtual town halls of project plan and initial materials with MRS (and ideally provider) stakeholders	9/18/2023	10/18/2023	
1.3	Submit initial data request (e.g., MRS service authorization records, payment data, sample contracts, provider information, utilization information)	9/15/2023	9/18/2023	
1.4	Review documents from data request	9/22/2023	9/29/2023	
<b>2</b>	<b>COMPREHENSIVE ANALYSIS OF INDUSTRY STANDARDS</b>	<b>9/22/2023</b>	<b>11/6/2023</b>	
2.1	Research industry standards for required VR services focusing on standards for training, education, experience, and outcomes	9/22/2023	10/20/2023	
2.2	Complete comprehensive data collection relating to market research on relevant positions, comparisons from peer states, comparisons from peer State of Michigan Agencies, and data from services providers and prior studies	10/9/2023	11/6/2023	
2.3	Conduct up to 3 focus groups virtually	10/18/2023	11/1/2023	

2.4	Ongoing status meetings between Contractor and MRS project team	9/22/2023	11/6/2023	
<b>4</b>	<b>ANALYSIS AND FEE STRUCTURE RECOMMENDATIONS</b>	<b>11/1/2023</b>	<b>1/3/2024</b>	
4.1	Analysis of results including updated industry standards and 2020 cost and time studies	11/1/2023	11/25/2023	
4.2	Develop recommendations	11/28/2023	12/2/2023	
4.4	Prepare first draft of final memo	12/2/2023	12/11/2023	
4.5	Obtain feedback from MRS and make necessary revisions	12/11/2023	12/18/2023	
4.6	In-person meeting to discuss recommendations and report with MRS's Executive Director	12/19/2023	12/20/2023	
4.7	Make final revisions to report	12/23/2023	12/27/2023	
4.8	Obtain feedback from MRS and make necessary revisions	12/30/2023	1/3/2024	
4.9	Ongoing status meetings between Contractor and MRS project team	11/1/2023	1/3/2024	
4.3	Facilitate up to six community forums - 3 virtual and 3 throughout Michigan to engage with stakeholders and seek input on preliminary recommendations	1/3/2024	2/28/2024	
<b>5</b>	<b>ADDITIONAL SUPPORT AND TECHNICAL ASSISTANCE</b>			
5.1	Provide MRS with information and support to the legislature, MDHHS, its audit bureau and other designated stakeholders as needed	1/6/2024	2/29/2024	
5.2	Provide follow-up technical assistance and additional consultation	1/6/2024	2/29/2024	
5.3	Develop rate "calculator" tool with final inputs that allows MRS to update the rates with key input variables that may change over time (salaries, expenses, cost adjustment factors, model ratio assumptions, etc.)	1/6/2024	2/29/2024	
				<b>\$ 268,017</b>



**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 **4**  
 to  
 Contract Number **210000001592**

<b>CONTRACTOR</b>	PUBLIC CONSULTING GROUP LLC
	148 State Street, 10th Floor
	Boston, MA 02109
	Jennifer MacBlane
	617-777-4889
	jmacblane@pcgus.com
	CV0000862

<b>STATE</b>	Program Manager	Various	MULTI
	Contract Administrator	Mary Ostrowski (517) 249-0438 ostrowskim@michigan.gov	DTMB

**CONTRACT SUMMARY**

CHILD WELFARE SYSTEM ACTUARIAL SERVICES FOR MDHHS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
January 1, 2022	December 31, 2024	5 - 1 Year	December 31, 2024

PAYMENT TERMS	DELIVERY TIMEFRAME
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 checked="" type="checkbox"/>		<input type="checkbox"/>		December 31, 2024

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$3,450,240.00	\$529,730.77	\$3,979,970.77

**DESCRIPTION**

Effective May 10, 2023, the attached Schedule A - Statement of Work, Section 1. f) Disability Innovation Fund (DIF) (added with CN 2) is hereby updated to incorporate the changes to this section and is increased by \$428,344.77. The attached Schedule A - Statement of Work, Section 1. g) Rate Setting and Technical Assistance is hereby added to this contract to incorporate amendments regarding VR services for a corresponding increase of \$101,386. This contract is hereby increased by a total of \$529,730.77.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on April 25, 2023.

**Program Managers  
for  
Multi-Agency and Statewide Contracts**

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
MDHHS	Sarah Goad	517-335-4516	GoadS@michigan.gov
LEO	Nathan Kammer	517-335-5035	KammerN@michigan.gov



# SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

## 1. Requirements:

### f) Disability Innovation Fund (DIF) - Grant Support

Contractor will perform the amended Statement of Work related to the RSA-funded DIF Grant. This initial scope of work includes activities in the first two years of the five-year DIF Grant cycle. Contractor will bring all consortium members to a mutual understanding and methodology to achieve goals and to comply with DIF Grant requirements. This project also requires a significant communications component to internal and external stakeholders. Contractor is responsible for development, execution, and implementation of this solution.

The table below identifies the high-level project phases in blue with projected timeline and cost.

PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
PROJECT MANAGEMENT & LOGISTICS FACILITATION	8/1/2022	5/31/2024	\$462,843.77
COMMUNICATIONS SUPPORT	8/1/2022	5/31/2024	\$131,110.00
DIF GRANT IMPLEMENTATION SUPPORT	8/1/2022	5/31/2024	\$124,260.00
AD HOC	8/1/2022	5/31/2024	\$59,406.00
		Total	\$777,619.77

The table below identifies the estimated billing schedule by project phase, including deliverables, estimated dates, and amounts.

I	Deliverable	Units	Estimated date(s)	TOTAL
<b>I. PROJECT MANAGEMENT &amp; LOGISTICS FACILITATION</b>				\$462,843.77
I.1	Project timeline	\$31,115.00	9/30/2022	\$31,115.00
I.2	Staffing flow chart	\$7,420.00	12/20/2022	\$7,420.00
I.3	Infrastructure outline	\$23,975.00	12/20/2022	\$23,975.00
I.4	Plan for protocol development	\$24,815.00	12/20/2022	\$24,815.00
I.5	Quarterly report	\$ 38,803.13	Quarterly	\$232,818.77
I.6.a	Implementation Plan	\$ 40,512.00	4/28/2023	\$40,512.00
I.6.b	Summary Report	\$ 94,528.00	9/20/2023	\$94,528.00
I.7	Revised deliverables for LRS	\$ 7,660.00	3/1/2023	\$7,660.00
<b>II. COMMUNICATION SUPPORTS</b>				\$131,110.00
II.1	Communication plan template	\$20,740.00	1/20/2022	\$20,740.00
II.2	Quarterly report	\$ 18,395.00	Quarterly	\$110,370.00
<b>III. IMPLEMENTATION SUPPORTS</b>				\$124,260.00
II.4	Quarterly report	\$20,710.00	Quarterly	\$124,260.00
<b>AD HOC</b>				\$ 59,406.00
	Hourly, with prior approval by task	tbd		tbd

The table below identifies each DIF Grant project phase/task with start and end dates as well as deliverables and costs.

PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
<b>PROJECT MANAGEMENT &amp; LOGISTICS FACILITATION</b>	<b>8/1/2022</b>	<b>5/31/2024</b>	<b>\$462,843.77</b>
a) Develop, maintain, and provide oversight of a detailed DIF Grant project plan and schedule,			
b) Consult with the DIF Grant Project Director regarding the implementation of all DIF Grant projected activities to fully implement the DIF Grant model,			
a. Project timeline		9/30/2022	\$31,115.00
b. Staffing flow chart		12/20/2022	\$7,420.00
c. Infrastructure outline		12/20/2022	\$23,975.00
d. Plan for protocol development		12/20/2022	\$24,815.00
c) Consult with the DIF Grant Implementation Team regarding the DIF Grant start-up, development, and refinement of the DIF Grant model,			
d) Provide coaching and mentoring to the DIF Grant Project Director and Implementation Team, and			
e) Support DIF Leadership in the training and replication of DIF Grant-related positions across MRS and LRS.			
f) Compile and organize materials, documents, and other relevant information to support DIF Leadership in providing regular updates regarding the DIF Grant to all key stakeholders			
g) Develop and deliver protocols as prioritized and specified by MRS.			
h) Plan and execute strategic planning to plan for scalability, sustainability, and replicability of this model.			
a. Implementation plan		4/28/2023	\$40,512.00
b. Summary report		9/20/2023	\$94,528.00
i) Modify and finalize project management tools for MRS partner, LRS.		3/1/2023	\$7,660.00
j) Quarterly reports and updates for continuous improvement			\$232,818.77
<b>COMMUNICATION SUPPORTS</b>	<b>8/1/2022</b>	<b>5/31/2024</b>	<b>\$131,110.00</b>
a) Support DIF Leadership in developing and executing communication and presentations with stakeholders regarding the DIF Grant;			
b) Support DIF Leadership in developing marketing and communication strategies and materials, recruitment, outreach, etc.			
c) Support DIF Leadership in the development of job descriptions, recruitment, hiring, and training of DIF Grant-related positions;			
Communication plan template		1/20/2022	\$20,740.00
d) Develop, continuously update, and hold documentation of all elements of the DIF Innovation Grant, with the goal of fully memorializing content and process components and communicating them to all stakeholders throughout the project's duration			
e) At the direction of MRS, facilitate meetings between partners			
f) Quarterly reports and updates for continuous improvement		Quarterly	\$110,370.00
<b>IMPLEMENTATION SUPPORT</b>	<b>8/1/2022</b>	<b>5/31/2024</b>	<b>\$124,260.00</b>
a) Provide implementation support of DIF grant outcomes (SCCT interventions) across MRS and LRS throughout the project lifecycle. This may include:			

PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
i. Training development and facilitation for career counselors, middle management and senior and executive staff			
ii. Quality assurance and internal control recommendations			
b) Support implementation of recommended organizational changes across MRS and LRS. This may include:			
i. Business process redesign			
ii. Policy and procedure training			
iii. Organizational change management training			
iv. Identification of administrative leadership required throughout DIF grant duration			
c) Quarterly reports and updates for continuous improvement		Quarterly	\$124,260.00
<b>AD HOC SUPPORT</b>	<b>8/1/2022</b>	<b>5/31/2024</b>	<b>\$59,406.00</b>
Provided at the direction of MRS.			

**g) Rate Setting and Technical Assistance**

Contractor will perform the amended Statement of Work related to rate setting and technical assistance. Contractor is responsible for development, execution, and implementation of this solution. Below, the table summarizes the description of deliverables, including timeline and total cost.

PHASE	Phase Description of Deliverables	Start Date	End Date	Total Cost
0	Project Management, Consultation, & Technical Assistance	1/1/2023	12/31/2023	
1	Labor Market Survey	1/1/2023	5/31/2023	\$88,024
2	Mini Rate Study Psychological & Neurological Services	1/1/2023	6/30/2023	\$70,088
3	Work-based learning experiences (WBLE)	1/1/2023	6/30/2023	\$78,488
4	Pre-ETS Service Delivery Identifying Underserved Populations	7/1/2023	12/31/2023	\$65,303
5	Customized Employment Sustainability	1/1/2023	12/31/2023	\$74,218
6	Vendor Attraction Strategies and Vetting	7/1/2023	12/31/2023	\$84,203
7	Introductory Concepts and Process of Tableau	1/1/2023	6/30/2023	\$29,900
8	Methodology - Missed Appointments	7/1/2023	12/30/2023	\$77,743
<b>TOTAL</b>				<b>\$567,964</b>

The following workplan outlines each phase resulting in the deliverables described above.

#	PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
0	<b>Project Management, Consultation, &amp; Technical Assistance</b>	1/1/2023	12/31/2023	
0.1	Weekly check-in meetings			
0.2	Ongoing project management activities			
0.3	Ongoing consultation and technical assistance for rate implementation and monitoring			
0.4	Impact analysis of rates			
1	<b>Labor Market Survey</b>	1/1/2023	5/31/2023	
1.1	<b>Gather &amp; Analyze MRS Data</b>			
1.1.1	Create & submit data request			
1.1.2	Analyze existing roles, education requirements, and salary information			
1.2	<b>Research state and national data</b>			
1.2.1	Research statewide salary information			
1.2.2	Identify up to four state programs for target comparison			
1.2.3	Gather and analyze state data			
1.2.4	Perform nationwide research, select states to compare			
1.2.5	Identify up to four states for target comparison			
1.2.6	Gather and analyze data			
1.2.7	Review Bureau of Labor Market Survey (BLS) Data			
1.3	<b>Develop Final Report</b>			
1.3.1	Submit draft report			
1.3.2	Make suggested revisions			
1.3.3	Submit final draft			
				<b>\$ 88,024</b>

#	PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
<b>2</b>	<b>Mini Rate Study Psychological &amp; Neurological Services</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
<b>2.1</b>	<b>Gather &amp; Analyze MRS Data</b>			
2.1.1	Submit data request			
2.1.2	Analyze data to identify services, average costs, providers, etc.			
<b>2.2</b>	<b>Focus Groups &amp; Survey Development</b>			
2.2.1	Identify providers for focus groups			
2.2.2	Develop questionnaire outline for focus groups			
2.2.3	Review questionnaire with MRS for approval			
2.2.4	Schedule up to three focus group meetings			
2.2.5	Collect and analyze focus group information and use to assist with developing survey questions			
2.2.6	Develop survey questions for providers			
2.2.7	Review questionnaire with MRS for approval			
2.2.8	Send survey out to identified providers			
2.2.9	Collect and analyze survey responses			
<b>2.3</b>	<b>Develop rate methodology for psychological &amp; neurological services</b>			
2.3.1	Identify methodology for rate setting			
2.3.2	Present preliminary findings to MRS			
2.3.3	Implement suggested revisions			
<b>2.4</b>	<b>Develop Final Report</b>			
2.4.1	Submit draft report			
2.4.2	Make suggested revisions			
2.4.3	Submit final draft			
				<b>\$ 70,088</b>
<b>3</b>	<b>Work-based learning experiences (WBLE)</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
<b>3.1</b>	<b>Gather &amp; Analyze MRS Data</b>			
3.1.1	Submit data request			
3.1.2	Analyze data to identify various programs, costs, requirements, etc.			
<b>3.2</b>	<b>Conduct State Research</b>			
3.2.1	Identify state agencies that utilize WBLE programs			
3.2.2	Conduct research of similar programs (rates, fidelity, etc.)			
3.2.3	Summarize and analyze findings			
<b>3.3</b>	<b>Focus Groups &amp; Survey Development</b>			
3.3.1	Identify providers for focus groups			
3.3.2	Develop questionnaire outline for focus groups			
3.3.3	Review questionnaire with MRS for approval			
3.3.4	Schedule up to three focus group meetings			
3.3.5	Collect and analyze focus group information and use to assist with developing survey questions			
3.3.6	Develop survey questions for providers			
3.3.7	Review questionnaire with MRS for approval			
3.3.8	Send survey out to identified providers			
3.3.9	Collect and analyze survey responses			
<b>3.4</b>	<b>Develop rate methodology and fidelity needs for WBLE programs</b>			
3.4.1	Identify methodology for rate setting			
3.4.2	Present preliminary findings to MRS			

#	PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
3.4.3	Present preliminary findings to ambassador providers			
3.4.4	Implement suggested revisions			
<b>3.5</b>	<b>Develop Final Report</b>			
3.5.1	Submit draft report			
3.5.2	Make suggested revisions			
3.5.3	Submit final draft			
				\$ 78,488
<b>4</b>	<b>Pre-ETS Service Delivery Identifying Underserved Populations</b>	<b>7/1/2023</b>	<b>12/31/2023</b>	
<b>4.1</b>	<b>Gather &amp; Analyze Data</b>			
4.1.1	Submit data request to MRS			
4.1.2	Analyze data to identify various costs, schools, participant information, and demographics			
4.1.3	Utilize national and state data to identify underserved areas			
4.1.4	Compare VR data to state data to identify underserved areas			
4.1.5	Analyze findings of national/state and program data			
4.1.6	Develop data visualizations of underserved areas, service gaps, and services provided			
<b>4.2</b>	<b>Develop Final Report and Recommendations</b>			
4.2.1	Draft preliminary findings report			
4.2.2	Review findings with MRS			
4.2.3	Make suggested revisions			
4.2.4	Submit final draft			
				\$ 65,303
<b>5</b>	<b>Customized Employment Sustainability</b>	<b>1/1/2023</b>	<b>12/31/2023</b>	
<b>5.1</b>	<b>Sustainability Management and Support</b>			
5.1.1	Conduct monthly meetings with providers on CE sustainability			
5.1.2	Provide technical assistance and consultation on CE			
5.1.3	Support staff training on CE services and resources			
<b>5.2</b>	<b>Fidelity Assessment</b>			
5.2.1	Identify timeline for fidelity assessments			
5.2.2	Conduct training to provider on fidelity measures and assessment tools			
5.2.3	Conduct fidelity assessments			
<b>5.3</b>	<b>Develop Final Fidelity Report and Recommendations</b>			
5.3.1	Draft preliminary findings report			
5.3.2	Present findings with MRS			
5.3.3	Make suggested revisions			
5.3.4	Submit final draft			
				\$ 74,218
<b>6</b>	<b>Vendor Attraction Strategies and Vetting</b>	<b>7/1/2023</b>	<b>12/31/2023</b>	
<b>6.1</b>	<b>Gather &amp; Analyze Data</b>			
6.1.1	Submit data request to MRS			
6.1.2	Analyze data to identify total count of providers, types of services provided, regions services, gaps in service locations, etc.			

#	PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
6.1.3	Provide preliminary findings to MRS using data visualizations			
<b>6.2</b>	<b>Vetting &amp; Outreach Strategies for Vendors</b>			
6.2.1	Conduct research with up to three out-of-state programs			
6.2.2	Schedule interviews with up to three in-state vendors			
6.2.3	Conduct interviews and document findings			
<b>6.3</b>	<b>Implementation of Vendor Attraction and Evaluation of Progress</b>			
6.3.1	Identify targeted areas for vendor attraction			
6.3.2	Review targeted areas with MRS for goal setting			
6.3.3	Draft vendor information language for communication			
6.3.4	Conduct vendor attraction meeting(s) up to three			
6.3.5	Provide technical assistance and consultation to address vendor questions, feedback, etc.			
<b>6.4</b>	<b>Web Redesign</b>			
6.4.1	Study similar websites across the nation for vendors			
6.4.2	Perform review of existing site and content			
6.4.3	Draft web redesign recommendations for vendor attraction and vetting			
6.4.4	Review web redesign recommendations with MRS and make revisions as needed			
6.4.5	Support MRS web team with web changes			
				\$ 84,203
<b>7</b>	<b>Introductory Concepts and Process of Tableau</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
<b>7.1</b>	<b>Training Material Development</b>			
7.1.1	Develop Training Materials-training on introductory concepts and processes of Tableau, followed introduction of the Aware database and connecting databases, and basic concepts of visualizing data.			
7.1.2	Remote meeting with project team to identify state specific training needs and questions			
7.1.3	Develop training table of contents			
7.1.4	Review training table of contents with MRS team and revise as needed			
7.1.5	Develop training guide and include additional Tableau resources available			
<b>7.2</b>	<b>Conduct Training</b>			
7.2.1	Develop a tentative outline schedule with two training members			
7.2.2	Conduct training sessions up to 25 hours			
7.2.3	Provide training outline and materials			
				\$29,900.00
<b>8</b>	<b>Methodology - Missed Appointments</b>	<b>7/1/2023</b>	<b>12/30/2023</b>	
<b>3.1</b>	<b>Gather &amp; Analyze MRS Data</b>			
3.1.1	Submit data request (assumes MRS conducts survey to gather data on existing practices + CSSNM expenditures)			
3.1.2	Analyze data			
<b>3.2</b>	<b>Conduct Comparative Research</b>			

#	PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
3.2.1	Identify state agencies that utilize missed appointment fees inside and outside of MI			
3.2.2	Conduct research of similar programs (rates, descriptions, methods etc.)			
3.2.3	Summarize and analyze findings			
3.3	<b>Provider Survey Development and Delivery</b>			
3.3.6	Develop survey questions for providers			
3.3.7	Review questionnaire with MRS for approval			
3.3.8	Send survey out to identified providers			
3.3.9	Collect and analyze survey responses			
3.4	<b>Develop rate methodology</b>			
3.4.1	Identify methodology for rate setting			
3.4.2	Present preliminary findings to MRS			
3.4.3	Present preliminary findings to ambassador providers			
3.4.4	Implement suggested revisions			
3.5	<b>Develop Final Report</b>			
3.5.1	Submit draft report			
3.5.2	Make suggested revisions			
3.5.3	Submit final draft			
				\$ 77,743





**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 **3**  
 to  
 Contract Number **21000001592**

<b>CONTRACTOR</b>	PUBLIC CONSULTING GROUP LLC
	148 State Street, 10th Floor
	Boston, MA 02109
	Jennifer MacBlane
	617-777-4889
	jmacblane@pcgus.com
	CV0000862

<b>STATE</b>	Program Manager	Various	MULTI
	Contract Administrator	Mary Ostrowski (517) 249-0438 ostrowskim@michigan.gov	DTMB

**CONTRACT SUMMARY**

CHILD WELFARE SYSTEM ACTUARIAL SERVICES FOR MDHHS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
January 1, 2022	December 31, 2024	5 - 1 Year	December 31, 2024

PAYMENT TERMS	DELIVERY TIMEFRAME
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"/>		<input type="checkbox"/>		N/A

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$2,987,880.00	\$462,360.00	\$3,450,240.00

**DESCRIPTION**

Effective January 3, 2023, the attached Schedule A - Statement of Work is hereby updated to incorporate additional amendments and increased by \$462,360.00 for LEO.

Please note the State PM for LEO is Nathan Kammer, KammerN@michigan.gov, 517-335-5035.

Please note, the Contract Administrator has been changed to Mary Ostrowski, ostrowskim@michigan.gov, 517-249-0438.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on January 3, 2023.

**Program Managers  
for  
Multi-Agency and Statewide Contracts**

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
MDHHS	Sarah Goad	517-335-4516	GoadS@michigan.gov
LEO	Nathan Kammer	517-335-5035	KammerN@michigan.gov



## Michigan Rehabilitation Services (MRS)

#	PROJECT PHASE/TASK	START DATE	END DATE	TOTAL COST
<b>0</b>	<b>Project Management, Consultation, &amp; Technical Assistance</b>	<b>1/1/2023</b>	<b>12/31/2023</b>	
0.1	Weekly check-in meetings			
0.2	Ongoing project management activities			
0.3	Ongoing consultation and technical assistance for rate implementation and monitoring			
0.4	Impact analysis of rates			
<b>1</b>	<b>Labor Market Survey</b>	<b>1/1/2023</b>	<b>3/31/2023</b>	
1.1	<b>Gather &amp; Analyze MRS Data</b>			
1.1.1	Create & submit data request			
1.1.2	Analyze existing roles, education requirements, and salary information			
1.2	<b>Research state and national data</b>			
1.2.1	Research statewide salary information			
1.2.2	Identify up to four state programs for target comparison			
1.2.3	Gather and analyze state data			
1.2.4	Perform nationwide research, select states to compare			
1.2.5	Identify up to four states for target comparison			
1.2.6	Gather and analyze data			
1.2.7	Review Bureau of Labor Market Survey (BLS) Data			
1.3	<b>Develop Final Report</b>			
1.3.1	Submit draft report			
1.3.2	Make suggested revisions			
1.3.3	Submit final draft			
	<b>Project Management, ongoing consultation and technical assistance for rate implementation and monitoring</b>			
	<b>TOTAL</b>			<b>\$ 60,163</b>
<b>2</b>	<b>Mini Rate Study Psychological &amp; Neurological Services</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
2.1	<b>Gather &amp; Analyze MRS Data</b>			
2.1.1	Submit data request			
2.1.2	Analyze data to identify services, average costs, providers, etc.			
2.2	<b>Focus Groups &amp; Survey Development</b>			
2.2.1	Identify providers for focus groups			
2.2.2	Develop questionnaire outline for focus groups			
2.2.3	Review questionnaire with MRS for approval			
2.2.4	Schedule up to three focus group meetings			

2.2.5	Collect and analyze focus group information and use to assist with developing survey questions			
2.2.6	Develop survey questions for providers			
2.2.7	Review questionnaire with MRS for approval			
2.2.8	Send survey out to identified providers			
2.2.9	Collect and analyze survey responses			
2.3	<b>Develop rate methodology for psychological &amp; neurological services</b>			
2.3.1	Identify methodology for rate setting			
2.3.2	Present preliminary findings to MRS			
2.3.3	Implement suggested revisions			
2.4	<b>Develop Final Report</b>			
2.4.1	Submit draft report			
2.4.2	Make suggested revisions			
2.4.3	Submit final draft			
	<b>Project Management, ongoing consultation and technical assistance for rate implementation and monitoring</b>			
	<b>TOTAL</b>			\$ 70,088
<b>3</b>	<b>Work-based learning experiences (WBLE)</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
3.1	<b>Gather &amp; Analyze MRS Data</b>			
3.1.1	Submit data request			
3.1.2	Analyze data to identify various programs, costs, requirements, etc.			
3.2	<b>Conduct State Research</b>			
3.2.1	Identify state agencies that utilize WBLE programs			
3.2.2	Conduct research of similar programs (rates, fidelity, etc.)			
3.2.3	Summarize and analyze findings			
3.3	<b>Focus Groups &amp; Survey Development</b>			
3.3.1	Identify providers for focus groups			
3.3.2	Develop questionnaire outline for focus groups			
3.3.3	Review questionnaire with MRS for approval			
3.3.4	Schedule up to three focus group meetings			
3.3.5	Collect and analyze focus group information and use to assist with developing survey questions			
3.3.6	Develop survey questions for providers			
3.3.7	Review questionnaire with MRS for approval			
3.3.8	Send survey out to identified providers			
3.3.9	Collect and analyze survey responses			
3.4	<b>Develop rate methodology and fidelity needs for WBLE programs</b>			
3.4.1	Identify methodology for rate setting			
3.4.2	Present preliminary findings to MRS			
3.4.3	Present preliminary findings to ambassador providers			
3.4.4	Implement suggested revisions			

<b>3.5</b>	<b>Develop Final Report</b>			
3.5.1	Submit draft report			
3.5.2	Make suggested revisions			
3.5.3	Submit final draft			
	<b>Project Management, ongoing consultation and technical assistance for rate implementation and monitoring</b>			
	<b>TOTAL</b>			<b>\$ 78,488</b>
<b>4</b>	<b>Pre-ETS Service Delivery Identifying Underserved Populations</b>	<b>7/1/2023</b>	<b>12/31/2023</b>	
<b>4.1</b>	<b>Gather &amp; Analyze Data</b>			
4.1.1	Submit data request to MRS			
4.1.2	Analyze data to identify various costs, schools, participant information, and demographics			
4.1.3	Utilize national and state data to identify underserved areas			
4.1.4	Compare VR data to state data to identify underserved areas			
4.1.5	Analyze findings of national/state and program data			
4.1.6	Develop data visualizations of underserved areas, service gaps, and services provided			
<b>4.2</b>	<b>Develop Final Report and Recommendations</b>			
4.2.1	Draft preliminary findings report			
4.2.2	Review findings with MRS			
4.2.3	Make suggested revisions			
4.2.4	Submit final draft			
	<b>Project Management, ongoing consultation and technical assistance for rate implementation and monitoring</b>			
	<b>TOTAL</b>			<b>\$ 65,303</b>
<b>5</b>	<b>Customized Employment Sustainability</b>	<b>1/1/2023</b>	<b>12/31/2023</b>	
<b>5.1</b>	<b>Sustainability Management and Support</b>			
5.1.1	Conduct monthly meetings with providers on CE sustainability			
5.1.2	Provide technical assistance and consultation on CE			
5.1.3	Support staff training on CE services and resources			
<b>5.2</b>	<b>Fidelity Assessment</b>			
5.2.1	Identify timeline for fidelity assessments			
5.2.2	Conduct training to provider on fidelity measures and assessment tools			
5.2.3	Conduct fidelity assessments			
<b>5.3</b>	<b>Develop Final Fidelity Report and Recommendations</b>			
5.3.1	Draft preliminary findings report			
5.3.2	Present findings with MRS			
5.3.3	Make suggested revisions			
5.3.4	Submit final draft			
	<b>Project Management, ongoing consultation and technical assistance for rate implementation and monitoring</b>			
	<b>TOTAL</b>			<b>\$ 74,218</b>

<b>6</b>	<b>Vendor Attraction Strategies and Vetting</b>	<b>7/1/2023</b>	<b>12/31/2023</b>	
<b>6.1</b>	<b>Gather &amp; Analyze Data</b>			
6.1.1	Submit data request to MRS			
6.1.2	Analyze data to identify total count of providers, types of services provided, regions services, gaps in service locations, etc.			
6.1.3	Provide preliminary findings to MRS using data visualizations			
<b>6.2</b>	<b>Vetting &amp; Outreach Strategies for Vendors</b>			
6.2.1	Conduct research with up to three out-of-state programs			
6.2.2	Schedule interviews with up to three in-state vendors			
6.2.3	Conduct interviews and document findings			
<b>6.3</b>	<b>Implementation of Vendor Attraction and Evaluation of Progress</b>			
6.3.1	Identify targeted areas for vendor attraction			
6.3.2	Review targeted areas with MRS for goal setting			
6.3.3	Draft vendor information language for communication			
6.3.4	Conduct vendor attraction meeting(s) up to three			
6.3.5	Provide technical assistance and consultation to address vendor questions, feedback, etc.			
<b>6.4</b>	<b>Web Redesign</b>			
6.4.1	Study similar websites across the nation for vendors			
6.4.2	Perform review of existing site and content			
6.4.3	Draft web redesign recommendations for vendor attraction and vetting			
6.4.4	Review web redesign recommendations with MRS and make revisions as needed			
6.4.5	Support MRS web team with web changes			
	<b>Project Management, ongoing consultation and technical assistance for rate implementation and monitoring</b>			
	<b>TOTAL</b>			<b>\$ 84,203</b>
<b>7</b>	<b>Introductory Concepts and Process of Tableau</b>	<b>1/1/2023</b>	<b>6/30/2023</b>	
<b>7.1</b>	<b>Training Material Development</b>			
7.1.1	Develop Training Materials-training on introductory concepts and processes of Tableau, followed introduction of the Aware database and connecting databases, and basic concepts of visualizing data.			
7.1.2	Remote meeting with project team to identify state specific training needs and questions			
7.1.3	Develop training table of contents			
7.1.4	Review training table of contents with MRS team and revise as needed			
7.1.5	Develop training guide and include additional Tableau resources available			
<b>7.2</b>	<b>Conduct Training</b>			
7.2.1	Develop a tentative outline schedule with two training members			
7.2.2	Conduct training sessions up to 25 hours			
7.2.3	Provide training outline and materials			
	<b>TOTAL</b>			<b>\$29,900.00</b>

Phase Description of Deliverables				
PHASE	FY2023 Billing	Start Date	End Date	Total Cost
0	Project Management, Consultation, & Technical Assistance	1/1/2023	6/30/2023	
1	Labor Market Survey	1/1/2023	3/31/2023	\$ 60,162.50
2	Mini Rate Study Psychological & Neurological Services	1/1/2023	6/30/2023	\$ 70,087.50
3	Work-based learning experiences (WBLE)	1/1/2023	6/30/2023	\$ 78,487.50
7	Introductory Concepts and Process of Tableau	1/1/2023	6/30/2023	\$ 29,900.00
	<b>Total FY 2023</b>			<b>\$ 238,637.50</b>
PHASE	FY 2024 Billing	Start Date	End Date	Total Cost
0	Project Management, Consultation, & Technical Assistance	7/1/2023	12/31/2023	
4	Pre-ETS Service Delivery Identifying Underserved Populations	7/1/2023	12/31/2023	\$ 65,303
5	Customized Employment Sustainability	1/1/2023	12/31/2023	\$ 74,218
6	Vendor Attraction Strategies and Vetting	7/1/2023	12/31/2023	\$ 84,203
	<b>Total FY 2024</b>			<b>\$ 223,723</b>
<b>Grand Total</b>				<b>\$ 462,360</b>



**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 **2**  
 to  
 Contract Number **210000001592**

<b>CONTRACTOR</b>	PUBLIC CONSULTING GROUP LLC
	148 State Street, 10th Floor
	Boston, MA 02109
	Jennifer MacBlane
	617-777-4889
	jmacblane@pcgus.com
	CV0000862

<b>STATE</b>	<b>Program Manager</b>	Sarah Goad	MDHHS
		517-599-8408	
	goads@michigan.gov		
	<b>Contract Administrator</b>	Courtney Powell	DTMB
(517) 249-0452			
powellc11@michigan.gov			

**CONTRACT SUMMARY**

CHILD WELFARE SYSTEM ACTUARIAL SERVICES FOR MDHHS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
January 1, 2022	December 31, 2024	5 - 1 Year	December 31, 2024

PAYMENT TERMS	DELIVERY TIMEFRAME
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"/>		<input type="checkbox"/>		December 31, 2024

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$2,638,605.00	\$349,275.00	\$2,987,880.00

**DESCRIPTION**

Effective Aug. 2, 2022, the attached Schedule A - Statement of Work is hereby updated to incorporate additional amendments regarding the Disability Innovation Fund and a corresponding increase of \$349,275.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on Aug. 2, 2022.



**Program Managers  
for  
Multi-Agency and Statewide Contracts**

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
MDHHS	Sarah Goad	517-335-4516	GoadS@michigan.gov
LEO	Nathan Kammer	517-335-5035	KammerN@michigan.gov

# SCHEDULE A – STATEMENT OF WORK

## CONTRACT ACTIVITIES

### 1. Requirements:

#### f) Disability Innovation Fund (DIF) - Grant Support

PCG will perform the amended Statement of Work related to the RSA-funded DIF Grant. This initial scope of work includes activities in the first two years of the five-year DIF Grant cycle. PCG will bring all consortium members to a mutual understanding and methodology to achieve goals and to comply with DIF Grant requirements. This project also requires a significant communications component to internal and external stakeholders. PCG is responsible for development, execution, and implementation of this solution.

The table below identifies the high-level project phases in blue with total hours and cost.

PROJECT PHASE/TASK	START DATE	END DATE	TOTAL HOURS	TOTAL COST
<b>PROJECT MANAGEMENT &amp; LOGISTICS FACILITATION</b>	8/1/2022	5/31/2024	603	\$140,305.00
<b>COMMUNICATIONS SUPPORT</b>	8/1/2022	5/31/2024	478	\$108,230.00
<b>DIF GRANT IMPLEMENTATION SUPPORT</b>	8/1/2022	5/31/2024	434	\$100,740.00
		<b>TOTAL</b>	1515	\$349,275.00

The table below identifies the target invoice schedule, invoice date and amount.

Invoice #	INVOICE SCHEDULE	Invoice Date	Invoice Amount
1	8/1/2022 – 12/31/2022	12/31/2022	\$87,318
2	1/1/2023 - 6/30/2023	6/30/2023	\$87,582
3	7/1/2023 - 12/31/2023	12/31/2023	\$87,370
4	1/1/2024 – 5/31/2024	5/31/2024	\$87,005
			\$349,275

The table below identifies each DIF Grant project phase/task with start and end dates as well as hours and costs.

PROJECT PHASE/TASK	START DATE	END DATE	TOTAL HOURS	TOTAL COST
<b>PROJECT MANAGEMENT &amp; LOGISTICS FACILITATION</b>	8/1/2022	5/31/2024	603	\$ 140,305.00
a) Develop, maintain, and provide oversight of a detailed DIF Grant project plan and schedule,				
b) Consult with the DIF Grant Project Director regarding the implementation of all DIF Grant projected activities to fully implement the DIF Grant model,				
c) Consult with the DIF Grant Implementation Team regarding the DIF Grant start-up, development, and refinement of the DIF Grant model,				

d) Provide coaching and mentoring to the DIF Grant Project Director and Implementation Team, and				
e) Support DIF Leadership in the training and replication of DIF Grant-related positions across MRS and LRS.				
f) Compile and organize materials, documents, and other relevant information to support DIF Leadership in providing regular updates regarding the DIF Grant to all key stakeholders				
<b>PROJECT MANAGEMENT &amp; LOGISTICS FACILITATION</b>	<b>8/1/2022</b>	<b>5/31/2024</b>	<b>478</b>	<b>\$ 108,230.00</b>
a) Support DIF Leadership in developing and executing communication and presentations with stakeholders regarding the DIF Grant;				
b) Support DIF Leadership in developing marketing and communication strategies and materials, recruitment, outreach, etc.				
c) Support DIF Leadership in the development of job descriptions, recruitment, hiring, and training of DIF Grant-related positions;				
d) Develop, continuously update, and hold documentation of all elements of the DIF Innovation Grant, with the goal of fully memorializing content and process components and communicating them to all stakeholders throughout the project's duration				
<b>IMPLEMENTATION SUPPORT</b>	<b>8/1/2022</b>	<b>5/31/2024</b>	<b>434</b>	<b>\$ 100,740.00</b>
a. Provide implementation support of DIF grant outcomes (SCCT interventions) across MRS and LRS throughout the project lifecycle. This may include:				
i. Training development and facilitation for career counselors, middle management and senior and executive staff				
ii. Quality assurance and internal control recommendations				
b. Support implementation of recommended organizational changes across MRS and LRS. This may include:				
i. Business process redesign				
ii. Policy and procedure training				
iii. Organizational change management training				
iv. Identification of administrative leadership required throughout DIF grant duration				



**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 1  
 to  
 Contract Number 210000001592

<b>CONTRACTOR</b>	PUBLIC CONSULTING GROUP LLC
	148 State Street, 10th Floor
	Boston, MA 02109
	Jennifer MacBlane
	617-777-4889
	jmacblane@pcgus.com
	CV0000862

<b>STATE</b>	Program Manager	Various	
	Contract Administrator	Courtney Powell (517) 249-0452 powellc11@michigan.gov	DTMB

**CONTRACT SUMMARY**

CHILD WELFARE SYSTEM ACTUARIAL SERVICES FOR MDHHS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
January 1, 2022	December 31, 2024	5 - 1 Year	December 31, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
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		
\$2,397,500.00	\$241,105.00	\$2,638,605.00		

**DESCRIPTION**

Effective January 1, 2022 the attached updated Michigan Department of Labor and Economic Opportunity (LEO) Fiscal Year 2022 - Schedule A - Statement of Work and associated pricing has been added and \$241,105.00 has been added for LEO use.

Please note Nathan Kammer has been added as the Program Manager for LEO.

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

**Program Managers  
for  
Multi-Agency and Statewide Contracts**

<b>AGENCY</b>	<b>NAME</b>	<b>PHONE</b>	<b>EMAIL</b>
MDHHS	Sarah Goad	517-335-4516	GoadS@michigan.gov
LEO	Nathan Kammer	517-335-5035	KammerN@michigan.gov

**State of Michigan  
Contract 21000001592  
Change Notice 1**

Michigan Department of Labor and Economic Opportunity (LEO) – Statement of Work

PCG will provide the following scope of work for 2022. PCG will continue to provide project management and technical assistance and support to MRS, as well as three new deliverable-based workstreams: 1) Aware system analysis and support, 2) researched-based initiatives and 3) programmatic and administrative evaluation.

The table below identifies the high-level project phases in blue with total hours and cost. The yellow rows identify the six deliverables that are components of the project phase.

PROJECT PHASE/TASK	START DATE	END DATE	TOTAL HOURS	TOTAL COST
<b>PROJECT MANAGEMENT</b>	1/1/2022	12/31/2022	135	\$27,200
<b>TECHNICAL ASSISTANCE &amp; SUPPORT</b>	1/1/2022	12/31/2022	487	\$93,905
<b>AWARE SYSTEM ANALYSIS &amp; SUPPORT</b>	2/1/2022	6/30/2022	281	\$59,775
<i>Submit the BPR recommendation</i>	2/1/2022	6/30/2022	270	\$57,275
<i>Vendor mail list serve (one time service)</i>	3/1/2022	6/30/2022	11	2,500
<b>RESEARCH-BASED INITIATIVES</b>	7/1/2022	12/31/2022	109	\$23,610
<i>Most Significant Disability - Produce and deliver final recommendations memo to MRS</i>	7/1/2022	9/30/2022	51	\$11,805
<i>Value Based Purchasing - Produce and deliver final recommendations memo to MRS</i>	10/1/2022	12/31/2022	51	\$11,805
<b>PROGRAMMATIC &amp; ADMINISTRATIVE EVALUATION</b>	7/1/2022	12/31/2022	171	\$36,615
<i>Customized Employment Time Study - Complete a recommendations report based on collected data and deliver to MRS</i>	7/1/2022	12/31/2022	108	\$23,125
<i>Resource Allocation Model (RAM) - Produce and deliver final recommendations report to MRS</i>	7/1/2022	9/30/2022	63	\$13,490
		<b>TOTAL</b>	<b>1151</b>	<b>\$241,105</b>

The table below identifies the target deliverable schedule, invoice date and amount. Since the Project Management and the TA & Support span the whole year, I applied them equally (1/3) to each invoice amount.

DELIVERABLE SCHEDULE	Invoice Date	Invoice Amount
Aware BPR Recommendation + Project Management + TA & Support	6/30/2022	\$100,143.33
Most Significant Disability + Resource Allocation Model + Project Management + TA & Support	9/30/2022	\$65,663.07
Value Based Purchasing + Customized Employment Time Study + Project Management + TA & Support	12/31/2022	\$75,298.60
		<b>\$241,105.00</b>

The table below identifies each project phase/task with start and end dates as well as hours and costs:

PROJECT PHASE/TASK	START DATE	END DATE	TOTAL HOURS	TOTAL COST
<b>PROJECT MANAGEMENT</b>	1/1/2022	12/31/2022	135	\$ 27,200
Weekly check-in meetings				
<b>TECHNICAL ASSISTANCE &amp; SUPPORT</b>	1/1/2022	12/31/2022	487	\$ 93,905
Standardized Rate Implementation	1/1/2022	12/31/2022	205	

**State of Michigan  
Contract 21000001592  
Change Notice 1**

Michigan Department of Labor and Economic Opportunity (LEO) – Statement of Work

Provide guidance and support to MRS as standardized rates are implemented				
Produce communications collateral as needed				
Produce marketing and/or legislative collateral as needed				
Participate and/or facilitate in relevant meetings with MRS-identified stakeholders				
Assist MRS with developing training content relative to rate implementation				
<b>Standardized Rate Monitoring</b>			200	
Develop a methodology to determine if the rates are "good" and support the service				
Train MRS staff to monitor rates using the recommended methodology				
Research and recommend metrics related to the new rates that MRS will share with providers				
Research and recommend a strategy for stakeholder feedback for rates				
Develop and recommend a dashboard that can identify provider losses specifically related to standardized rate implementation (not operational costs)				
<b>RSA Monitoring Preparation</b>			31	
Work with MRS to prepare the bureau for RSA monitoring relative to rates, internal controls, administrative policies, blended staff, contracts and other areas identified by MRS				
<b>Ad Hoc Technical Assistance &amp; Support as identified by MRS</b>			51	
<b>AWARE SYSTEM ANALYSIS &amp; SUPPORT</b>	<b>2/1/2022</b>	<b>6/30/2022</b>	<b>270</b>	<b>\$ 57,275</b>
<b>Aware Business Process Redesign</b>	<b>2/1/2022</b>	<b>6/30/2022</b>		
<b>Review Aware Unit staffing and processes</b>			45	
Identify and review roles and responsibilities of Aware Unit				
Review workload management processes and staffing				
Identify and review aware access user roles (actual access levels)				
Identify and review features and adaptations currently employed by Aware				
Identify features available in Aware but not turned on				
Review the process for 911 case service reporting				
Complete observation of the Aware Access Management Process (granting and provisioning access)				
Identify and review MRS' process for data retention in Aware				
<b>Review state best practices</b>			25	
Identify states for review				

**State of Michigan  
Contract 21000001592  
Change Notice 1**

Michigan Department of Labor and Economic Opportunity (LEO) – Statement of Work

Complete best practice memo with applicability to MRS				
<b>Complete current state assessment</b>			40	
Map and analyze key business processes				
Analyze key performance measures and operations data				
Identify criteria for improvement				
<b>Provide Recommendations to MRS</b>			50	
Develop guiding principles of new model				
Design and document improved business processes				
Update performance management system				
Define management and supervision responsibilities				
Define workload management and staffing levels				
Define preferred channels and Customer Journey				
Finalize key performance indicators				
Develop enhanced performance management system				
Identify new capabilities (the ability to...) required				
<b>Complete BPR Recommendation</b>			55	
Develop and draft recommendations based on research and analysis. Recommendations shall include:				
a) Updating/Creating Efficiencies for roles & responsibilities.				
b) Streamlining access provisioning from start to finish.				
c) Removing exceptions in Aware access levels (based on position).				
d) Features/adaptations to improve federal and data compliance (including electronic signatures, scanning and allowing for attachments)				
e) Features to improve efficiency for users.				
f) Process for change requests within the Aware system.				
g) 911 Case Service Reporting process documentation.				
h) Proper data disposition (both case files but also old, antiquated data in old tables within the database).				
<b>Submit the BPR recommendation</b>		6/30/2022	25	
<b>Aware Administrative Support</b>				
Provide feedback on Aware team manager job description				
Provide training and support to Aware team manager once hired				



**State of Michigan  
Contract 21000001592  
Change Notice 1**

Michigan Department of Labor and Economic Opportunity (LEO) – Statement of Work

<b>RESEARCH-BASED INITIATIVES</b>	<b>7/1/2022</b>	<b>12/31/2022</b>	<b>109</b>	<b>\$ 23,610</b>
<b>Most Significant Disability</b>	7/1/2022	9/30/2022	53	
Research how Michigan defines MSD				
Conduct peer state research				
Identify factors MRS should consider in its definition				
Produce and deliver final recommendations memo to MRS		9/30/2022		
<b>Value Based Purchasing</b>	10/1/2022	12/31/2022	53	
Identify which VR services lend themselves to the VBP approach				
Conduct peer state research				
Collect and analyze existing applicable data				
Produce and deliver final recommendations memo to MRS		12/31/2022		
Develop a plan and pilot, at MRS discretion				
<b>PROGRAMMATIC &amp; ADMINISTRATIVE EVALUATION</b>	<b>7/1/2022</b>	<b>12/31/2022</b>	<b>171</b>	<b>\$ 36,615</b>
<b>Customized Employment Time Study</b>	7/1/2022	12/31/2022		108
Develop time study methodology and share with MRS for approval				
Identify time study audiences				
Develop time study tool and share with MRS for approval				
Communicate time study with internal and external audiences				
Finalize time study tool and distribute to providers				
Collect and analyze results				
Complete a recommendations report based on collected data and deliver to MRS		12/31/2022		
Provide technical assistance and support to implement rates identified in the study, at MRS' discretion				
<b>Resource Allocation Model (RAM)</b>	7/1/2022	9/30/2022	63	
Review and update MRS' model for distributing case service dollars to district offices				
Collect and analyze existing relevant data				
Complete a peer state review				
Identify factors MRS should consider in establishing the model				
Produce and deliver final recommendations report to MRS		9/30/2022		



**STATE OF MICHIGAN PROCUREMENT**  
 Department of Technology, Management & Budget  
 525 W. Allegan St., Lansing, MI 48933  
 PO Box 30026, Lansing, MI 48913

**NOTICE OF CONTRACT**

NOTICE OF CONTRACT NO. **210000001592**  
 between  
 THE STATE OF MICHIGAN  
 and

<b>CONTRACTOR</b>	Public Consulting Group LLC
	148 State Street, 10 <sup>th</sup> Floor
	Boston, MA 02109
	Jennifer MacBlane
	617-777-4889
	jmacblane@pcgus.com
	0000862

<b>STATE</b>	Program Manager	Sarah Goad	MDHHS
		517-599-8408	
		goads@michigan.gov	
<b>STATE</b>	Contract Administrator	Courtney Powell	DTMB
		517-249-0452	
		Powellc11@michigan.gov	

<b>CONTRACT SUMMARY</b>			
<b>DESCRIPTION: Child Welfare System Actuarial Services for MDHHS</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
January 1, 2022	December 31, 2024	5, 1-Year	December 31, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
<b>THIS IS NOT AN ORDER: This Contract agreement is awarded on the basis of the State's inquiry bearing solicitation number 210000001708. Orders for delivery will be issued directly by the Department through a Delivery Order (DO).</b>			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			<b>\$2,397,500.00</b>

**FOR THE CONTRACTOR:**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Authorized Agent Signature**

\_\_\_\_\_  
**Authorized Agent** (Print or Type)

\_\_\_\_\_  
**Date**

**FOR THE STATE:**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name & Title**

\_\_\_\_\_  
**Agency**

\_\_\_\_\_  
**Date**

# STANDARD CONTRACT TERMS

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This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Public Consulting Group LLC (“**Contractor**”), a Delaware Limited Liability Corporation. This Contract is effective on January 1, 2022 (“**Effective Date**”), and unless terminated, expires on December 31, 2024.

This Contract may be renewed for up to 5 additional 1-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.

If to State:	If to Contractor:
Courtney Powell 525 W. Allegan St. Lansing, MI 48933 <a href="mailto:PowellC11@michigan.gov">PowellC11@michigan.gov</a> 517-249-0452	Jennifer MacBlane 148 State Street, 10th Floor Boston, MA 02109 jmacblane@pcgus.com 617-777-4889

**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:	Contractor:
Courtney Powell 525 W. Allegan St. Lansing, MI 48933 <a href="mailto:powellc11@Michigan.gov">powellc11@Michigan.gov</a> 517-249-0452	Jennifer MacBlane 148 State Street, 10th Floor Boston, MA 02109 jmacblane@pcgus.com 617-777-4889

**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:	Contractor:
Sarah Goad 235 S. Grand Ave. Lansing, MI 48933 <a href="mailto:Goads@michigan.gov">Goads@michigan.gov</a> 517-599-8408	Joseph Carbeau 148 State Street, 10th Floor Boston, MA 02109 jcarbeau@pcgus.com 617-777-1075

**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 – Statement of Work) if, in the opinion of the State, it will ensure performance of the Contract.

**6. Insurance Requirements.** Contractor, at its sole expense, must maintain the insurance coverage identified below. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or otherwise 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
<b>Commercial General Liability Insurance</b>	
<b>Minimum Limits:</b> \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional

Required Limits	Additional Requirements
\$2,000,000 General Aggregate	insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19.
<b>Automobile Liability Insurance</b>	
<b>Minimum Limits:</b> \$1,000,000 Per Accident	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
<b>Workers' Compensation Insurance</b>	
<b>Minimum Limits:</b> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
<b>Employers Liability Insurance</b>	
<b>Minimum Limits:</b> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	
<b>Privacy and Security Liability (Cyber Liability) Insurance</b>	
<b>Minimum Limits:</b> \$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.
<b>Professional Liability (Errors and Omissions) Insurance</b>	
<b>Minimum Limits:</b> \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate	

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 (3) years after completion of the Contract Activities; and (c) if coverage is cancelled 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 (3) 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 twenty (20) calendar days of the expiration date of the applicable policies; (b) require

that subcontractors maintain the required insurance contained in this Section; (c) notify the Contract Administrator within five (5) 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 to 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. Administrative Fee and Reporting.** Contractor must pay an administrative fee of 0.75% on all payments made to Contractor under the Contract including transactions with the State (including its departments, divisions, agencies, offices, and commissions), MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made online by check or credit card at: <https://www.thepayplace.com/mi/dtmb/adminfee>

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 [MiDeal@michigan.gov](mailto:MiDeal@michigan.gov).

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](http://www.michigan.gov/mideal).

Upon written agreement between the State and Contractor, this contract may also be extended to: (a) other states (including governmental subdivisions and authorized entities) and (b) State of Michigan employees.

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.** Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018. Upon request, or as may be specified in Schedule A, 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 within 30 days of any public announcement or otherwise once legally permitted to do so, 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. **Reserved.**
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. All prices are exclusive 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 substandard 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 delivery 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 90 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 and Disclaimer of Damages.** **IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** 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 (5) 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 (2) 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. The parties agree that any damages relating to a breach of this **Section 31** are to be considered direct damages and

not consequential damages. This section survives termination or expiration of this Contract.

- f. **State's Governance, Risk and Compliance (GRC) platform.** Contractor is required to assist the State with its security accreditation process through the development, completion and ongoing updating of a system security plan using the State's automated GRC platform and implement any required safeguards or remediate any security vulnerabilities as identified by the results of the security accreditation process.

**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 4 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.*, 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.

- 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. Schedules.** All Schedules and Exhibits that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

Schedule	Description
Schedule A	Statement of Work
Schedule B	Price Page
Attachment A	Process of Care

- 51. Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and schedules and exhibits which are hereby expressly incorporated, 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.
- 52. 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.
- 53. Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
- 54. 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.
- 55. 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.

# FEDERAL PROVISIONS ADDENDUM

This addendum applies to purchases that will be paid for in whole or in part with funds obtained from the federal government. The provisions below are required, 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. Equal Employment Opportunity.

If this Contract is a “**federally assisted construction contract**” as defined in [41 CFR Part 60-1.3](#), and except as otherwise may be provided under [41 CFR 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.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided*, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering

agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

## **2. Davis-Bacon Act (Prevailing Wage).**

If this Contract is a **prime construction contract** in excess of \$2,000, the Contractor (and its Subcontractors) 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"), and during performance of this Contract the Contractor agrees as follows:

- 1) All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- 2) Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- 3) Additionally, contractors are required to pay wages not less than once a week.

## **3. Copeland "Anti-Kickback" Act.**

If this Contract is a contract for construction or repair work in excess of \$2,000 where the Davis-Bacon Act applies, 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, and during performance of this Contract the Contractor agrees as follows:

- 1) **Contractor.** The Contractor shall comply with 18 U.S.C. §874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- 2) **Subcontracts.** The Contractor or Subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA or the applicable federal awarding agency may by appropriate instructions require, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- 3) **Breach.** A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a Contractor and Subcontractor as provided in 29 C.F.R. § 5.12.

#### 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, and during performance of this Contract the Contractor agrees as follows:

- 1) **Overtime requirements.** No Contractor or Subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- 2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (1) of this section the Contractor and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- 3) **Withholding for unpaid wages and liquidated damages.** The State shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or Subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other

federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

- 4) Subcontracts.** The Contractor or Subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

**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 and the Federal Water Pollution Control 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](#)), and during performance of this Contract the Contractor agrees as follows:

**Clean Air Act**

1. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The Contractor agrees to report each violation to the State and understands and agrees that the State will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency or the applicable federal awarding agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA or the applicable federal awarding agency.

**Federal Water Pollution Control Act.**

1. The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The Contractor agrees to report each violation to the State and understands and

agrees that the State will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency or the applicable federal awarding agency, and the appropriate Environmental Protection Agency Regional Office.

3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA or the applicable federal awarding 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 \(51 FR 6370; February 21, 1986\)](#) and [12689 \(54 FR 34131; August 18, 1989\)](#), “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](#).

- 1) This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- 2) The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- 3) This certification is a material representation of fact relied upon by the State. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment
- 4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

**8. Byrd Anti-Lobbying Amendment.**

Contractors who apply or bid for an award of **\$100,000 or more** shall file the required certification in Exhibit 1 – Byrd Anti-Lobbying Certification below. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any

Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

## 9. Procurement of Recovered Materials.

Under [2 CFR 200.322](#), Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

- 1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:
  - a. Competitively within a timeframe providing for compliance with the contract performance schedule;
  - b. Meeting contract performance requirements; or
  - c. At a reasonable price.
- 2) Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- 3) The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

## 10. Additional FEMA Contract Provisions.

The following provisions apply to purchases that will be paid for in whole or in part with funds obtained from the Federal Emergency Management Agency (FEMA):

- 1) **Access to Records.** The following access to records requirements apply to this contract:
  - a. The Contractor agrees to provide the State, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions
  - b. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed
  - c. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract
  - d. In compliance with the Disaster Recovery Act of 2018, the State and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States
- 2) **Changes.**  
See the provisions regarding modifications or change notice in the Contract Terms.

**3) DHS Seal Logo and Flags.**

The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

**4) Compliance with Federal Law, Regulations, and Executive Orders.**

This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

**5) No Obligation by Federal Government.**

The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the State, Contractor, or any other party pertaining to any matter resulting from the Contract.”

**6) Program Fraud and False or Fraudulent Statements or Related Acts**

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor’s actions pertaining to this contract.

# EXHIBIT 1

## BYRD ANTI-LOBBYING CERTIFICATION

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Contractor must complete this certification if the purchase will be paid for in whole or in part with funds obtained from the federal government and the purchase is greater than \$100,000.

### APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

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

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Public Consulting Group, LLC, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

\_\_\_\_\_  
Signature of Contractor's Authorized Official

\_\_\_\_\_  
Name and Title of Contractor's Authorized Official

\_\_\_\_\_  
Date

# SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

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**Contract No. 210000001592**  
**Child Welfare System Actuarial Services**

## **BACKGROUND**

This is a Contract for Actuarial Services for the Michigan Department of Health and Human Services (MDHHS) to develop and recommend fair and appropriate capitated rates, per diem rates and performance-based adoption incentive rates, for efficient and effectively operated contracted child welfare services. The Contractor must provide actuarial analysis, data analysis and technical assistance for the capitated rate monitoring of the performance-based funding model which includes administrative and services dollars for a targeted population of both public and private child welfare providers, with a focus on helping with integration of rate-setting, financial reporting and information planning. The Contractor must assist MDHHS with the development of a capitated rate and per diem rate trend factor. Such trend rate factor must include an estimate of increased costs as they may relate to child welfare services.

In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department will continue to review, update, or develop actuarially sound rates for necessary child welfare foster care case management services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model. Conduct a full cost analysis to provide annual actuarially sound rates for foster care child placing agency administrative rates and child caring institution residential rates.

The private network is comprised of more than 80 organizations that provide foster care placement services and residential treatment services. All Child Placing Agency (CPA) providers are paid a fixed rate, while Child Caring Institutions' (CCI) rates vary depending on the particular programming and staff to youth ratios of the program. The private network is responsible for all adoption services in the child welfare system and oversees about 56% of the children in foster care.

## **SCOPE**

The Contractor must provide general actuarial services, analysis of specific rate deliverables, consulting services, performance based funding analysis, and special ad hoc projects as described in the requirements below.

## **REQUIREMENTS**

Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

### **1) Requirements:**



- a) General Requirements:** The Contractor must provide or perform the following:
- i) The services of an actuary which must include, but not necessarily be limited to, those services and staff responsible for using formulas and statistics to determine the probability of foster care and adoption related events and the costs of those events. These services will require the utilization of knowledge of mathematics, probability, statistics, and principles of finance and business, particularly as they relate to children in foster care.
  - ii) The services of support staff, which includes, but not necessarily be limited to, those services and staff responsible for all secretarial and clerical responsibilities and other support personnel necessary to ensure adequate coverage of the functional requirements set forth in the Contract.
  - iii) Conduct a review of the data submitted by the providers in order to recommend actuarially sound rates.
  - iv) Be familiar with at least one other state's policies regarding performance based contracting strategies, risk sharing and other payor systems.
  - v) Assist MDHHS on issues regarding funding mechanisms for service delivery systems including, but not limited to, performance based contracting strategies, third party payers, and insurers.
  - vi) Recommend to the MDHHS Program Manager, at a mutually agreed upon date, future changes for provider reimbursement and suggest strategies that may promote cost efficient and quality conscious practice by the provider network.
  - vii) The Contractor will not have the final decision-making authority regarding the amount of reimbursement to providers.
  - viii) Provide the following:
    - (1) Principles of capitated rate reimbursement, per diem reimbursement, adoption incentive payment including rate development, data book development and defense of rates developed
    - (2) Gathering and evaluating the data sources appropriate to the population
    - (3) Development of a data book summarizing the data sources and explaining the rate-setting methodology
    - (4) Presenting the data summaries or actual rates and the methodology used to potential contractors.
    - (5) Development of capitated rates, per diem rates, and performance-based adoption incentive.
    - (6) Development of a risk reserve, if needed.
  - ix) Identify the amount of start-up time and cost needed to perform functions and carry out responsibilities and obligations of this project. Any additional cost are in Schedule B – Pricing.
  - x) Provide qualified staff and systems to receive the requisite data, both current

and historical, and to accurately perform actuarial tasks immediately upon the start date of the Contract or as close thereto as possible.

**b) Consulting Services**

The Contractor must perform the following consulting activities:

- i) Attest to the actuarial soundness of the capitated rate, per diem rates, and performance-based adoption rates including the methodologies and processes employed in their development.
- ii) Ensure that rates are re-assessed as determined by the MDHHS Program Manager to account for changes in local economies and other factors as determined by the MDHHS Program Manager.
- iii) Provide sound, expert actuarial advice and services on a wide range of other issues and projects.
- iv) Provide actuarial consulting services ranging from expert advice to full-scale development of new reimbursement methods through operational implementation.
- v) Provide expert actuarial consulting services, in the form of advice and project work, as needed by MDHHS on an ad hoc basis to address issues such as child welfare reform proposals, financial risk assessments, and methods to maximize funding.
- vi) Provide 24-hour turnaround on urgent, contained issues.
- vii) Defend and present their actuarial findings in public if needed. These presentations may be made to the Legislature, Governor, private providers and public interest groups.
- viii) Maintain or demonstrate access to actuarial resources, be they proprietary or available from some other source, which can be used to address rates of service utilization by provider category, cost per unit of service and other relevant statistical measures required for the development of actuarially sound rates.
- ix) Allow lead consultant and other appropriate staff to be on-site as agreed upon with the MDHHS Program Manager.
- x) Enter into a data sharing agreement detailing acceptable use and dissemination of information.
- xi) Provide expert testimony in defending rate setting and covered service challenges relevant to the contractor's services. In the event expert testimony related to the Contractor's services is required following the expiration/termination of the Contract, the Contractor must provide such services at the prices stated in the Contract. The Contractor must agree and understand that there is no established limitation on the required timeframe for expert testimony services.

**c) Analysis and Associated Deliverables**

- i) **Capitated Rate, Per Diem Rate, and Performance-based Adoption Rate:**
- (1) Contractor must provide rate setting methodology and process for review and approval by MDHHS.
  - (2) The Contractor must involve stakeholders and incorporate public and private provider data.
- ii) **Performance Based Funding – The Contractor must:**
- (1) Recommend a fair and appropriate capitated rate for efficient and effectively operated contracted child welfare services. This recommendation must be provided to the MDHHS Program Manager at a date agreed upon with the MDHHS Program Manager. The capitated rate must be structured to include elements identified under the Process of Care (Attachment A) that include, market variation including difference based on geography, early comprehensive clinical assessments, caseload and service mix, and incentives/penalties based on performance outcomes. Capitated rate is to include the full costs associated with the following elements:
    - (a) Comprehensive assessments (scaled and a range).
    - (b) Services to the family including those services associated with full family responsibility.
    - (c) Full range of services from placement through post-reunification services, including adoption incentive payments.
    - (d) Accommodating specialty services into the network (especially in rural areas).
    - (e) Incentives associated with strong performance (built into capitated rate)
    - (f) Administrative/overhead costs included, as well as costs for direct care.
    - (g) Local economic indicators.
    - (h) Factors specific to rural service delivery such as travel time, caseload size and transportation costs.
  - (2) Review current actual cost collection tool and recommend a viable alternative for long term sustainability.
  - (3) Develop or apply a pre-existing tracking mechanism based on the recommended actual cost reporting mechanism that is in alignment with federal IV-E requirements. Notwithstanding anything to the contrary, such pre-existing tracking mechanism is considered Contractor Pre-existing Material, as it is material that was developed prior to the Effective Date that is used, without modification, in the performance of the Contract. Contractor retains ownership and all intellectual property rights with respect to the tracking mechanism and any other Contractor Pre-existing Material.
  - (4) Conduct a quality control review and verify actual cost reporting data for accuracy and share analysis and findings with the program analyst for

claiming purposes.

- (5) Provide fiscal monitoring to assess sufficiency of the capitated rate based on care day utilization and budget monitoring.
  - (6) Examine child-level revenue to determine the difference between costs and revenue related to the treatment and placement setting for children served by the WMPC. This analysis must provide an analysis of the impact of placement type on revenue sufficiency by exploring the impact of age, comparing revenue and expenditures, and performing statistical analyses to explore which independent variables that are impacting revenue sufficiency.
- iii) The Contractor may use the Centre for Child and Family Research (CCFR) cost calculator as means for building up to full costs of services per child.
  - iv) The Contractor must recommend a rate for supporting costs associated with high need cases.
  - v) The elements included in the rate(s) must be reviewed and adjusted as necessary.
  - vi) Based on the elements of the actuarially sound rate(s), develop a cost-based per diem rate to be implemented for contracted providers in the current placement agency foster care and childcare institution (residential) structure and for state supervised cases. This cost-based per diem rate must be developed as agreed upon by the MDHHS Program Manager. In general, the basic steps for development should include the following format:
    - (1) Step 1: Assess and balance four key considerations: cost, quality, fairness, and simplicity.
    - (2) Step 2: Commit to a transparent and collaborative process.
    - (3) Step 3: Create and execute a structured plan for collecting, organizing, and analyzing data.
    - (4) Step 4: Provide rate recommendations, monitoring and technical assistance.
  - vii) Contractor will have quality assurance standards, tools, and checklists to document and review any data received. In general, this will include:
    - (1) Secondary Reviews
    - (2) Quality Assurance Checklists
    - (3) Weekly Internal Team Meetings
    - (4) Ad Hoc Internal Team Meetings
    - (5) Weekly Status Meetings
    - (6) Project Manager and Engagement Manager Reviews

The Contractor will also continue to improve upon quality assurance standards through proactively managing projects and modernizing data files, analysis,

and quality assurance procedures.

**d) Funding & Budgeting:**

- i) The Contractor must develop multiyear rate estimates to use for future budgets to predict rate adjustments for caseload changes, economic fluctuations, market changes, etc. These estimates must be developed at a date agreed upon with the MDHHS Program Manager and would be subsequently updated on a periodic basis for use in budgeting and forecasting costs. The Contractor will implement a budgeting and forecasting tool that will be used to develop multiyear rate estimates. Contractor may customize the online tool to allow the State to integrate rate-setting, financial reporting and information planning functions.
- ii) The Contractor must forecast future MDHHS child welfare expenditures, in conformance with timelines dictated by State of Michigan budget structures. Contractor's tool will include data elements for rate specific to service activities and units of service. Prediction elements in the tool will include various national indices and indicators such as the Bureau of Labor Statistics (BLS) Employment Cost Index (ECI), the BLS Consumer Price Index (CPI), and Gross Domestic Product (GDP).
- iii) The Contractor must build (or customize), maintain and conduct analysis using a database specific to Michigan to support the capitated rate, per diem, and performance-based adoption rate-setting and budget forecasting.
- iv) The Contractor must identify and develop trend factors used to calculate budget projections at a date agreed upon with the MDHHS Program Manager. Such trend factors must include an estimate of increased costs.
- v) The Contractor must work to develop rates for Family Preservation services rate setting to deliver services to families with open Children's Protective Services cases.

**e) Special Projects/Ad Hoc Projects**

From time to time the State may require additional performance on projects depending on State initiatives and budget availability. Any special projects will be added to the Contract via a Contract Change Notice. Previous projects include the following:

- Caseload Distribution – development of an approach for establishing the volume of cases necessary to assure adequate and equitable caseloads, as well as a method of equitably distributing cases to fairly manage risk.
- Assessment of foster parent rates.
- Actuarial study on adoption rates.
- Actuarial study to develop a rate-setting methodology to assign costs for purchased Vocational Rehabilitation (VR) services, for Michigan Rehabilitation Services (MRS), on an as-needed basis and upon request.

**2) Transition**

The Contractor must have a plan to transition into the Contract and out of the Contract at the end of the Contract term. The Contractor must submit this plan to

the State for approval. In general, Transition Plans should include: Staffing continuity, Documentation, and Responsiveness to Requests. Contractor will work with the State near the end of the Contract term to determine next steps for turnover, or exercising the available option year(s).

### 3) Training

- a) The Contractor must provide training to designated MDHHS staff and providers on the actuarial and consulting services and how to understand the new payment structure. Training may be provided through the following modules:
  - i) Documentation of all rate methodologies in rate memos and/or reports
  - ii) Initial training
  - iii) Frequently Asked Questions (FAQ)
  - iv) Periodic training refreshers
- b) The Contractor must provide technical assistance to walk the providers through the new process to explain the programmatic changes and their impact. Assistance will be provided through the following activities:
  - i) Initial list of suggested implementation considerations related to performance-based rates, based on lessons learned in Michigan and elsewhere
  - ii) Listening Sessions
  - iii) Outreach & Technical Assistance

### 4) Staffing

#### a) Contractor Representative

- i) The Contractor must appoint staff specifically assigned to State of Michigan accounts, one **who will serve as the Principle Actuary** and one who will respond to State inquiries regarding the Contract Activities, answer questions related to ordering and delivery, etc. (the “Contractor Representative”). **The Principle Actuary must be a fully-qualified actuary, and be a full Fellow of Society of Actuaries (FSA).** The staff can be one individual or two individuals to fill both roles.

**Contractor Representative:** Jennifer MacBlane

**Principle Actuary:** Jackie Lee

- ii) The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

- b) **Contractor Representative Number:** The Contractor must specify its number for the State to contact the Contractor Representative. The Contractor Representative must be available for calls during the hours of 8:00 am to 5:00 pm EST.

**Jennifer MacBlane**

617-777-4889

jmacblane@pcgus.com

- c) **Work Hours:** The Contractor must provide Contract Activities during the State’s normal working hours Monday – Friday, 8:00 a.m. to 5:00 p.m. EST and possible

night and weekend hours depending on the requirements of the project. **No holiday pay or overtime will be authorized or paid.**

**d) Key Personnel**

- i) The Contractor must appoint individuals who will be directly responsible for the day-to-day operations of the Contract (“Key Personnel”). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 1-business day. **Key Personnel will be inclusive of the Contractor Representative.**
- ii) **The Contractor’s team of Key Personnel must demonstrate expertise in child welfare issues, performance based contracting process, and methods of measuring effectiveness.**
- iii) The Contractor must provide staff and expert consultants as necessary to meet all requirements as identified in Schedule A.
- iv) Management Oversight. The State is not obligated to provide State management of assigned work outside of normal State working hours.
- v) Contractor’s Key Personnel must be on-site on an as-needed basis at a various locations.
- vi) 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.
- vii) 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 the Termination for Cause section of the Standard Contract 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

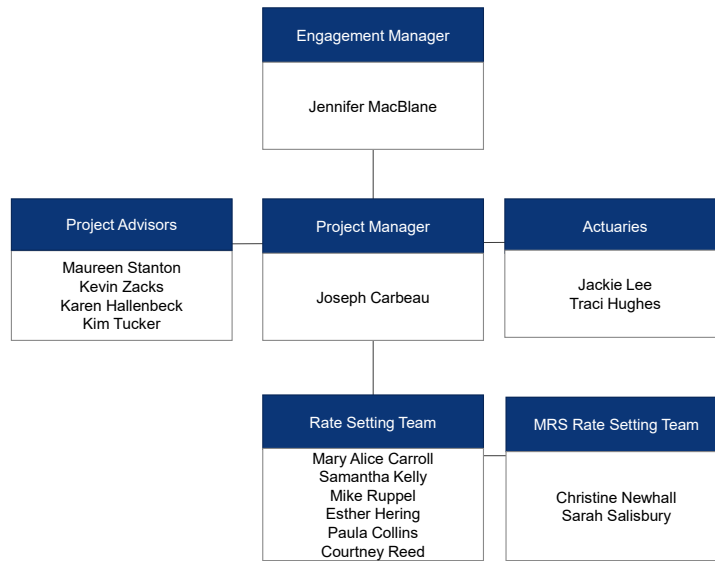
State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an “Unauthorized Removal Credit”):

- viii) 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.
- ix) 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.
- x) 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.

1. Name	3. Role(s) / Responsibilities	4. Direct / Subcontract / Contract	6. Physical Location
<b>Jennifer MacBlane</b> <i>Associate Manager</i>	Engagement Manager, responsible for overall success of project.	Direct	Syracuse, NY
<b>Joseph Carbeau</b> <i>Senior Consultant</i>	Project Manager, responsible for day-to-day activities and deliverables of project.	Direct	Boston, MA
<b>Jackie Lee</b> <i>Vice President &amp; Principal at Lewis and Ellis</i>	Lead Actuary, responsible for approval and review of actuarial tasks.	Subcontract	Dallas, TX



e) **Organizational Chart:** The Contractor’s Organizational Chart:



f) **Disclosure of Subcontractors:** If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

- i) 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.
- ii) The relationship of the subcontractor to the Contractor.
- iii) Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
- iv) A complete description of the Contract Activities that will be performed or provided by the subcontractor.

5) **Project Management**

a) **Project Plan**

- i) The Contractor must agree to cooperate with the State, its agents, other contractors, and stakeholders. This includes project managers, third party evaluator, private agencies, county government, the legislature, and other stakeholders. As reasonably requested by the State, the Contractor must provide to MDHHS and other stakeholders reasonable access to Contractor’s project personnel, to the extent the access relates to activities specifically associated with rate setting. MDHHS acknowledges that Contractor’s time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impede Contractor’s performance under this Contract with the requests for access.
- ii) Although there will be continuous liaison with the Contractor team, the MDHHS Program Manager will meet as needed with the Contractor’s Project Manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems which arise.

- iii) The Contractor must meet with MDHHS staff via teleconference to review the program's status on an as needed basis, and agrees that no additional fees or expenses shall be paid to the contractor for such meetings.
  - iv) The Contractor must submit brief written summaries of progress as requested which outline the work accomplished during the reporting period; work to be accomplished during the subsequent reporting period; problems, real or anticipated, which should be brought to the attention of the Program Manager; and notification of any significant deviation from previously agreed-upon work plans.
  - v) For the initial kick-off of the contract, within 10 business days of Contract effective date, the Contractor must submit to the MDHHS Program Manager for final approval, a work plan. For any special projects, the Contractor must submit its work plan to the Program Manager within 15 business days of notification by the Program Manager. This final implementation plan must be in agreement by the Contractor and accepted by the State for Contract, and must include the following:
    - (1) The Contractor's project organizational structure.
    - (2) The Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. All work must flow through the Contractor's Project Manager. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
    - (3) The project breakdown showing sub-projects, activities and tasks, and resources required and allocated to each.
  - vi) Develop a project plan particular to rate setting, which includes actuarial attestation and federal approval against standards.
  - vii) The Contractor must manage and resolve issues in a timely manner.
- b)** 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 final project plan to the Program Manager for 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, timeline, and resources required.
- 6) Security**
- a) The Contractor will be subject the following security procedures:
  - b) The State may require the Contractor's personnel to wear State issued identification badges.
  - c) The Contractor's staff may be required to make deliveries to or enter State facilities. The Contractor will perform background checks on employees to ensure

additional security of State facilities; and will require staff to wear any state issued ID badges when entering state facilities.

**7) Meetings:** The Contractor must attend the following meetings:

- a) A kick-off meeting within 30 calendar days of Contract execution.
- b) Any other meetings as deemed necessary by the Program Manager.

**8) Reporting**

- a) The Contractor must submit, to the Program Manager, the following written reports: During the performance of the work, the Contractor must provide brief, written, biweekly status reports to the MDHHS Program Manager of progress made on the steps identified in the final project plan. All reports will be supplied to MDHHS in electronic format, unless otherwise specified by the MDHHS Program Manager. Reports must outline the work accomplished during the reporting period, work to be accomplished during the subsequent reporting period, problems, real or anticipated, which should be brought to the attention of the MDHHS Program Manager, and notification of any significant deviation from previously agreed upon work plans. Frequency, turnaround time and submission date must be reasonable based on the amount of work involved and will depend on needs of MDHHS specific to each project, subject to when source data are provided to the Contractor by MDHHS.
- b) As part of the overall proposed project plan, the Contractor is asked to recommend a standard and comprehensive reporting format to be used for the management and oversight of the requested project and to provide a brief sample of reports that they are able to provide.

**9) Pricing**

- a) Price Term: Pricing is firm for the initial period of the Contract.
- a) Pricing Changes for Option Years
  - i) Contractor may increase Fees for any renewal period by providing written notice to the State at least (60) calendar days prior to the commencement of such renewal period. An increase of Fees for any renewal period may not exceed three percent (3%) of the Fees effective during the immediately preceding twelve (12) month period.
  - ii) Adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources, such as the Consumer Price Index; Producer Price Index; other pricing indices as needed; economic and industry data; manufacturer or supplier letters noting the increase in pricing; and any other data the State deems relevant.
  - iii) Following the presentation of supporting documentation, both parties will have 30 days to review the information and prepare a written response. If the review reveals no need for modifications, pricing will remain unchanged unless mutually agreed to by the parties. If the review reveals that changes are

needed, both parties will negotiate such changes, for no longer than 30 days, unless extended by mutual agreement.

- iv) The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.

**10) Ordering Authorizing Document:** The appropriate authorizing document for the Contract will be a signed Contract and Delivery Order (DO).

**11) Invoice and Payment**

- a) **Invoice Requirements:** 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); (g) vendor-generated invoice number; and (h) total price. Overtime, holiday pay, and travel expenses will not be paid.
- b) **Payment Methods:** The State will make payment for Contract Activities by Electronic Funds Transfer (EFT).
- c) **Acceptance, Inspection, and Testing:** The following criteria will be used by the state to determine Acceptance of the Services or Deliverables provided under this SOW:
  - i) The MDHHS Program Manager will be responsible for verifying that the work:
    - (1) Was performed in the time period referenced;
    - (2) Met the work or deliverable criteria; and
    - (3) Was performed according to Contract specifications.
  - ii) MDHHS's approval process of work and deliverables requires formal written approval, according to the following procedures:
  - iii) Formal approval by MDHHS requires the MDHHS Program Manager to confirm in writing that the work and deliverables meet its specifications and requirements. The approval process will be facilitated by ongoing consultation between the parties, inspection of interim and intermediate work and deliverables and collaboration on key decisions.
  - iv) The MDHHS Program Manager will approve in writing work and deliverables after confirming that it conforms to and performs according to its specifications without material deficiency. MDHHS may, but is not required to, conditionally approve in writing work and deliverables that contain material deficiencies if MDHHS elects to permit the Contractor to rectify them post-approval. In any case, the Contractor will be responsible for working diligently to correct within a reasonable time at the Contractor's expense all deficiencies in the work and deliverables that remain outstanding at the time of MDHHS approval.
  - v) Upon work and deliverable approval, the MDHHS Project Manager will forward the approved invoice for additional review and payment

according to the MDHHS approval path.

**12)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.

# SCHEDULE B - PRICING

Contract No. 210000001592

## Child Welfare System Actuarial Services

Pricing includes all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).

**ADDITIONAL ROWS MAY BE ADDED FOR ANY TABLES BELOW.**

<b>1. Analyses (Fixed-Fee Deliverables)</b>				
<b>Deliverable</b>	<b>Price</b>		<b>Total Quantity</b>	<b>Three Year Price</b>
Capitated Rate establishment and monitoring	\$74,378	x	6	\$446,268
Foster Rate Per Diem Rate Setting	\$75,979	x	3	\$227,937
Performance-based Adoption Rate Setting	\$52,454	x	3	\$157,362
CCI Per Diem Rate Setting	\$171,798	x	3	\$515,394
Family Preservation Services rate setting to delivery services to families with open Children's Protective Services cases.	\$62,914	X	3	\$188,742
Development of trend factors used to calculate budget projections including an estimate of increased costs	\$19,133	x	3	\$57,399
<b>Analyses Services Total</b>				<b>\$1,593,102</b>

<b>2. Consulting Services (Variable-Fee Deliverables) *</b>		
<b>Staff Member</b>	<b>Hourly Rate</b>	<b>Hours</b>
Jennifer MacBlane (Engagement Manager)	\$290.00	TBD
Joseph Carbeau (Project Manager)	\$250.00	TBD
Jackie Lee (Lead Actuary)	\$335.00	TBD
Traci Hughes (Actuarial Associate)	\$190.00	TBD
Karen Hallenbeck (Project Advisor)	\$150.00	TBD
Kevin Zacks (Project Advisor)	\$150.00	TBD
Mike Ruppel (Data Analyst)	\$100.00	TBD
Maureen Stanton (Project Advisor)	\$150.00	TBD
Kim Tucker (Project Advisor)	\$150.00	TBD
Christine Newhall (MRS Project Advisor)	\$250.00	TBD
Sarah Salisbury (MRS Engagement Manager)	\$290.00	TBD
Mary Alice Carroll (Project Analyst III)	\$220.00	TBD
Esther Hering (Project Analyst II)	\$125.00	TBD
Samantha Kelly (Senior Project Analyst)	\$250.00	TBD
Paula Collins (Project Analyst II)	\$125.00	TBD
Courtney Reed (Project Analyst I)	\$85.00	TBD
<i>* Consulting Services for Ad Hoc Requests (To Be Approved via Delivery Order Issuance and Contract Change Notice execution).</i>		

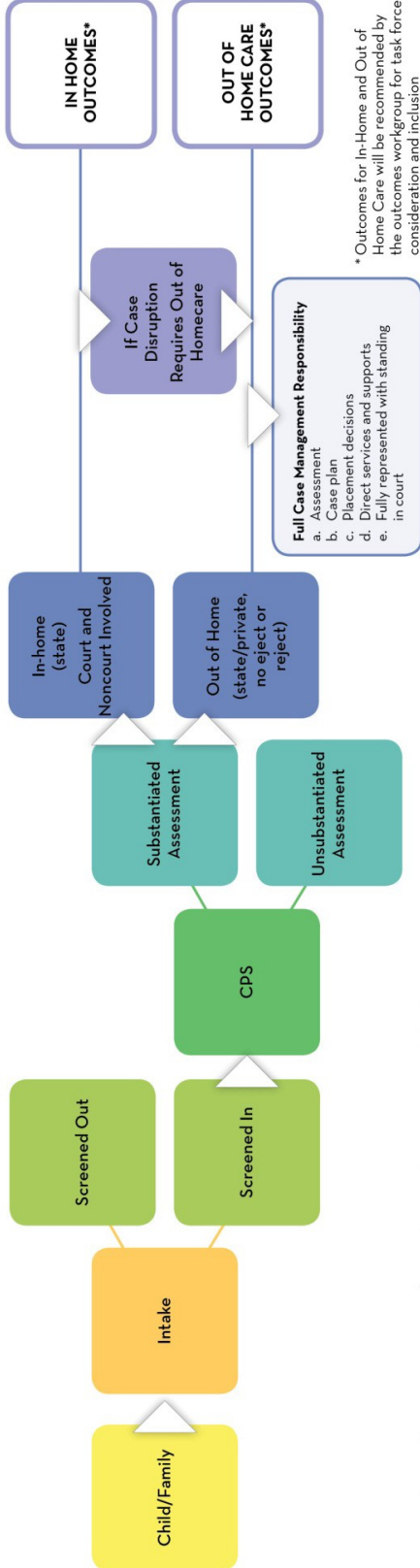
## ATTACHMENT A – PROCESS OF CARE

# State of Michigan Performance Funding Task Force Re-envisioned Process of Care for Child Welfare and Dual (CW/JJ) Populations

### Guiding Principles

Safety is the first priority of the child welfare system. Families, children, youth, and caregivers will be treated with dignity and respect while having a voice in decisions that affect them. The ideal place for children is with their families; therefore, we will ensure children remain in their own homes whenever safely possible. When placement away from the family is necessary, children will be placed in the most familylike setting and be placed with siblings whenever possible.

Permanency connections with siblings and caring and supportive adults will be preserved and encouraged. Children will be reunited with their families and siblings as soon as safely possible. Community stakeholders and tribes will be actively engaged to protect children and support families. Services will be tailored to families and children to meet their unique needs. Child welfare professionals will be supported through ongoing development and mentoring to promote success and retention. Leadership will be demonstrated within all levels of the child welfare system. Decision making will be outcome-based, research-driven and continuously evaluated for improvement.



### Five Core Components of a Balanced and Equitable System

- 1 Purchase of Service (POS) transitions to performance evaluation, contract management, and Continuous Quality of Improvement (CQI)**
  - Public and private performance
  - Macro
  - CQI structure and responsibility
  - Fiscal
  - Performance/data - public reporting
  - Case review - key stakeholder input
  - Interface with licensing (BCAL - child & adult licensing)
  - MSA compliance & reporting
  - Risk management
  - Aligned with expanded State CQI
- 2 Balanced and Equitable Prospective Payment System**
  - Caseload ratios
  - Mid-point market - case managers and supervisors
  - Market basket indicators
  - Distribution of cases
  - Cross-walk state standard costs to payment system (infrastructure)
  - Variable costs that influence scale, e.g., geography
  - Issue - frequency of rebasing
  - Risk sharing
  - M/Team practice model
  - Comprehensive clinical assessment
  - Full case management
  - MISACWIS
  - Diagnostic needs of children
  - Incorporation of Adaption Incentive Funds
  - Cost of out of home care
- 3 Balanced and Equitable Accountability Public/Private and Courts**
  - Macro - transparency of performance
  - Child case accountability
  - Quality standards - consistency
  - Progressive corrective action
  - Equitable sanctioning for non-performance
- 4 Fully Maximize Federal Revenue**
  - With emphasis on Medicaid
- 5 Outcomes Public/Private and Courts**
  - Safety
  - Time to permanency
  - Number of placements
  - Well-being indicators

**Key Performance Indicators (KPI)**

  - Process of care measures
  - Quality of care measures
  - Capacity measures