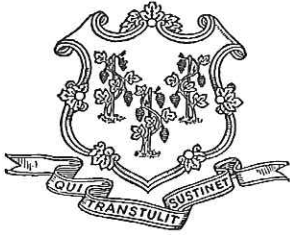


STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES



## CONTRACT AMENDMENT

**Contractor:** LOGISTICARE SOLUTIONS LLC  
**Contractor Address:** 1800 PHOENIX BLVD. SUITE 120, COLLEGE PARK, CT 30349  
**Contract Number:** 999LOG-MED-3 / 12DSS1201QD  
**Amendment Number:** A1  
**Contract Term:** 11/09/12 - 12/31/16

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The contract between **Logisticare Solutions LLC (LGTC)** and the Department of Social Services (the Department) for the provision of non-emergency medical transportation brokerage services, which was last executed by the parties and signed by the Commissioner on 11/13/12, is hereby amended as follows:

1. Any and all references to the term “spend down” or “spend-down” shall be deleted, as applicants in spend down are not yet Medicaid eligible and consequently, not eligible for NEMT.
2. Those applicants who are listed with a medical coverage group of “LO1” in DSS’ Eligibility Management System (EMS) are eligible for NEMT.
3. With respect to eligibility for NEMT, all references in the contract to “pending” status shall be deleted and replaced with the status of “pending and who reside in a nursing home.”
4. The term “qualified Medicaid client” and “Medicaid client” shall be synonymous.
5. Business hours of operation for LogistiCare Solutions, LLC Connecticut contract shall be from 7am to 6pm Eastern Standard Time. Any references in the contract that state otherwise shall be deleted and replaced with 7am to 6pm.
6. Page 10, Section C.39 shall be amended to include the following language:  
C.39.6. Limited Benefit: Limited Medicaid benefits are available to eligible individuals in specific coverage groups identified in Eligibility Management System (EMS) by the Department. The Medicaid services that are covered vary by coverage group and are detailed on the Department’s HUSKY Health website. Individuals in these coverage groups are eligible for NEMT to those limited Medicaid covered services.
7. Page 15, C.72 “Urgent Request” shall be inserted above the current C.72 “Trip” and the numbering shall be altered for the remainder of the section. C.72 “Urgent Request” shall include the definition:  
C.72 Urgent Request  
An urgent care situation is an unexpected illness or injury that needs prompt medical attention, but is not an immediate threat to your health. An appointment that occurs sooner than the two day scheduling requirement for medical necessity would qualify as a request for urgent care.
8. Page 11, Section C. 45 shall be amended to include the following language:

C.45.2 Medical service--- Medical service includes all medical, dental, and behavioral health services and may also be known as a healthcare service.

C.45.3 Medical provider--- Medical providers include dental and behavioral health providers and may also be known as healthcare providers.

9. Page 12, Section C.48.1.1 shall be deleted and replaced with the following language:  
Any client who 1) on the date of a medical appointment shows in EMS as “pending” (P) status in a coverage group that is eligible for NEMT, **and** 2) resides in a nursing home is considered eligible for NEMT.
10. Page 12, Section C. 48.1.2 shall be deleted and replaced with the following language: Services shall be rendered only to those clients 1) with an eligible Medicaid status in EMS; or 2) to those who reside in a nursing home **and** have a pending status in EMS.
11. Page 12, Section C. 48.2 shall be deleted in its entirety.
12. Page 12, Section C 48 shall now have a 48.1.3 which shall read: Applicants with a pending status, except those who have a pending status and also reside in a nursing home, are not entitled to NEMT.
13. Page 14, Section C.60.1 shall have the words “through the interchange system” inserted at the end of the last sentence after the word “services.”
14. Page 17, Sections D. 1 and D. 2 shall be deleted in their entirety and replaced with the following language:
  - a. NEMT services are for 1) persons eligible under HUSKY Health (HUSKY A, C, D and limited benefit); and 2) individuals who are pending eligibility for Medicaid and reside in a nursing home; to and from non-emergency medical services covered under the Medicaid Program in accordance with section 6083 of the Deficit Reduction Act and applicable regulations.
  - b. The Department enters into this contractual agreement for the administration of NEMT services statewide. The Contractor (Broker) will administer NEMT services as a non-risk Broker. The Broker will prior authorize and assign trips to transportation providers and DSS will pay non-emergency ambulance, wheelchair and livery providers directly for NEMT services. The Broker shall submit clean claims for wheelchair van and livery transport to the Department’s MMIS contractor, HP.
  - c. Under the non-risk arrangement, the Contractor will pay for all other approved NEMT trip costs, as authorized by DSS under this contract, and will be reimbursed for such costs by the Department. These costs shall include travel expenses as defined and detailed in 42 CFR 440.170(a)(3) and other approved costs that cannot be paid through the Medicaid Management Information System (MMIS).
  - d. The Contractor’s administrative payment will be subject to a withhold that will be released contingent upon the Contractor’s ability to meet negotiated performance targets. As an administrative entity, the Contractor will work closely with the Department in the execution of its tasks and shall maintain records and supporting data (including but not limited to client data, trip authorizations, claims data and provider records) in a retrieval and storage mechanism that complies with all federal and State requirements for a time period that complies with State and federal record retention requirements.
15. Page 24, Section G. Payments to the Contractor, shall be deleted and replaced in its entirety with the following section:

**G. Payments to the Contractor**

G. 1. The Department will pay the Contractor an administrative payment, subject to the above referenced withhold, for the successful performance of administrative services and will reimburse the Contractor based on the submission and approval of invoices for expenses, based on the approved, fixed budget attached and fully incorporated as part of this contract. The Department will reimburse the Contractor for approved NEMT costs that are not payable through HP including:

  - G.1.1. NEMT costs for clients who are listed and identified as eligible in EMS but whose claims are denied in the MMIS due to ineligibility. Documentation of EMS screen shots showing the status on the date of the transport must be provided;
  - G.1.2. Common carrier purchases (bus, train and commercial air); and
  - G.1.3. Payments for personal reimbursements.

G.1.4. The Contractor will not be at risk for approved transportation costs, so long as they are administered in accordance with the terms of this contract and any Department policies and procedures issued to the Contractor, and contingent upon the Contractor maintaining adequate records and documentation of all transportation transactions. The Department has established the rates to be paid to Transportation Providers for non-emergency ambulance, wheelchair van, livery services, and personal reimbursements. Other rates, including individual trip rate overrides that would be paid by the Contractor and reimbursed by the Department, may be determined by the Department on an as-needed basis.

**G.2. Prior Authorization:** The Contractor will prior authorize all NEMT for all modes of transportation, except for transportation provided to clients on a date of service covered by a retro-grant of eligibility. Transportation Providers must receive a prior authorization from the Contractor to receive payment for the transportation that they provide to clients for NEMT. Providers may not seek reimbursement, payment of any kind or gratuities from clients of DSS for NEMT. The Contractor and the Department shall mutually approve or secure air ambulance or other needed out-of-state and out-of-network transports. The Contractor will respond to requests for the prior authorization of non-emergency ambulance transport (including those for pending clients who also are in a nursing home) within the time frame established by the Department. Such time frame for either granting or denying the request in accordance with the Department's established policies and regulations shall be 3 hours or less for hospital discharges. Only clients, their families or medical facilities may request prior authorization. Transportation providers may not request prior authorization.

**G. 3. Claims:**

- G.3.1 The Transportation Providers (livery, wheelchair van) will submit their claims to the Contractor. The Contractor will verify the accuracy and validity of the claims, separate those claims and payment obligations that will be paid by HP from those that will be paid by the Contractor with reimbursement from the Department. The Contractor will submit clean claims to HP for payment on behalf of the Transportation Providers. The Contractor will upon receiving authorization from the Department arrange for out-of-state transportation, and will either submit those claims to HP if the provider is enrolled as a Connecticut Medical Assistance Program (CMAP) provider, or if the Provider is not enrolled, pay for those services and submit an invoice to the Department for reimbursement so long as those Providers are administered in accordance with the terms of the Contract and Department policies and adequate records and documentation of all transportation transactions are maintained.
- G.3.2 The Contractor will submit clean claims to HP on HP's regular payment schedule to pay in-state livery and wheelchair van providers for transportation provided to eligible clients. The Contractor will operate and maintain a HIPAA-compliant electronic authorization mechanism that is compatible with the HP system to manage the livery and ambulance authorizations for claims. The Contractor will also issue prior authorizations for non-emergency ambulance rides, but non-emergency ambulance providers will submit their claims directly to HP. All trips must be prior authorized before the trip commences or the claim for the trip shall not be paid.
- G.3.3 The Contractor will facilitate and assist in-state livery providers' enrollment with the Department as a CMAP Provider through HP. Livery and wheelchair van providers will submit claims to the Contractor. Non-emergency ambulance providers will submit their claims directly to HP. The Contractor will verify the claims from livery and wheelchair providers before sending the electronic HIPAA compliant ASC X12N 837 Health Care Claim Professional - for professional clean claims to HP for processing and payment. The Contractor shall access the ASC X12N 999 Functional Acknowledgement to ensure claim submission is correct. The Contractor will also receive ASC X12N 835 Health Care Claim Payment/Advice and will resolve claim denials and resubmit for payment as necessary. HP will process clean claims and will send the payment directly to those enrolled Transportation Providers (livery, wheelchair van).
- G.3.4 The Contractor will reimburse individuals who transport Medicaid-eligible clients to Medicaid-covered services if the client has no other means of transport. Alternatively, the Contractor may purchase bus passes, or train and commercial air tickets, when those forms of transportation are the least expensive and most appropriate form of transportation. The Department will reimburse the Contractor for common carrier purchases (bus, train and commercial air), and payments for personal reimbursements and out-of-state transports conducted by non-CMAP enrolled providers when the Contractor invoices the Department for these expenses and

provides supportive encounter data in HIPAA-compliant form utilizing HCPCS codes as required by the Department. The Contractor will facilitate reimbursement to clients who requested, received and paid for NEMT prior to the client's receipt of a retro-active grant of eligibility.

**G.4. Utilization Review:** The Contractor will perform utilization review functions by verifying requests for medical transportation to ensure that they are for transportation to scheduled Medicaid covered services and that an appointment is actually scheduled. Such verification is not required for "urgent" requests, defined as when services are provided without a scheduled appointment and the medical provider has determined the service to be of an urgent nature. The Contractor shall audit such claims to verify that transportation was arranged in accordance with contractual requirements for same day or next day requests and Department policies and performed within acceptable performance standards. The Contractor will implement systematic efforts to avoid unnecessary costs.

**G. 5. Prohibitions 42CFR 440.170:** The Contractor (including their contractors, owners, investors, Boards of Directors, corporate officers, and employees) is prohibited from:

- G.5.1. Being an owner, full or part, of an organization participating in the Medicaid Program as a Transportation Provider or having an equity interest or involvement in the management of the organization or entity.
- G.5.2. Participating in any activity that could present a conflict of interest including, but not limited to, utilizing the transportation services of a corporate affiliate or arranging transportation services for a corporate affiliate that provides covered medical services for eligible clients.
- G.5.3. Contracting with Transportation Providers who have been terminated from the Medicaid Program for fraud or abuse or who have been disallowed from federal or state contracting.
- G.5.4. Providing NEMT services or making a referral or subcontracting to a transportation service provider if:
  - a. The Contractor has a financial relationship with the Transportation Provider as defined at § 411.354(a) with "transportation Contractor" substituted for "physician" and "nonemergency transportation" substituted for "DHS;" or
  - b. The Contractor has an immediate family member, as defined at § 411.351, that has a direct or indirect financial relationship with the Transportation Provider, with the term "transportation Contractor" substituted for "physician."
- G.5.5. Withholding necessary NEMT from a Medicaid recipient or providing NEMT that is not the most appropriate and cost effective means of transportation for that recipient for the purpose of financial gain, or for any other purpose.

**G.6. Transportation Providers § 440.170 (a) (4) (i)** The Contractor shall require the Transportation Providers (drivers and vehicles) be appropriately licensed or certified at the time the Transportation Provider Agreement (TPA) is signed and throughout the term of the TPA with the Contractor by the Department of Transportation (DOT), the Department of Public Health (DPH) and the Department of Motor Vehicles (DMV). The Contractor shall monitor such licensure and certification.

16. Page 28, Section H.1.1 shall be deleted and replaced in its entirety with the following language:  
Produce and supply to the Contractor a weekly roster file and daily file updates of eligible NEMT clients. The files will be in a format specified by the Department and will identify each client's eligibility.
17. Page 28, Section I.1 shall be deleted and replaced in its entirety with the following language:  
Individuals who are eligible for the NEMT service include 1) all Medicaid-eligible Clients including HUSKY A, C, D and limited benefit; and 2) those who are identified within the Department's EMS system as having pending Medicaid status and who reside in a nursing home.
18. Page 28, Section I.2.2 shall be deleted but remain blank so as to maintain numbering of the contract.
19. Page 32, Section J.4.1 shall be deleted and replaced in its entirety with the following:  
Maintaining and applying a means of verifying client status using the most recent eligibility file supplied by the Department, loaded into the Contractor's LogistiCAD management system, for the purpose of providing NEMT service.

20. Page 32, Section J.4.2.'s reference to a "recent status file" shall be deleted and replaced with the term "eligibility file" and the words "displayed in" shall be deleted and replaced with "and loaded into."
21. Page 32, Section J.4.3 shall have the word "eligibility" inserted between the last two words "the" and "file."
22. Page 32, Section J.4.4., second sentence shall have the words "will assign" deleted and replaced with "assigns."
23. Page 32, Section J. 4.5. shall have the words "and to contact their local DSS Regional Office for assistance" inserted after the word "terminated" in the second sentence. The words "however...month" shall be deleted.
24. Page 34, Section K.4.2.1.2 shall have the words "daily or weekly data" deleted and replaced with the word "eligibility."
25. Page 35, Section K.4.2.1.7 shall be deleted and replaced in its entirety with the following language:  
Notification to the client of their ineligibility and the Contractor's intent to cancel the trip. For purposes of this section, the notification will be considered a courtesy contact not subject to a formal Notice of Action as described in Section JJ of this Contract, Notices of Action.
26. Page 46, Section M.1.1.4. shall have the following language added to it after the word "services:"  
"...at least two business days prior to the scheduled appointment."
27. Page 52, Section Q.1.1.3 shall have the words "wheelchair van" added to it after the word "livery."
28. Page 57, Section T.9., Page 58, Section U.1., page 64 Section AA.2.5.1.1., page 65, Section AA.2.5.4. and page 66, Section AA.2.5.5.3 shall have the words "wheelchair van" added to them after the word "ambulance."
29. Page 59, Section U.1.9 delete the term "Ambulance Providers" and replace it with "Transportation Providers."
30. Page 62, Section AA.1. shall be deleted and replaced with the following language:  
AA.1. The Contractor shall:
  - AA.1.1. Utilize the Department's established reimbursement rate schedules for NEMT services to be paid to the transportation provider by the Department;
  - AA.1.2. Establish timely filing standards for the payment of NEMT clean claims;
  - AA.1.3. Reserve the right to recover payments made for incorrect or fraudulent claims; and
  - AA.1.4. Authorize the least expensive, appropriate mode of transportation.
  - AA.1.5. The Department shall not pay for cancelled trips or no shows, defined as when a client fails to take a scheduled trip; the Department and the Contractor shall jointly develop strategies to establish provider specific performance measures of "no-shows" and to reduce client "no-shows."
31. Page 65 Section AA.2.5.8.5 shall be amended to have the words "wheelchair van" added after the word "ambulance."
32. Page 66, Section AA.2.5.7. shall be deleted in its entirety and replaced with the following:  
AA.2.5.7. Broker Payments
  - AA.2.5.7.1 Submit clean claims for all wheelchair van and livery transportation
  - AA.2.5.7.2. As directed by the Department, submit encounter data for all bus transportation, personal reimbursements, and other transportation.
  - AA.2.5.7.3. Reimburse individuals for authorized mileage reimbursements no later than forty-five (45) days from the submission of a clean claim for such reimbursement, so long as reimbursement meets Departmental guidelines. Reimbursements shall be scheduled at a minimum of twice monthly; and
  - AA.2.5.7.4. Develop an appropriate mechanism to pay for authorized out-of-state wheelchair and livery trips.

33. Page 74 Section DD.2. the word “ambulance” shall be deleted and replaced with the words “wheelchair van.”.
34. Page 76, Section DD.5. the word “paid” shall be deleted and replaced with the word “processed.”
35. Page 84, Section LL.1.8. shall have the words “or inappropriately licensed/permitted” inserted between the words “uninsured” and “drivers.”
36. Page 87 MM.2.14 where it reads “the close of the calendar year” it shall be amended to say “the close of *each* calendar year.” (emphasis added)
37. Page 99 Section SS.10.2 shall be amended to add the following language after the words “Backup Power:”  
Day to day operations of the Connecticut facility shall be available within 24 hours of the issue causing the lack of power and shall be performed either in the Connecticut facility or from a back-up call center.
38. Page 102, Section TT.2.4 the term “and wheelchair van” shall be added to after the word “livery.”
39. Page 106, Section VV.5. shall include the words “and Limited Benefit” after the words “HUSKY D.”
40. Page 107, Section XX.2.1 shall be deleted in its entirety but shall remain numbered in the contract for consistency.
41. Page 108, Section XX.6. shall be deleted and replaced in its entirety with the following language:  
The Contractor shall administer NEMT as a non-risk Broker. Under the non-risk arrangement, the Department, through HP, will pay for non-emergency ambulance, livery, wheelchair and stretcher van costs while the Contractor will pay for approved NEMT costs, as permitted by DSS, and will be reimbursed for such costs by the Department. The Contractor’s administrative payment, excepting reimbursements from the Department for other authorized NEMT costs, will be subject to a withhold of 7.5% that will be released annually, contingent upon the Contractor’s ability to meet negotiated performance targets as defined in Exhibit A, “Performance Targets.” The Performance Targets shall be renegotiated by the parties each year and shall not require an amendment but shall supplement the existent targets. The annual negotiated Performance Targets shall be fully incorporated as part of Exhibit A.
42. Page 109, Section YY.3.3 shall be altered to delete the word “increase” and insert in its place the word “changes.”
43. The HIPAA Provisions in the original contract are deleted and replaced by the following HIPAA provisions effective September 23, 2013:

**Health Insurance Portability and Accountability Act of 1996.**

- (a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), as noted in this Contract, the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract (“Agency”) is a “covered entity” as that term is defined in 45 C.F.R. § 160.103; and

- (d) The Contractor is a “business associate” of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), (Pub. L. 111-5, §§ 13400 to 13423)<sup>1</sup>, and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, D and E (collectively referred to herein as the “HIPAA Standards”).
- (f) Definitions
  - (1) “Breach” shall have the same meaning as the term is defined in section 45 C.F.R. 164.402 and shall also include an use or disclosure of PHI that violates the HIPAA Standards.
  - (2) “Business Associate” shall mean the Contractor.
  - (3) “Covered Entity” shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
  - (4) “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. § 164.501.
  - (5) “Electronic Health Record” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(5)).
  - (6) “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
  - (7) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
  - (8) “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, and includes electronic PHI, as defined in 45 C.F.R. 160.103, limited to information created, maintained, transmitted or received by the Business Associate from or on behalf of the Covered Entity or from another Business Associate of the Covered Entity.
  - (9) “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.
  - (10) “Secretary” shall mean the Secretary of the Department of Health and Human Services or his designee.
  - (11) “More stringent” shall have the same meaning as the term “more stringent” in 45 C.F.R. § 160.202.
  - (12) “This Section of the Contract” refers to the HIPAA Provisions stated herein, in their entirety.
  - (13) “Security Incident” shall have the same meaning as the term “security incident” in 45 C.F.R. § 164.304.

- (14) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
- (15) "Unsecured protected health information" shall have the same meaning as the term as defined in 45 C.F.R. 164.402.

(g) Obligations and Activities of Business Associates.

- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
- (2) Business Associate agrees to use and maintain appropriate safeguards and comply with applicable HIPAA Standards with respect to all PHI and to prevent use or disclosure of PHI other than as provided for in this Section of the Contract and in accordance with HIPAA standards.
- (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
- (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
- (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
- (6) Business Associate agrees, in accordance with 45 C.F.R. 502(e)(1)(ii) and 164.308(d)(2), if applicable, to ensure that any subcontractors that create, receive, maintain or transmit protected health information on behalf of the business associate, agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information;
- (7) Business Associate agrees to provide access (including inspection, obtaining a copy or both), at the request of the Covered Entity, and in the time and manner designated by the Covered Entity, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524. Business Associate shall not charge any fees greater than the lesser of the amount charged by the Covered Entity to an Individual for such records; the amount permitted by state law; or the Business Associate's actual cost of postage, labor and supplies for complying with the request.
- (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner designated by the Covered Entity.
- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created, maintained, transmitted or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary investigating or determining Covered Entity's compliance with the HIPAA Standards..
- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.



- (11) Business Associate agrees to provide to Covered Entity, in a time and manner designated by the Covered Entity, information collected in accordance with subsection (g)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
  - (A) restrict disclosures of PHI;
  - (B) provide an accounting of disclosures of the individual's PHI;
  - (C) provide a copy of the individual's PHI in an electronic health record; or
  - (D) amend PHI in the individual's designated record set,the Business Associate agrees to notify the Covered Entity, in writing, within five business days of the request.
- (15) Business Associate agrees that it shall not, and shall ensure that its subcontractors do not, directly or indirectly, receive any remuneration in exchange for PHI of an Individual without
  - (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and
  - (B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations
- (16) Obligations in the Event of a Breach.
  - (A) The Business Associate agrees that, following the discovery by the Business Associate or by a subcontractor of the Business Associate of any use or disclosure not provided for by this section of the Contract, any breach of unsecured protected health information, or any Security Incident, it shall notify the Covered Entity of such breach in accordance with Subpart D of Part 164 of Title 45 of the Code of Federal Regulations and this Section of the Contract.
  - (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, or a subcontractor of the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to 45 C.F.R. 164.412. . A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate or its subcontractor. The notification shall include the identification and last known address, phone number and

email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.

- (C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
1. A description of what happened, including the date of the breach; the date of the discovery of the breach; the unauthorized person, if known, who used the PHI or to whom it was disclosed; and whether the PHI was actually acquired or viewed.
  2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
  3. The steps the Business Associate recommends that Individual(s) take to protect themselves from potential harm resulting from the breach.
  4. A detailed description of what the Business Associate is doing or has done to investigate the breach, to mitigate losses, and to protect against any further breaches.
  5. Whether a law enforcement official has advised the Business Associate, either verbally or in writing, that he or she has determined that notification or notice to Individuals or the posting required under 45 C.F.R. 164.412 would impede a criminal investigation or cause damage to national security and; if so, contact information for said official.
- (D) If directed by the Covered Entity, the Business Associate agrees to conduct a risk assessment using at least the information in subparagraphs 1 to 4, inclusive of (g) (16) (C) of this Section and determine whether, in its opinion, there is a low probability that the PHI has been compromised. Such recommendation shall be transmitted to the Covered Entity within 20 business days of the Business Associate's notification to the Covered Entity.
- (E) If the Covered Entity determines that there has been a breach, as defined in 45 C.F.R. 164.402, by the Business Associate or a subcontractor of the Business Associate, the Business Associate, if directed by the Covered Entity, shall provide all notifications required by 45 C.F.R. 164.404 and 45 C.F.R. 164.406.
- (F) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed of a breach have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site and a postal address. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.
- (G) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.

- (h) Permitted Uses and Disclosure by Business Associate.
- (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the HIPAA Standards if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
  - (2) Specific Use and Disclosure Provisions
    - (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
    - (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
    - (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- (i) Obligations of Covered Entity.
- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
  - (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual(s) to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
  - (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (j) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Standards if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (k) Term and Termination.
- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (g)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

- (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
  - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
  - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
  - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- (3) Effect of Termination.
  - (A) Except as provided in (k)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (g)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
  - (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.
- (4) Miscellaneous Sections.
  - (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
  - (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
  - (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
  - (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
  - (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.

- (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
- (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, and the HIPAA Standards.

This document constitutes an amendment to the above numbered contract. All provisions of that contract, except those explicitly changed or described above by this amendment, shall remain in full force and effect.

**SIGNATURES AND APPROVALS**

**999LOG-MED-3 / 12DSS1201QD A1**

The Contractor IS NOT a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended.

Documentation necessary to demonstrate the authorization to sign must be attached.

**CONTRACTOR - LOGISTICARE SOLUTIONS LLC**



Albert Cortina, *Chief Administrative Officer*

1/23/2014  
Date

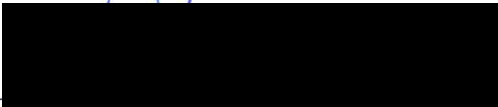
**DEPARTMENT OF SOCIAL SERVICES**



Roderick L. Bremby, *Commissioner*

1/27/2014  
Date

**OFFICE OF THE ATTORNEY GENERAL**



*Joseph Rubin*  
Assoc. / Assoc. Attorney General (Approved as to form & legal sufficiency)

2/3/14  
Date



PSA

Original Contract Number:	955 LOG-MED-03/12DSS1201QD		
Amendment Number:			
Maximum Contract Value:	\$24,796,833		
Contractor Contact Person:	Albert Cortina	Tel:	(404) 888-5800 x457
DSS Contact - Contract:	Andrea Alexander	Tel:	(860) 424-5780
Program:	Judi Jordan	Tel:	(860) 424-5860

**STATE OF CONNECTICUT  
PERSONAL SERVICE AGREEMENT  
("PSA", "Contract" and/or "contract")  
Revised February 2010**

The State of Connecticut DEPARTMENT OF SOCIAL SERVICES  
 Street: 25 SIGOURNEY STREET  
 City: HARTFORD State: CT Zip: 06106  
 Tel#: (800) 842-1508 ("Agency" and/or "Department"), hereby enters into a Contract with:  
 Contractor's Name: LOGISTICARE SOLUTIONS, LLC  
 Street: 1275 PEACHTREE STREET, 6TH FLOOR  
 City: ATLANTA State: GA Zip: 30309  
 Tel#: (404) 888-5800 FEIN/SS#: \_\_\_\_\_

("Contractor"), for the provision of services outlined in Part I and for the compliance with Part II. The Agency and the Contractor shall collectively be referred to as "Parties". The Contractor shall comply with the terms and conditions set forth in this Contract as follows:

<b>Contract Term</b>	This Contract is in effect from <b>11/09/12</b> through <b>12/31/16</b> with <b>3, one year options.</b>
<b>Statutory Authority</b>	The Agency is authorized to enter into this Contract pursuant to § 4-8, 4-98 as applicable, and 17b-3 of the Connecticut General Statutes ("C.G.S.").
<b>Set-Aside Status</b>	Contractor <input type="checkbox"/> IS or <input checked="" type="checkbox"/> IS NOT a set aside Contractor pursuant to C.G.S. § 4a-60g.
<b>Effective Date</b>	This Contract shall become effective only as of the date of signature by the Agency's authorized official(s) and, where applicable, the date of approval by the Office of the Attorney General ("OAG"). Upon such execution, this Contract shall be deemed effective for the entire term specified above.
<b>Contract Amendment</b>	This Contract may be amended only by means of a written instrument signed by the Agency, the Contractor, and, if required, the OAG.

All notices, demands, requests, consents, approvals or other communications required or permitted to be given or which are given with respect to this Contract (collectively called "Notices") shall be deemed to have been effected at such time as the Notice is hand-delivered; placed in the U.S. mail, first class and postage prepaid, return receipt requested; or placed with a recognized, overnight express delivery service that provides for a return receipt. Said notices shall become effective on the date of receipt as specified above or the date specified in the notice, whichever comes later. All such Notices shall be in writing and shall be addressed as follows:

If to the Agency:	STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES 25 SIGOURNEY STREET HARTFORD, CT 06106 Attention: Judi Jordan Attention: Andrea Alexander	If to the Contractor:	LogistiCare Solutions, LLC 1275 Peachtree Street, 6th floor Atlanta, Georgia 30309  Attention: Albert Cortina
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999LOG-MED-02/12DSSI201QD

**CONTRACT FOR THE PROVISION OF STATEWIDE ADMINISTRATION OF THE NON-  
EMERGENCY MEDICAL TRANSPORTATION PROGRAM**

**BY AND BETWEEN**

**LOGISTICARE SOLUTIONS, LLC**

**AND**

**STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES**



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PART I. SCOPE OF SERVICES, CONTRACT PERFORMANCE, BUDGET, REPORTS,  
AND PROGRAM- AND AGENCY-SPECIFIC SECTIONS

A. General

- A.1. The Contractor shall provide the following specific services for the Medicaid non-emergency medical transportation program(s) and shall comply with the terms and conditions set forth in this Contract as required by the Agency, including but not limited to the requirements and measurements for scope of services, Contract performance, quality assurance, reports, terms of payment and budget, and all of the terms and conditions within the exhibits.

B. Term

- B.1. Term - This contract shall be in effect from 11/09/2012 through 12/31/2016, with three, one year options to be exercised at the Department's discretion. Contract implementation will include the first three months of the contract term (11/01/2012 through 01/31/2013) with a target start date of 02/01/2013 to be fully operational.

C. Abbreviations / Acronyms / Definitions

C.1. "Abuse"

- C.1.1. Transportation Provider and/or Contractor practices that are inconsistent with sound fiscal, business or medical practices that result in an unnecessary cost to the State of Connecticut, medical harm to the client, or a pattern of failing to provide medically necessary services required by this contract. (Client practices that result in unnecessary cost to the State of Connecticut also constitute abuse).

C.2. "Action"

- C.2.1. The denial or limited authorization of a requested service, including the type or level of service; the reduction, suspension, or termination of a previously authorized service; the denial, in whole or in part, of payment for a service; the failure to provide services in a timely manner, as defined by the Department; the failure of a Contractor to act within the timeframes for authorization decisions set forth in this contract.

C.3. "Additional Stop"

- C.3.1. All trips have one pickup point and one drop-off point. An additional stop is a pickup point or drop-off point other than the initial pickup and final drop-off points. Additional stops occur when multiple clients are transported during a single trip.

C.4. "Administrative Hearing"

C.4.1. A formal review by the DSS that occurs after the Contractor and a Medicaid member have failed to find mutual satisfaction concerning decisions rendered such as denials, reductions, suspensions, terminations or appropriate levels of service.

C.5. "Agent"

C.5.1. An entity with the authority to act on behalf of the Department.

C.6. "Americans with Disabilities Act (ADA) of 1990"

C.6.1. A comprehensive, Federal civil rights law that prohibits discrimination against individuals with disabilities in employment, state and local government programs and activities, public accommodations, transportation, and telecommunications.

C.7. "Ambulance"

C.7.1. An air or ground vehicle for transporting the sick and injured that is:

C.7.1.1. Equipped and staffed to provide medical care during transit; and

C.7.1.2. For the ground vehicle, operated as a ground ambulance under the authority and in compliance with promulgated regulations of the Connecticut Department of Public Health, Office of Emergency Medical Services;

C.7.1.3. Registered as such by the Department of Motor Vehicles; or

C.7.1.4. For the air vehicle, registered and certified as an air ambulance by an appropriate authority in which the aircraft is located; and

C.7.1.5. May be used for both Emergency and Non-Emergency Transportation purposes.

C.8. "Ambulance Service Types"

C.8.1. "Basic Life Support (BLS) Nonemergency"

C.8.1.1. Basic life support nonemergency (BLS) is transportation by ground ambulance vehicle and the provision of medically necessary supplies and services, including BLS ambulance services as defined by the State. The ambulance must be staffed by an individual who is qualified in accordance with State and local laws as an emergency medical technician-basic (EMT-Basic). The ambulance service and personnel must comply with all relevant CT General Statutes and DPH Regulations, including, but not limited to, the minimal vehicle standards and staffing requirements specified and cited in DPH Regulations Section 19a-179-10 (b) "Basic Ambulance Service." Basic life support level services are those performed by personnel certified in Connecticut as Emergency Medical Technicians (EMT).

C.8.2. "Advanced Life Support, Level 1 (ALS)"

C.8.2.1. Advanced life support, level 1 (ALS) is the transportation by ground ambulance vehicle and the provision of medically necessary supplies and services including the provision of an ALS assessment or at least one ALS intervention. An ALS assessment charge is only relevant and reimbursable in an emergency response, which will not be administered by the Contractor. An advanced life support (ALS) intervention is a procedure that is in accordance with State and local laws, required to be done by an advanced emergency medical technician (AEMT) or Paramedic. The ambulance service and personnel must comply with all relevant CT General Statutes and DPH Regulations, including, but not limited to, the minimal vehicle standards and staffing requirements specified and cited in DPH Regulations Section 19a-179-10 (c) "Mobile Intensive Care-Intermediate Level (MIC-I) Service." Advanced Life Support services are those performed by personnel certified in Connecticut as an Advanced Emergency Medical Technician (AEMT) or Paramedic.

C.8.3. "Ambulance Night Call Prior Authorization"

C.8.4. An ambulance night call prior authorization is a prior authorization for non-emergency ambulance service when the ambulance is dispatched between the hours of 7:00 P.M. and 7:00 A.M. inclusive.

C.9. "Appeal"

C.9.1. A procedure through which clients can request a re-determination of Contractor actions including, but not limited to, service authorization.

C.10. "Appropriate Mode of Transportation"

C.10.1. The least expensive type of transportation that appropriately meets the physical and medical circumstances of qualified NEMT Clients requiring transportation to a Medicaid-covered medical service.

C.11. "Assistance"

C.11.1. The physical or communicative help provided by a driver or a person employed by the livery provider to enable qualified NEMT Clients to enter or exit a vehicle or a building and to transfer qualified NEMT Clients to or from the care and custody of the healthcare provider (without such assistance it would be unsafe or impossible for the qualified NEMT Clients to reach the livery vehicle or the medical provider's site).

C.12. "Attendant"

C.12.1. A qualified individual who assists qualified NEMT Clients in the utilization of an authorized mode of transportation and/or assists the client in accessing the services of the medical provider and is present or available to medical personnel during the medical appointment. Services may include physical, communicative or custodial help to enable a client to utilize transportation services and to access medical services (without such assistance, it would be unsafe or impossible for the client to utilize the invalid coach or wheelchair accessible livery vehicle or access the medical services).

C.13. "Authorization"

C.13.1. Prior Authorization: Prior authorization is the determination made by the Contractor where the Contractor verifies eligibility for NEMT services and determines the least expensive, appropriate mode of transportation. This is the primary process for administering the NEMT brokerage service and must be administered when the client status is known at the time of the transportation request and at monthly intervals when the client requests multiple trips that span more than one month. The Department also requires the Contractor to verify appointments before scheduling a trip. This process must be completed prior to the authorization of the NEMT service with the exception of "B" below.

C.13.2. Retro-Authorization: The act of the Contractor reimbursing a provider who in turn reimburses a client for a trip taken during a time when the client was not yet eligible for Medicaid but who DSS later deems eligible based on a grant of retroactive eligibility.

C.14. "Automated Eligibility Verification System (AEVS)"

C.14.1. The sole comprehensive database of the DSS' client eligibility information.

C.15. "Border Hospital"

C.15.1. A hospital that is:

C.15.1.1. Located in an area in a state bordering Connecticut whose location allows it to routinely serve Connecticut residents;

C.15.1.2. Enrolled as and treated as a Connecticut Medicaid provider; and

C.15.1.3. Certified and/or licensed by the applicable agency in the bordering state.

C.16. "Broker"

C.16.1. The Department's contractor that performs Non-Emergency Medical Transportation (NEMT) Program Contractor activities.

C.17. "Centers for Medicare and Medicaid Services (CMS)",

C.17.1. The Centers for Medicare and Medicaid Services (CMS) is a division within the United States Department of Health and Human Services. CMS oversees the Medicaid and State Children's Health Insurance Program (SCHIP) programs.

C.18. "Clean Claim"

C.18.1. A bill or invoice for service(s) or goods, a line item of services, or all services and/or goods for a Member contained on one bill which can be processed without obtaining additional information from the provider of service(s) or a third party.

C.19. "Commissioner"

C.19.1. The Commissioner of the State of Connecticut DSS, as defined in Connecticut General Statutes, Section 17b-3.

C.20. "Contractor"

C.20.1. LogistiCare Solutions, LLC.

C.21. "Critical Care Aircraft"

C.21.1. An aircraft that:

C.21.1.1. Operates as a critical care helicopter or fixed wing aircraft in compliance with promulgated regulations under the authority of the Connecticut Department of Public Health, Office of Emergency Medical Services, or other agency with regulatory authority in another state; and

C.21.1.2. Contains intensive care equipment and medical personnel.

C.22. "Current Procedural Terminology (CPT)"

C.22.1. Codes published by the American Medical Association used to properly bill for services.

C.23. "Data Warehouse"

C.23.1. A data storage system that consolidates data provided by contractors of the Department.

C.24. "Denial of Authorization"

C.24.1. Any rejection, in whole or in part, of an authorization request from a provider for a member.

C.25. "Department"

- C.25.1. State of Connecticut Department of Social Services
- C.26. "Early and Periodic Screening, Diagnostic and Treatment (EPSDT)"
  - C.26.1. Comprehensive child health care services to clients under twenty-one (21) years of age, including all medically necessary prevention, screening, diagnosis and treatment services listed in section 1905 (r) of the Social Security Act.
- C.27. "Effective Date of Eligibility"
  - C.27.1. The Department's administrative determination of the date an individual becomes eligible for Medicaid FFS, HUSKY A, or Medicaid for Low Income Adults.
- C.28. "Eligibility Management System (EMS)"
  - C.28.1. An automated mainframe system operated by DSS to maintain eligibility information regarding Medicaid, State Administered General Assistance, or Voluntary Services members. It also provides fully integrated data processing support for benefit calculation and issuance, financial accounting, and management reporting.
- C.29. "Emergency or Emergency Medical Condition"
  - C.29.1. A medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in placing the health of the individual (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairment to body functions or serious dysfunction of any body organ or part.
- C.30. "Emergency Ambulance Trip"
  - C.30.1. An ambulance trip made because of an emergency which has as its destination a:
    - C.30.1.1. hospital emergency room; or
    - C.30.1.2. general hospital or psychiatric facility where a nonscheduled admission results; or
    - C.30.1.3. general hospital or psychiatric facility where an emergency admission results after qualified NEMT Clients were seen at a hospital emergency room; or
    - C.30.1.4. second facility because an emergency medical service was not available at the original emergency room; or

C.30.1.5. critical care aircraft.

C.31. "Escort"

C.31.1. An individual over the age of 18 who accompanies:

C.31.1.1. A child under the age of 16 in an NEMT vehicle to access medically necessary and medically appropriate services; or

C.31.1.2. An individual of any age who poses a substantiated safety risk to him or herself or others; and

C.31.1.3. Whose service is not paid as a transportation service by DSS.

C.32. "Fee-For-Service" (FFS)

C.32.1. A method of paying providers for health care services in which DSS pays providers directly for each service that they render to a Member.

C.33. "Fraud"

C.33.1. Intentional deception or misrepresentation, or reckless disregard or willful blindness by a person or entity with the action could result in an unauthorized benefit to himself or some other person, including any act that constitutes fraud under applicable federal or state law.

C.34. "Good Cause"

C.34.1. Unanticipated or unexpected circumstances that prevent usual or customary action.

C.35. "Grant of Eligibility"

C.35.1. The status granted by DSS to its client at the time of processing a Medicaid application. Statuses include retroactive, retroactively with ongoing, or ongoing.

C.36. "Grievance"

C.36.1. A written or oral complaint that expresses dissatisfaction with service delivery or any matter other than an "action" as defined herein.

C.37. "Healthcare Common Procedure Coding System (HCPCS)"

C.37.1. A system of national health care codes that includes the following: Level I is the American Medical Association Physician's Common Procedural Terminology (CPT) codes; Level II covers services and supplies not covered in CPT; and Level III includes local codes used by state Medicare carriers.



- C.38. "HP Enterprise Services (HP) formerly known as Electronic Data Systems, Inc. (EDS)"
- C.38.1. DSS fiscal agent contracted to process and adjudicate claims to support the Connecticut Medical Assistance Program with which network providers must enroll.
- C.39. "HUSKY Health"
- C.39.1. Husky Health is the State of Connecticut's public health coverage for eligible children, parents, relative caregivers, senior citizens, individuals with disabilities, adults without children, and pregnant women within the income guidelines. Children up to age 19 may qualify regardless of family income level.
- C.39.2. HUSKY A - Connecticut children and their parents or a relative caregiver with incomes at or below 185% of the federal poverty Level, and pregnant women may be eligible for HUSKY A.
- C.39.3. HUSKY C – Connecticut residents aged 65 or older, or who are aged 18 through 64 and who are blind, or who have another disability, may qualify for coverage under HUSKY C formerly known as Medicaid for the Aged, Blind and Disabled or Title 19. There are income and asset limits to qualify for this program. Net income limits (after deductions) vary by geographic area in Connecticut.
- C.39.4. HUSKY D - Connecticut residents aged 19 through 64 who do not qualify for HUSKY A; who do not receive federal Supplemental Security income or Medicare; and who are not pregnant, may qualify for HUSKY D (Formerly known as Medicaid for Low Income Adults (LIA). There are income limits to qualify for this program which may vary by geographic area in Connecticut.
- C.39.5. The NEMT benefit is not available to HUSKY B or Charter Oak recipients.
- C.40. "Independently Enrolled Provider"
- C.40.1. A provider with an individual or group practice provider number under which the provider makes claims.
- C.41. "Institution for Mental Disease"
- C.41.1. A hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care, and related services.
- C.42. "interChange (iC)"
- C.42.1. The Department's Medicaid Management Information System operated by HP.
- C.43. "Livery Service"

C.43.1. Prescheduled (not vehicle for hire) door-to-door transportation and assistance, as required, for qualified NEMT Clients to or from the care and custody of a medical provider.

C.44. "Livery Vehicle"

C.44.1. A sedan or van-type vehicle that is:

C.44.1.1. Constructed to carry passengers;

C.44.1.2. Operated under the authority and in compliance with the statutes and regulations of the Department of Transportation and/or a transit district and the Department of Motor Vehicles; and

C.44.1.3. Used for the transportation of ambulatory clients.

C.44.1.4. Drivers of such vehicles must meet transportation statutes that regulate public service operators and must have appropriate DMV endorsed "P" licenses.

C.45. "Medicaid"

C.45.1. The Connecticut Medical Assistance Program (CTMAP) operated by the Connecticut DSS under Title XIX of the Federal Social Security Act and related State and Federal rules and regulations.

C.46. "Medically Necessary /Medical Necessity"

C.46.1. Those health services required to prevent, identify, diagnose, treat, rehabilitate or ameliorate an individual's medical condition, including mental illness, or its effects, in order to attain or maintain the individual's achievable health and independent functioning provided such services are: (1) Consistent with generally-accepted standards of medical practice that are defined as standards that are based on (A) credible scientific evidence published in peer-reviewed medical literature that is generally recognized by the relevant medical community, (B) recommendations of a physician-specialty society, (C) the views of physicians practicing in relevant clinical areas, and (D) any other relevant factors; (2) clinically appropriate in terms of type, frequency, timing, site, extent and duration and considered effective for the individual's illness, injury or disease; (3) not primarily for the convenience of the individual, the individual's health care provider or other health care providers; (4) not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of the individual's illness, injury or disease; and (5) based on an assessment of the individual and his or her medical condition.

C.47. "Multi-Load or Shared Ride"

C.47.1. A ride shared by more than one eligible NEMT Client, prior-authorized by the Contractor in accordance with DSS policies.

C.48. "NEMT Client"

C.48.1. Eligible: A person eligible for services under Medicaid

C.48.1.1. A client who on the date of a medical appointment shows in EMS as "pending" (P) status in a coverage group that is eligible for NEMT. An individual in this status has applied for, but has not yet been determined eligible for, Medicaid under the Connecticut Medicaid Program. The Contractor may bill the Department for services rendered, even if the client goes from a pending status to an active status in that same month; or

C.48.1.2. A client who is currently undergoing Chemotherapy, Radiation or Dialysis and whose eligibility has ended on the last day of the month and has scheduled trips for the above mentioned services for the first week of the on-going month will continue NEMT for these services for the first week of the on-going month.

C.48.2. For purposes of this contract, the term "NEMT client" is synonymous with the terms beneficiary, recipient and enrollee.

C.49. "Non-Emergency Ambulance Trip"

C.49.1. A pre-arranged and prior authorized ambulance trip (including both ground and air ambulance) to a non-emergency medical service.

C.50. "Non-Emergency Medical Transportation ("NEMT")"

C.50.1. Pre-scheduled transportation services for clients to receive or to return from receiving medically necessary and appropriate medical services covered by the State of Connecticut Medicaid program.

C.51. "Non-risk Broker"

C.51.1. An organization contracted with the Department to provide administrative and related services for the Non-Emergency Medical Transportation program, including but not limited to claims payment/management, utilization management, quality management, and benefit information.

C.52. "Normal Business Hours"

C.52.1. Normal business hours for the Contractor will be 8 am to 6 pm, Monday through Friday except for six (6) State holidays: New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, and Christmas Day.

C.53. "No Show"

C.53.1. Client: The failure of a qualified NEMT Client to utilize a scheduled transportation service.

C.53.2. Transportation Provider: The failure of a Transportation Provider to pick up a client as scheduled.

C.54. "Nursing Home"

C.54.1. An intermediate care or skilled nursing facility (ICF, SNF, or ICF/MR) or Chronic Disease Hospital.

C.55. "Operational"

C.55.1. Performance by the Contractor of all major functions and requirements of this contract for all clients.

C.56. "Out-of-Network Provider"

C.56.1. A provider that has not enrolled in the Connecticut Medical Assistance Program Provider Network.

C.57. "Out-of-State Trip"

C.57.1. A trip originating and/or ending outside Connecticut that involves the transport of a patient to or from a medical provider that is neither located in Connecticut nor a border medical provider.

C.58. "Transportation Eligible for Personal Reimbursement"

C.58.1. Transportation in a vehicle owned by a qualified NEMT Client or by a friend, relative, acquaintance or other individual of the client, provided the vehicle is not licensed for commercial carriage. (Individual does not mean communities, companies, corporations, societies or associations). Personal reimbursement payments to an individual offset the cost of the fuel for the operation of a vehicle. Personal Reimbursement does not refer to reimbursement for the "use of" a vehicle covering depreciation and other costs associated with owning a vehicle. The Department may also utilize personal reimbursement for urgent or unusual circumstances that cannot be resolved through the efficient use of other means.

C.59. "Provider Agreement"

C.59.1. The signed written contract or agreement between the Department's NEMT Contractor and the Provider of Transportation services.

C.60. "Provider Enrollment"

C.60.1. The process of the Contractor registering and certifying a provider of transportation services with DSS' certified fiscal intermediary, presently HP Enterprise Services LLC, such that clean claims may be submitted for payment of authorized services.

C.61. "Quality Management"

C.61.1. A comprehensive program of quality improvement and quality assurance activities that provides sufficient evidence to the Department that the Contractor and its employees:

C.61.2. Consistently achieve contract terms and performance standards; and

C.61.3. Provide appropriate, accurate, timely, and professionally-competent information and respectful communication to all NEMT users.

C.62. "Residence" and "Reside(s)"

C.62.1. The Residential address of an NEMT Client, listed in the monthly download of NEMT Client information provided by the Department, or any subsequent revised address provided by the Department; or

C.62.2. The Residential address indicated by or on behalf of a pending client during the transportation reservation process.

C.63. "Service Animal"

C.63.1. Any guide dog, signal dog, or other animal trained to provide assistance to an individual with a disability.

C.64. "Significant Incident"

C.64.1. Any incident that results in serious injury, serious adverse treatment, death of a service user, or serious impact on service delivery as defined by the Department's policies and procedures or any incident that a prudent person could have expected to result in any of the above.

C.65. "Stretcher Van"

C.65.1. Stretcher van service is a regulated mode of NEMT which may be provided to an individual who cannot be transported in a livery vehicle, taxi, or wheelchair van due to being non-ambulatory and must be transported lying flat. Stretcher van personnel are not required or authorized to provide medical monitoring, medical aid, medical care or medical treatment of passengers during their transport. Individual passengers may self administer oxygen.

C.66. "Subcontract"

C.66.1. Any written agreement between a Contractor and another party to fulfill any requirements of a contract.

C.67. "Subcontractor"

C.67.1. An individual (other than an employee of the contractor) or business entity hired by a contractor to provide a specific health or human service as part of a POS contract with the Department as a result of this Contract.

C.68. "Taxi"

C.68.1. A "vehicle for hire" operating as a taxi as under the authority and in compliance with promulgated regulations of the Department of Transportation and/or a transit district and registered as such by the Department of Motor Vehicles.

C.69. "Third-Party"

C.69.1. Any individual, entity or program that is or may be liable to pay all or part of the expenditures for Medicaid furnished under a State plan.

C.70. "Title XIX"

C.70.1. The provisions of 42 United States Code Section 1396 et seq., including any addenda thereto. (See Medicaid.)

C.71. "Transport Time"

C.71.1. The expected shortest duration required to transport an individual from a pick-up location to a drop off location without additional stops.

C.72. "Trip"

C.72.1. The approved and scheduled transportation of an eligible Medicaid Client in an appropriately "permitted" vehicle from an authorized pickup location to an authorized drop off location.

C.73. "Utilization Management"

C.73.1. The prospective, retrospective or concurrent assessment of the necessity and appropriateness of the allocation of health care resources and services given, or proposed to be given, to an individual within the State of Connecticut receiving benefits or entitled to receive benefits under applicable programs.

C.74. "Vehicle for Hire"

C.74.1. A vehicle providing shared transportation, which transports one or more passengers between locations of the passengers' choice. A taxicab, also taxi or

cab, is a type of vehicle for hire, with a driver, for a single passenger, or small group of passengers, typically for a non-shared ride. The fare is generally metered.

C.75. "Waiting Time"

C.75.1. The time that a vehicle is waiting at a medical provider's facility, to which the transportation provider transported the client, in order to transport the client to another destination, during the same trip or the time that a vehicle is waiting at the pick-up location, whether a medical provider's facility or the client's residence, in order to transport to or from a medical appointment.

C.76. "Warm Transfer"

C.76.1. A warm transfer allows the Contractor to transfer the caller directly to the individual who can assist the caller and, when such individual is available, to introduce the call in advance of executing the transfer and remain on the call as a participant.

C.77. "Wheelchair Van"

C.77.1. A motor vehicle (sometimes referred to as a "wheelchair accessible livery van") that is:

C.77.1.1. Specifically equipped to carry persons who are mobility challenged or otherwise rely on wheelchairs; and

C.77.1.2. Used exclusively for the transportation of non-ambulatory patients in wheelchairs that can be appropriately secured for transport according to vehicle and wheelchair design standards; and

C.77.1.3. Registered as such by the Department of Motor Vehicles.

C.77.2. A motor vehicle operated as an invalid coach under the authority and in compliance with promulgated regulations of the CT Office of Emergency Medical Services (OEMS) or alternatively operated as a wheelchair accessible livery vehicle by the Department of Transportation, and registered as such by the Department of Motor Vehicles.

D. Overview of the Non-Emergency Medical Transportation (NEMT) Program

D.1. NEMT services are for persons eligible under HUSKY Health (HUSKY A, C, and D), and individuals who are pending eligibility for Medicaid, to and from non-emergency medical services covered under the Medicaid Program in accordance with section 6083 of the Deficit Reduction Act and applicable regulations.

D.2. The Department enters into this contractual agreement for the administration of NEMT services statewide. The Contractor (Broker) will administer NEMT services as a non-risk, non-risk Broker. Under the non-risk arrangement, the Contractor will pay for

livery, wheelchair as well as for all other NEMT costs, as permitted by DSS, and will be reimbursed for such costs by the Department. DSS will pay ambulance providers directly for NEMT ambulance services. The Contractor's administrative payment will be subject to a withhold that will be released contingent upon the Contractor's ability to meet negotiated performance targets. As an administrative entity, the Contractor will work closely with the Department in the execution of its tasks and shall maintain records and supporting data (including but not limited to client data, trip authorizations, claims data and provider records) in a retrieval and storage mechanism that complies with all Federal and State requirements for a time period that complies with State and Federal record retention requirements.

## E. Contractor Management and Administration

### E.1. Contract Oversight

- E.1.1. The Department shall designate a Contract Manager (hereinafter referred to as "Contract Manager") to oversee management of this contract including the performance of the Contractor.
- E.1.2. The Contract Manager will be the Contractor's first contact regarding issues that arise related to Contract implementation, operations, and program management. The Contract Manager will be responsible for overseeing and managing the Contractor's performance according to the terms and conditions of the Contract; responding to all Contractor inquiries and other communications related to implementation, operations, and program management; and rendering opinions or determinations with respect to applicable state and federal regulations and policies as the need arises and upon request of the Contractor. The Contract Manager will coordinate all necessary contacts between the Contractor and State staff and will review, evaluate, and have the final authority to approve all deliverables prior to the Contractor being released from further responsibility.
- E.1.3. The Department's Contract Administrator shall serve as an agent of the Department at the request of the Contract Manager and will among other things, issue formal opinions with regard to interpretation of the contract, the Contractor's performance under the terms of the contract, and the administration of contract incentives and sanctions;
- E.1.4. The Department may, at its discretion, station one or more of its employees on-site at the Contractor's place(s) of business to provide consultation, guidance and monitoring regarding the implementation of the contract;
- E.1.5. The Department will provide technical assistance and other support to enable the Contractor to perform its functions. Examples of such support include:
  - E.1.5.1. Monitoring the Contractor's performance and requesting updates as appropriate;



- E.1.5.2. Responding to written requests for policy interpretations;
- E.1.5.3. Providing technical assistance to the Contractor as necessary to accomplish the expected outcome;
- E.1.5.4. Allowing access to automated databases as available and permitted;
- E.1.5.5. Allowing access to management and system-generated reports and case files as appropriate;
- E.1.5.6. Scheduling and holding program meetings with the Contractor;
- E.1.5.7. Providing a process for and facilitating open discussions with staff and personnel to gather information regarding recommendations and suggestions for improvement;
- E.1.5.8. Providing monthly and daily updates of Medicaid eligibility files of clients who qualify for NEMT services and other data as required by the Contractor to perform the functions of the program;
- E.1.5.9. Determining and providing pending client information; and
- E.1.5.10. Providing information for clients who have received retro-active grants of eligibility

E.2. Contract Administration, The Contractor shall:

- E.2.1. Comply with the Department's policies, procedures, regulations, and other directions regarding NEMT services which may be amended
- E.2.2. Raise technical matters associated with the administration of the Contract including matters of Contract interpretation and the performance of the State and Contractor in meeting the obligations and requirements of the Contract with the Contract Manager;
- E.2.3. Develop and maintain an "Issue Tracking Mechanism" that enables the Contractor to formally track and manage issues raised by either the Department, the Contractor, or Transportation Providers;
- E.2.4. Provide written response when responding to written correspondence by the Department or when otherwise requested by the Department;
- E.2.5. Address all written correspondence regarding the administration of the Contract and the Contractor's performance according to the terms and conditions of the Contract to the Contract Manager.

E.2.6. Coordinate directly with the appropriate Department representatives as directed by the Contract Manager when issues arise involving clinical care, quality of care, or safety of a member and reporting privacy or security incidents.

E.2.7. Respond to telephone calls from the Department within one (1) business day.

### E.3. Deliverables – Submission and Acceptance Process

E.3.1. The Contractor shall submit to the Department certain materials for its review and approval. For purposes of this section, any and all materials required to be submitted to the Department for review and approval shall be considered a "Deliverable." Deliverables shall include, but shall not be limited to policies and procedures the Contractor shall develop and maintain consistent with applicable regulations that explain and prescribe processes in sufficient detail for the Contractor to administer the NEMT program

E.3.2. The Contractor shall submit each Deliverable to the Department's Contract Manager. As soon as possible, but in no event later than 30 Business Days or such other date as agreed to by the parties in writing, after receipt (not counting the date of receipt) of a Deliverable, the Department's Contract Manager shall give written notice of the Department's unconditional approval, conditional approval or outright disapproval. Notice of conditional approval shall state the conditions necessary to be met to qualify the Deliverable for approval.

E.3.3. As soon as possible, but in no event later than 10 Business Days or such other date as agreed to by the parties in writing, after receipt (not counting the date of receipt) of a Notice of conditional approval or outright disapproval, the Contractor shall make the corrections and resubmit the corrected Deliverable.

E.3.4. As soon as possible, but in no event later than 10 Business Days or such other date as agreed to by the parties in writing, following resubmission of any Deliverable conditionally approved or outright disapproved, the Department's Contract Manager shall give written notice of the Department's unconditional approval, conditional approval or outright disapproval.

E.3.5. In the event that the Department's Contract Manager fails to respond to a Deliverable (such as, to give notice of unconditional approval, conditional approval or outright disapproval) within the applicable time period, the Deliverable shall be deemed unconditionally approved.

E.3.6. Whenever the due date for any Deliverable, or the final day on which an act is permitted or required by this Contract to be performed by either party falls on a day other than a Business Day, such due date shall be the first Business Day following such day.

### E.4. Committee Structure

E.4.1. The Contractor shall coordinate a Quality Assurance Committee with the Department that includes representatives from various health services and community providers to advise the Broker on performance and quality improvement issues and strategies. Representation and membership on the committee shall be subject to the Department's approval. The Quality Assurance Committee shall meet at least quarterly and produce written documentation of committee activities to be shared with the Department.

E.4.2. Following the Department's approval of the initial plan the Contractor shall submit any proposed changes to the approved plan or committee structure to the Department for their review and approval.

E.5. Participation at Public Meetings

E.5.1. The Contractor shall ensure that the Contractor's key person attends, unless excused by the Department, all of the meetings of any body established to provide legislative oversight of this initiative. The Contractor shall make available appropriate Contractor Key Personnel, as directed by the Department, to attend the meetings of various bodies established to provide input into this initiative or related services, including legislative and other public committees with responsibility for monitoring the budget of the Department.

E.6. Cooperation with External Evaluations

E.6.1. The Contractor shall cooperate with any external evaluations or studies as required by the Department including, but not limited to providing data, reports, and making Contractor staff and records available to the outside evaluators.

E.7. Policies and Procedures

E.7.1. The Contractor acknowledges and agrees:

E.7.1.1. The success of the Contractor's performance depends, in part, on the Contractor's development of and application of clear and accurate policies and procedures that reflect functional interpretations of regulations, quality goals and directives; and

E.7.1.2. The Contractor's policies and procedures must be organized and available to allow immediate access by both the Contractor and designated Department administrative staff.

E.7.2. The Contractor will draft policies and procedures with review by the Contractor's Legal department and chief executive officer prior to submission to the Department for its review and approval.

E.7.3. The Contractor will review policies annually

E.7.4. The Contractor will place all policies on the Connecticut website, which will be available for the Department to review and download through a secure portal. The Contractor will notify the Department electronically whenever it has added or revised a policy. The website shall include the current version of the manual and all archived versions of the manual that contain policies in effect at any time following implementation. In addition, the Contractor will provide the Department a printed copy and CD when requested:

E.7.4.1. Date stamp all memoranda and clarifications from the Department upon the Contractor's receipt of such communication from the Department;

E.7.4.2. Develop a system to archive expired or otherwise outdated policies, procedures, memoranda or clarifications with references to current policy, procedure, memorandum or clarification.

E.7.5. The Contractor will supply a complete set of policies and procedures prior to the fully operational start date of the program. Procedures may include but are not limited to:

E.7.5.1. Procedures for managing grievances, complaints and critical incidents;

E.7.5.2. Procedures regarding the refusal of transportation services for NEMT Clients by the Transportation Providers;

E.7.5.3. Procedures regarding the management and documentation of "no-show" pickups differentiating between those occasions when a client does not show for a transport and when a Transportation Provider does not arrive for a pick-up including those late pick-ups in excess of forty-five minutes of the scheduled pick-up.

E.8. Connecticut NEMT Service Operation Location

E.8.1. The Contractor's Connecticut office facility shall house its support staff for the Connecticut Call Center, Transportation Services, Quality Assurance Operations and Administrative Operations.

E.8.2. The Contractor's out-of-state backup Call Center must have full data integration and staff must be trained in Connecticut policies and procedures.

E.9. Operating Hours

E.9.1. The Contractor shall provide NEMT services during health care providers' hours of operation, including extended business hours, 365 days a year. The Contractor shall have sufficient resources to perform all functions during normal business hours and before or after normal business hours including State holidays. The Contractor shall have sufficient staff resources to verify client information and address trip related issues that occur before or after normal business hours

(including State holidays). Such staff may be located off site; however staff must have access to client data and other information to be able to perform their functions; i.e. responding to emergencies that may occur during the course of a scheduled trip. The Connecticut dispatch staff operates daily from 7:00 AM to 6:00 PM. The out-of-state backup center operates from 6:00 PM to 7:00 AM. Supervisory staff operates from 7:00 AM to 6:00 PM while management personnel are on call and are accessible by telephone twenty four hours per day, 365 days per year.

F. Key Personnel, Positions and Staff Resources

F.1. The term "Key Personnel" refers to those individuals who are critical to the operation of the program. The term "Key Positions" refers to the positions related to key personnel functions that are identified in this contract. The Contractor must receive written approval from the Department for changes in key personnel and position prior to such changes being made. All key personnel must understand the NEMT regulations and Client Status definitions and be able to apply the regulations and Client Status definitions to their daily NEMT operations. The Contractor shall:

F.1.1. Designate a full time Program Manager to be responsible for all aspects of this contract and the Contractor's performance with respect to this contract.

F.1.1.1. The Program Manager shall be responsible solely for all Connecticut-based operations, with authority to reallocate staff and resources to ensure contract compliance;

F.1.1.2. The corporate executive and administrative staff shall support the Program Manager with sufficient corporate resources to comply with contractual requirements;

F.1.1.3. The Program Manager must be approved by the Department. Such designation shall be made in writing to the Contract Manager within five business days of execution of this Contract, and notification of any subsequent change of the key person shall be made in writing to the Contract Administrator for approval prior to such change;

F.1.1.4. The Program Manager shall immediately notify the Department's Contract Manager of the discharge of any personnel assigned to this Contract;

F.1.1.5. The Program Manager must demonstrate competence in the understanding and use of applicable Medicaid and NEMT regulations and shall have full knowledge of the requirements identified in this Contract;

F.1.1.6. The Program Manager or designee shall be the first contact for the Department regarding any questions, problems, and any other issues that arise during implementation and operation of the Contract; and

- F.1.1.7. The Program Manager must be on-site in the Connecticut Service Center.
- F.1.2. Employ or contract with a sufficient number of personnel to accomplish the tasks as outlined in this contract.
- F.1.3. Employ or contract with sufficient numbers of medical personnel with a minimum certification of registered nurse to evaluate medical necessity in determining appropriate mode of transportation including but not limited to, reviewing, approving and arranging chair vans, non-emergency ambulance services and other types of restrictive transportation services for clients. The medical personnel will also evaluate decisions of closest-appropriate healthcare provider and will discuss such decisions with the client and/or healthcare provider, as appropriate.
- F.1.4. Dedicate specific and qualified staff to manage the following key positions and functions as approved by the Department. The Connecticut Program Manager and the Connecticut-based management staff assigned to this program shall include individuals responsible for the following functions. Key Personnel shall mean the person that holds a Key Position:
  - F.1.4.1. Call Center;
  - F.1.4.2. Operations – Network Maintenance;
  - F.1.4.3. Staff Training;
  - F.1.4.4. Prior Authorization, Claims Management, and Transportation Provider enrollment management;
  - F.1.4.5. Quality Management – Utilization Review and Audit: The key person dedicated to Quality Management shall, at a minimum, present experience and competency in evaluating data, drawing inferences from data analysis, and recommending practice or procedural changes based on inferences;
  - F.1.4.6. Data Systems; and
  - F.1.4.7. Medical Review.
- F.1.5. The Contractor's key positions and key personnel must be approved by the Department. Such designations shall be made in writing to the Contract Manager within five business days of contract execution. No changes, substitutions, additions or deletions, whether temporary or permanent shall be made unless approved in advance by the Department, approval of which shall not be unreasonably withheld;
- F.1.6. During the course of the contract the Department reserves the right to require the removal or reassignment of any Contractor personnel or Transportation Provider

personnel assigned to the contract if found unacceptable by the Department. Such removal shall be based on grounds which are specified in writing to the Contractor;

F.1.7. The Contractor shall notify the Department in the event of any unplanned absences of key personnel longer than seven days and shall provide a coverage plan acceptable to the Department.

G. Payments to the Contractor

G.1. The Department will pay the Contractor an administrative payment for the successful performance of administrative services and will reimburse the Contractor based on the submission and approval of invoices for expenses, based on the approved, fixed budget which will result from this competitive bid and subsequent contractual negotiations with the Department. The Department will reimburse the Contractor approved NEMT costs, including:

G.1.1. NEMT costs for livery and wheelchair service paid by Contractor;

G.1.2. Common carrier purchases (bus, train and commercial air);

G.1.3. Payments for personal reimbursements and

G.1.4. G.1.4 Out-of-state (facility to facility) transports. The Department will reimburse the Contractor when properly invoiced for these expenses and when the Contractor provides supportive encounter data in HIPAA compliant form utilizing HCPCS codes as required by the Department.

G.2. The Contractor will not be at risk transportation costs, so long as they are administered in accordance with the terms of the contract and any Department policies and procedures issued to the Contractor and as long as the Contractor maintains adequate records and documentation of all transportation transactions are maintained for purposes of audit. The Department will establish the rates paid to Transportation Providers for non-emergency ambulance, wheelchair van livery services and personal reimbursements and other modes as may be determined by the Department.

G.3. Prior Authorization; The Contractor will prior authorize all NEMT for all modes of transportation (except for transportation provided to clients on a date of service covered by a retro-grant of eligibility). Transportation Providers must receive a prior authorization from the Contractor to receive payment for the transportation they provide to clients for NEMT. Providers may not seek reimbursement from clients of DSS for NEMT. The Contractor and the Department will work together to approve or secure air ambulance or certain out-of-state and out-of-network transports. The Contractor will respond to requests for the prior authorization of non-emergency ambulance transport (including those for pending clients") within a time frame established by the Department. Such time frame shall not be less than that required by statute for a request from a client (or medical provider including ambulance providers

acting on behalf of a client) by either granting or denying the request in accordance with the Department's established policies and regulations.

G.4. Claims: The Transportation Providers (livery, wheelchair, ambulance) will submit their claims to the Contractor. The Contractor will verify the accuracy and validity of the claims and will pay the livery and wheelchair claims with reimbursement from the Department. The Contractor will submit clean claims for NEMT ambulance services to HP for payment on behalf of the Transportation Providers. The Contractor will arrange out-of-state transportation, paying for those services and submitting an invoice to the Department for reimbursement. The Contractor will also pay for claims for clients who are pending and thereafter will submit an invoice to the Department for reimbursement for such payments. The Department will reimburse the Contractor for costs incurred as permitted herein for clients who are pending and are listed and identified on monthly and daily files provided to the Contractor or when the Department has prior approved and verified the status of such individuals, including clients who are pending but require ambulance transportation. The Contractor will not be at risk for NEMT costs, so long as they are administered in accordance with the terms of the Contract and Department policies and adequate records and documentation of all transportation transactions are maintained for purposes of audit.

G.4.1. The Department will reimburse the Contractor for livery and wheelchair NEMT claims paid by Contractor and not pre-funded by the Department (see Section XX.2.1) when the Contractor invoices the Department for these expenses and provides supportive encounter data in HIPAA compliant form as required by the Department. Department shall reimburse Contractor for transportation provider claims paid by Contractor within thirty (30) days of receipt of Contractor's monthly invoice and electronic encounter file.

G.4.2. The Contractor will submit a daily file with trip detail and a Contractor issued Prior Authorization number for each trip to HP to pay NEMT ambulance providers for transportation provided to eligible clients. The Contractor will operate and maintain a HIPAA compliant electronic authorization mechanism that is compatible with the HP system to manage the ambulance authorizations for claims. HP will process NEMT ambulance provider claims based upon Contractor's Prior Authorization of the trips and will send the payment directly to those enrolled ambulance Transportation Providers.

G.4.3. The Contractor will facilitate and assist in-state livery providers' enrollment with the Department as a CMAP Provider through HP. Livery and NEMT ambulance providers will submit claims to the Contractor. The Contractor will pay the claims from livery providers before sending the electronic encounter data to the Department in a HIPAA compliant format.

G.4.4. The Contractor will reimburse individuals and purchase various forms of bus passes, train and commercial air tickets when those forms of transportation are the least expensive and most appropriate form of transportation. The Department will reimburse the Contractor for common carrier purchases (bus, train and commercial



air), and payments for personal reimbursements and out-of-state (facility to facility) transports when the Contractor invoices the Department for these expenses and provides supportive encounter data in HIPAA compliant form utilizing HCPCS codes as required by the Department. The Contractor will facilitate reimbursement to individuals who requested, received and paid for NEMT prior to the client's receipt of a retro-active grant of eligibility.

- G.5. Utilization Review: The Contractor will perform utilization review functions according to policies and procedures approved by the Department to confirm certain categories or percentages of recipients have appointments for Medicaid covered service for which transportation services are arranged. For example, for "urgent" NEMT requests the Contractor shall audit claims for transportation from providers to verify that transportation was arranged in accordance with contractual requirements and Department policies and performed within acceptable performance standards. The Contractor will implement systematic efforts to avoid unnecessary costs.
- G.6. Prohibitions 42 CFR 440.170: The Contractor (including their contractors, owners, investors, Boards of Directors, corporate officers, and employees) is prohibited from
  - G.6.1. Being an owner, full or part, of an organization participating in the Medicaid Program as a Transportation Provider or having an equity interest or involvement in the management of the organization or entity.
  - G.6.2. Participating in any activity that could present a conflict of interest including, but not limited to, utilizing the transportation services of a corporate affiliate or arranging transportation services for a corporate affiliate that provides covered medical services for eligible clients.
  - G.6.3. Contracting with Transportation Providers who have been terminated from the Medicaid Program for fraud or abuse or who have been disallowed from Federal or State contracting.
  - G.6.4. Providing Non-Emergency Medical Transportation, (NEMT) services or making a referral or subcontracting to a transportation service provider if:
    - G.6.4.1. The Contractor has a financial relationship with the Transportation Provider as defined at § 411.354(a) with "transportation Contractor" substituted for "physician" and "nonemergency transportation" substituted for "DHS"; or
    - G.6.4.2. The Contractor has an immediate family member, as defined at § 411.351, that has a direct or indirect financial relationship with the Transportation Provider, with the term "transportation Contractor" substituted for "physician."
  - G.6.5. Withholding necessary NEMT from a Medicaid recipient or providing NEMT that is not the most appropriate and a cost effective means of transportation for that recipient for the purpose of financial gain, or for any other purpose.

G.7. Transportation Providers § 440.170 (a) (4) (i): The Contractor ensures the Department that the Transportation Providers (drivers and vehicles) contracted to provide services will be appropriately licensed or certified by the Department of Transportation (DOT), the Department of Public Health (DPH) and the Department of Motor Vehicles (DMV) at the time of execution of the Transportation Provider Agreement (TPA) with the Contractor and throughout the term of the TPA with the Contractor and that the Contractor will monitor such licensure or certification.

#### H. Contractor Access to Client Eligibility Data

H.1. Department Responsibilities: The Department shall

H.1.1. Produce and supply to the Contractor a weekly roster file and daily file updates of eligible NEMT Clients. The files will be in a format specified by the Department and will identify the specific services for which the client eligibility. The Contractor will accept the weekly and daily files to identify each client's eligibility for NEMT services when evaluating the request for NEMT services;

H.1.2. Train Contractor staff to use Eligibility Management System (EMS) data;

H.1.3. Provide the Contractor access to the Department's Automated Eligibility Verification System (AEVS); and

H.1.4. Verify client status when the Contractor calls the Department to confirm such status.

#### I. NEMT Eligibility Categories:

I.1. Individuals who are eligible for the NEMT service include all Medicaid Clients including HUSKY A, C and D and those who are identified within the Department's EMS system as having "Pending" or "Spend-down" status in those programs. Individuals whose application for benefits has been denied or who have been closed in the Department's EMS are not eligible for NEMT.

I.2. For purposes of NEMT service eligibility, any individual who is deemed eligible for Medicaid is eligible for NEMT services as of the date of eligibility for Medicaid until they lose their benefit. Clients must reapply for their benefits on an annual basis. When clients fail to reapply as required, they lose their benefits. For some clients the interruption of benefits is temporary. When they reapply (assuming that they are deemed eligible) the Department restores their benefits. The interruption of benefits can be problematic for effectively managing NEMT services especially for individuals who require reliable NEMT services to receive critical ongoing services listed below. To prevent potentially catastrophic health consequences for individuals who require on-going (pre-scheduled) NEMT but who have lost eligibility or are about to lose eligibility, the Contractor will:

- I.2.1. Remind clients to reapply 30 days prior to their scheduled benefit expiration. The Department and the Contractor will jointly develop a mechanism to alert the Contractor of renewal deadlines;
- I.2.2. Provide pre-scheduled trips for the services listed below for one week following the end of the month where eligibility was lost during the last two weeks of the prior month:
  - I.2.2.1. Dialysis
  - I.2.2.2. Chemotherapy
  - I.2.2.3. Radiation therapy
  - I.2.2.4. Post-operative medical appointments
  - I.2.2.5. Stroke-related services
  - I.2.2.6. Oncologist visits
  - I.2.2.7. Cardiologist visits
  - I.2.2.8. HIV-related services
- I.2.3. Inform the client of their loss of benefits and their need to arrange alternate transportation.
- I.2.4. Residents of Connecticut: The majority of the eligible clients will reside and receive services within the State of Connecticut, however, a small number of Connecticut Medicaid Clients reside and receive services in other states under the supervision of the Department of Children and Families. DCF supervised children located in out-of-state facilities or with foster parents will receive transportation from those facilities or foster parents with whom they are placed. Transportation for parents or guardians to participate in out-of-state treatment may be available when the treatment meets Connecticut Medicaid requirements and the parent or guardian is a Connecticut resident domiciled in Connecticut. Also, some individuals hospitalized out-of-state may require transportation to a secondary facility. NEMT services through the Contractor will serve as a transportation backup for those individuals.
- I.2.5. NEMT Service Limitations and Restrictions:
  - I.2.5.1. NEMT service for eligible recipients is authorized for transportation to Medicaid Covered Medical services when the Contractor has confirmed that:
    - I.2.5.1.1. The eligible client has no viable personal transportation resources;

- I.2.5.1.2. The healthcare provider of such services is the "nearest appropriate provider of medical services." Conn. Agencies Regs. 17-134d-33(e) (2) (B)
- I.2.5.1.3. The trip is for a Medicaid covered medical service which is paid by Medicare or the Veteran's Administration or another third party (individually or collectively identified as a TPL provider). When this occurs, the nearest TPL provider of such services for Medicaid purposes is considered to be the nearest appropriate provider, irrespective of the actual distance between the client's residence and the provider's location.
- I.2.5.1.4. The trip is not solely for the purpose of picking up a prescription or a written prescription order, Conn. Agencies Regs. 17-134d-33(e) (3) (D), or solely for the purpose of picking up "an item [that] does not require a fitting." Conn. Agencies Regs. 17-134d-33(e)(3)(F).
- I.2.5.1.5. The trip is for Medicaid Clients who are under 21 years of age (and not for individuals 21 and older) for services provided by the following independently enrolled providers: chiropractors, naturopaths, psychologists, physical therapists, occupational therapists and speech therapists. An independently enrolled provider is one with an individual provider number or group practice provider number under which the provider makes claims. (Trips will be authorized for services from these providers for clients under age twenty-one, as required by the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) program).
- I.2.5.1.6. The trip is not to or from an Institute for Mental Disease for an individual between the ages of 22 and 64.
- I.2.5.1.7. The trip is not to or from a secure correctional or detention facility.
- I.2.5.1.8. For nursing home patients, transportation to a medical service shall not be paid:
  - I.2.5.1.8.1. If the medical service is one that the nursing home is required to provide as part of the per diem payment to the home; or
  - I.2.5.1.8.2. If the service is one connected with the admission physical, annual physical or dental exams required by the public health code.
- I.2.5.1.9. The trip is not for a relative or a foster parent of an eligible Medicaid recipient, unless the person needs to be present at and during the medical service being provided to the patient. For example, when family therapy is being provided to a child, the parent may be transported to the therapy service.

I.2.5.1.10. The trip is not for services that are not approved, which require prior authorization by the Department that have not been approved.

I.2.5.1.11. The trip is not to transport a recipient who is a hospital inpatient to any medical service outside the hospital except for a computerized axial tomography (CAT) scan and/or for magnetic resonance imaging (MRI). Transportation for these services is covered only when the services are not available in the hospital where the recipient is inpatient.

I.2.5.1.12. The trip is not for a relative or a foster parent of a recipient who is a hospital inpatient, unless the person needs to be trained to provide unpaid health care in the home to the recipient. Without this health care being provided the recipient would not be able to return home.

I.2.5.1.13. The trip is not for a family member who is not a resident Connecticut.

#### J. Contractor Responsibilities for Client Services

- J.1. The Contractor shall authorize all NEMT services through a formal prior authorization evaluation and verification process; authorize trips and appropriate reimbursements for eligible clients; authorize payments to Transportation Providers for services provided to those clients who received a retroactive grant of eligibility from the Department but have also paid for transportation during the retroactively covered period.
- J.2. The Contractor shall develop and implement, subject to the Department's approval, procedures to authorize transportation requests including mechanisms to reimburse clients for eligible transportation costs incurred by the client during any period for which the Department retroactively grants them eligibility.
- J.3. The Contractor shall arrange and coordinate the provision of all NEMT services for all NEMT eligible clients to and from approved appointments to receive Medicaid covered medical services whether in-state or out-of-state. Specifically, the Contractor shall:
  - J.3.1. Coordinate (when required) the transportation of eligible clients who are temporarily located in out-of-state residential treatment facilities and may require transportation upon discharge.
  - J.3.2. Coordinate (when required) the transportation of eligible clients who require transportation from a Connecticut hospital to an out-of-state facility or from an out-of-state facility to a Connecticut facility or home at the request of the Department.
  - J.3.3. Coordinate the non-emergency medical ground and air transportation of individuals who are residents of Connecticut but must receive medical services out-of-state. Some individuals require specialty treatment at medical facilities or hospitals in other states when those services are not otherwise available in Connecticut.

J.4. The Contractor shall verify eligibility for NEMT services during the reservation process by:

J.4.1. Maintaining and applying a methodology to verify client status for the purpose of performing NEMT service authorization requests for eligible, "pending," and "spend-down" clients;

J.4.2. Determining whether the intended client of the requested NEMT service is eligible for coverage of the NEMT service using the most recent status file supplied by the Department displayed in the Contractor's LogistiCAD management system;

J.4.3. Validating status through the web-based interface with the Department's AEVS when the Contractor is unable to validate eligibility by accessing the file;

J.4.4. Using the unique Client Identification Number assigned by EMS to identify each eligible person. EMS will assign a unique identification number for all individuals covered by this contract;

J.4.5. Verifying the clients' eligibility status at the time of the reservation request and during the service month but at least two business days prior to the date of the transportation, when the reservation request is for rides for the following month. The Contractor shall notify clients who have lost eligibility that their NEMT service will be terminated; however, the Contractor shall provide transportation for one additional week for critical health care services when the client loses eligibility during the last two weeks of a month. The Contractor shall notify the client within one business day after comparing daily files for changes in eligibility Contractor that future trips will be terminated until such time as the client regains eligibility; and

J.4.6. Attempting to contact the client as expeditiously as possible through a personal telephone conversation or through regular mail, appropriately recording the notification method, for those clients who lose eligibility but have a pre-scheduled trip from a prior month. The Contractor shall report (in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements) to the Department all clients who have lost eligibility but have had prescheduled transportation and whose transportation arrangements have been terminated and shall provide evidence of having notified the client.

J.5. The Contractor shall collaborate with the Department to examine and develop NEMT management strategies for individuals who lose their eligibility, but continue to require NEMT.

K. Transportation Request Approval Process (Core Competencies)

K.1. The Contractor shall receive and process all requests for NEMT services for eligible clients. The Contractor's decisions to authorize NEMT services shall be based on the Department's definition of Medical Necessity. A client who requires NEMT to obtain an authorized covered Medicaid service must call the NEMT Contractor to request

transportation with sufficient advance notice to enable the Contractor to schedule and arrange the least expensive and appropriate mode of transportation. The Contractor shall require a minimum of five business days to purchase and mail bus passes and tickets. The Contractor shall require at least two business days notice, to schedule and arrange livery and wheelchair van transportation. The Contractor shall waive the notice limitation when a client requests transportation for urgent medical care and the Contractor is able to verify the urgent nature of the request. Ambulance providers or hospitals or nursing homes calling on behalf of their eligible clients or clients who are pending (refer to definition "NEMT Client") must request prior authorization from the Contractor before providing the transportation.

- K.2. The Contractor is responsible for responding to client requests in a timely manner, appropriately evaluating the request, and for ensuring timely and appropriate transportation to medically necessary services for eligible clients.
- K.3. The Contractor must "document" certain actions and decisions as further defined. Documentation refers to the preparation of a statement that memorializes, explains or verifies certain information. The Contractor must document and record its action and in some instances, the reasons for its action. Documentation may take the form of an entry in a data system, paper documents and electronically recorded messages or other data. The Contractor must apply Department approved policies for requiring clients or medical providers to supply documentation including the type of documentation (paper, electronic, recording, etc.). When the Contractor requires a medical provider to "document" information to verify closest appropriate provider or to justify a particular mode of transportation, the Contractor may utilize the following legitimate methods depending on the circumstances: 1) A written document with a medical provider's explanation and signature, or 2) An oral (recorded) statement from a medical provider or his or her representative, which the Contractor will enter into its data system appropriately referenced. The method selected for documenting the information should reflect the least burdensome approach (for medical provider and Contractor) while gathering the needed information. Nonetheless, the Contractor must exercise due diligence in ensuring that the information provided accurately reflects the client's need. The Contractor shall require a signed written statement attesting to the medical necessity of a livery service from the medical provider when the medical provider and the Contractor disagree on the level of service or mode of transportation.
- K.4. To achieve appropriate and efficient service the Contractor shall include the following steps and processes when responding to requests for NEMT service:
  - K.4.1. Two Business Days' advance notice for livery and wheelchair van; five business days notice for public transportation - The Contractor shall:
    - K.4.1.1. Determine whether a qualified client's request for NEMT provides at least two business days notice to schedule the transportation. If the request for transportation is less than two business days, the Contractor may waive the two business day notice requirement for "Good Cause" or in response to an urgent medical need. When waiving the notice requirement to meet an urgent

medical need, the Contractor shall make a good faith effort to confirm the nature of the medical need by contacting the medical provider. When the urgency of the medical need cannot be established because the medical provider is available on an unscheduled basis such as an urgent care center or a clinic, or the medical provider is either unable or unwilling to provide the information, the Contractor should assume the request is for an urgent need based on the client's statement. In all other instances the Contractor shall evaluate the request noting the reasons for either providing or denying the request. The Contractor shall waive the two business day notice when the Contractor has determined that there is Good Cause to do so. Examples of "Good Cause" include: (1) personal vehicle is not available unexpectedly, or (2) the client unexpectedly has no money for gasoline for his or her own vehicle, or (3) an earlier appointment for services becomes unexpectedly available, thereby allowing the client to be seen earlier. Otherwise, the Contractor shall issue a Notice of Action when it denies the request because of the client's failure to provide at least two business days notice for livery or wheelchair van or five business days for public transportation.

K.4.2. Verification Process -The Contractor shall:

- K.4.2.1. Verify the client's eligibility for transportation services is consistent with Medicaid and the Department policy on the date of service request and on the date of service through:
  - K.4.2.1.1. An examination of the Department's daily and weekly data file provided to the Contractor;
  - K.4.2.1.2. An examination of the Department's AEVS for clients when the client's name is not shown on the daily or weekly data files;
  - K.4.2.1.3. An examination of the Department's EMS for client's eligibility;
  - K.4.2.1.4. Contact designated Department staff to verify eligibility or other status when the client's eligibility cannot be verified as outlined in steps above;
  - K.4.2.1.5. Conducting initial eligibility verification on the date of the request;
  - K.4.2.1.6. Conducting subsequent eligibility verification during the service month if the transportation is scheduled for a date in a month other than the month in which the client requests the service;
  - K.4.2.1.7. Notification to the Department of those clients who have scheduled trips and who become ineligible for the month in which the service is requested;
  - K.4.2.1.8. Notification to the client of their ineligibility and the Contractor's intent to cancel the trip. For certain clients with ongoing urgent medical needs



the actual date for cancellation may be extended for a limited period to allow the client to submit to his or her eligibility worker additional evidence supporting his or her eligibility. On-going urgent medical needs include appointments for dialysis, chemotherapy, or under other circumstances as determined by the Department. For purposes of this section, the notification will be considered a courtesy notice not subject to a formal Notice of Action as described in Section JJ of this Contract, Notices of Action;

- K.4.2.1.9. Canceling the advance transportation reservation for those clients who become ineligible; and
- K.4.2.1.10. The Contractor may bill the Department for the cost of a trip scheduled through an advanced transportation reservation and provided to a client who is deemed pending if the Contractor confirmed the client's status with the Department in advance of the transportation.
- K.4.2.2. Verify that the transportation requested is to and/or from a Medicaid program covered service and that it otherwise complies with the Department's regulations concerning covered and non-covered services. The Contractor will develop and implement a methodology to assure that each customer service representative is following the approved process. The service verification process may include a review by the Contractor's Registered Nurse of information provided by the referring healthcare provider and other resources available to the Contractor.
- K.4.2.3. Verify that the client has no other means of transportation;
  - K.4.2.3.1. For purposes of this requirement, HUSKY Health clients are required to avail themselves of the same mode of transportation that they use to carry out activities of daily living. The Contractor may deny NEMT to a client who has his or her own means of transportation and that means of transportation is operable and is available to the client. The Contractor shall make a due diligence effort to verify that the client has no other means of transportation.
  - K.4.2.3.2. The Contractor shall provide NEMT services for clients who have access to their own means of transportation but due to unexpected circumstances at the time the service is required, are unable to rely on their own resources or arrangements from other family or friends or volunteers. In the event that the client has an inoperable vehicle or lacks the resources to operate the vehicle, the Contractor may offer the client the ability to receive reimbursement for mileage in order to enable the client to use his or her own vehicle or to obtain transportation from a volunteer, friend or family member. Otherwise, the Contractor shall offer the lowest cost appropriate mode of transportation. However, personal reimbursement shall be subject to appropriate validation procedures to

prevent abuse. Examples of circumstances where a client has a vehicle, but also may require NEMT support services include:

- K.4.2.3.3. the client has a medical condition that prohibits his or her operation of the vehicle and there is no other licensed operator in the household
  - K.4.2.3.4. the household has a vehicle, but another member of the household uses the vehicle for employment purposes that conflict with the medical appointment.
  - K.4.2.3.5. The expense of frequent and regular use of a personal vehicle or the distance required to travel to the medical provider exceeds fifty dollars (\$50) per month in fuel costs.
- K.4.2.4. Verify the client's address to ensure correct pick-up and drop-off locations and to ensure the safety of clients. When a client claims a different address from that which the Department provides, the Contractor must take reasonable effort to ascertain the validity of the alternate address. Such an alternate address may be valid for many reasons including, but not limited to, the fact that the Department's data file may not accurately reflect the current address for the client; the individual may be residing in a relative's home for post-surgery care, the person is homeless and must move from one shelter to another, etc. Given these descriptions of real circumstances, the Contractor must take such steps to provide these individuals, who have no other means of transportation, the necessary transportation for their appointments. To perform this function, the Contractor shall:
- K.4.2.4.1. Examine the Department's data file;
  - K.4.2.4.2. Contact the Department and defer to the Department's verbal decision when the address given by the client is inconsistent with the Department's data listing when the client claims a different address from the address listed in the data file. The Contractor may accept requests for transportation on an exception basis when the client provides a temporary alternative addresses. Acceptable temporary alternative addresses include, but are not limited to:
    - K.4.2.4.2.1. Addresses of a family member or friend when the client is discharged from a hospital or day surgery and requires recovery assistance;
    - K.4.2.4.2.2. Addresses of shelters;
    - K.4.2.4.2.3. A nursing home address instead of the actual community residence address (mailing address);

K.4.2.4.2.4. Other addresses necessitated by circumstances that have been approved by the Department; and

K.4.2.4.2.5. The establishment of "emergency" drop off locations and contact procedures for children.

K.4.2.5. Verify the client's appointment when reasonable considering such factors as medical urgency or cost effectiveness of the mode or the frequency of the transportation. The Contractor shall accept a client's request for "urgent" transportation without appointment verification when the practice of the facility or medical provider is to accept clients without appointments, i.e walk-in/urgent care clinics. The Contractor may verify multiple regular appointments to recurring appointments such as dialysis treatments or methadone treatments with a single verification per month. The Contractor may only deny or obstruct the transportation request if the Contractor has exercised due diligence and has determined the appointment is not urgent and/or not recurring. The Contractor will be a "Business Associate" under HIPAA guidelines and as such will be able to request appointment information to transact activity on behalf of Medicaid Clients. The Contractor is authorized to use Personal Health Information to perform a function, service, or activity for the Department or to help the Department perform certain activities. In verifying the appointment with the medical provider, the Contractor shall obtain and record the medical provider's National Provider Identifier (NPI) number whenever possible;

K.4.2.6. Assess and provide the most cost-effective and least expensive mode of transportation including:

K.4.2.6.1. Establishing a client's ability to utilize the least expensive appropriate mode of transportation through direct inquiry with the client whenever possible and when the least expensive mode cannot be reasonably determined through inquiry with the client; obtain justification through a medical professional of an appropriate mode

K.4.2.6.2. Evaluating the appropriateness and cost effectiveness obtaining of bus passes for the transportation of eligible NEMT Clients by:

K.4.2.6.2.1. Determining whether clients requesting NEMT services reside near accessible public transportation and whether the medical appointment location is also located near the same or a connecting public transportation route;

K.4.2.6.2.2. Determining that the bus schedule is consistent with the time of the appointment and that the identified bus transportation provides a reasonable mode of transportation considering travel time, transfer time and waiting time both for travel to an appointment and return travel. When scheduling inter-city bus transportation, the Contractor must provide a detailed itinerary for the client explaining pickup and

drop off locations and transfer locations, bus identification, walking distances and time intervals for each bus segment;

- K.4.2.6.2.3. Determining that the client has no medical, physical or other barriers that would prevent the client from utilizing bus transportation. If the client indicates a medical need for a more expensive form of transportation, the Contractor will first attempt to determine the medical limitations based on information provided by the client and then may request medical documentation if the information provided by the client does not substantiate need for higher mode of transportation;
- K.4.2.6.2.4. Determining the appropriateness of a transit pass based on the client's needs and personal situation including the client's medical condition, direct route availability, distance and length of trip, scheduling of medical appointments, and availability of other resources for provision and payment of transport;
- K.4.2.6.2.5. Determining that the client understands how to use public transportation including the ability to read printed material describing bus routes and schedules;
- K.4.2.6.2.6. Determining the least expensive denomination of bus options required to satisfy the client's verified medical transportation needs. A bus pass may take one of many forms including but not limited to: a one ride token, a multi-ride ticket, all day pass, 3-Day, 5-Day, 7-day, 31-day unlimited ride pass. When considering the use of bus pass options, the cost of the pass offered cannot exceed the cost of individual transit trips. Also, the cost of transit passes must be less costly than other modes of travel;
- K.4.2.6.2.7. Re-evaluating the appropriateness of the bus mode of transportation whenever the client's medical need or appropriateness changes.
- K.4.2.6.3. Purchasing transit options in bulk at available discounted amounts and providing them on a need verified basis and denomination;
- K.4.2.7. Verify the closest appropriate healthcare provider.
  - K.4.2.7.1. For purposes of determining closest appropriate healthcare provider the Contractor must apply applicable regulations that shall be provided to the Contractor through the Department. Applicable regulations include, but are not limited to the following:
  - K.4.2.7.2. The Department reserves the right to limit its authorization of transportation to the nearest appropriate healthcare provider of medical

services when it has made a determination that traveling further distances provides no medical benefit to the client. For purposes of this requirement, "nearest appropriate healthcare provider" includes health care providers within a geographic area in which a client conducts his or her activities of daily living. Also, for purposes of this requirement, a client may choose to receive Medicaid covered care and services from any Medicaid enrolled practitioner willing to provide such services. However, the Department is not required to pay the transportation expenses of a client to accommodate the client's free choice when the same Medicaid covered health care service is available closer to the client's residence. For purposes of this requirement all hospitals the Department designates as "border hospitals" must be considered as if they were "in-state hospitals. If the client has been receiving care from a particular healthcare provider and the next request for transportation is to receive a continuation of the medical care for a specific medical condition, the Contractor must schedule the transportation to that healthcare provider. In this scenario, the medical provider that had been providing the service is the closest appropriate provider because the client has an ongoing treatment from a medical provider for an existing condition. If the client had previously received services from a provider who is fifteen miles or further from the residence of the client and the next request for transportation is for an appointment unrelated to the previous service, the Contractor is able to deny the request on this condition if a closer and available healthcare provider exists.

K.4.2.7.3. If a request for transportation is for a healthcare provider that provides service as a part of a team where a number of medical providers must act in consort for a serious issue, such as an organ transplant, the Contractor is unable to deny the service irrespective of the distance to the healthcare provider. In other instances, the availability of healthcare provider may be limited and in certain parts of the state travel to such healthcare providers further than fifteen miles is common. Throughout the term of the contract, the Contractor must employ a registered nurse within its staff to help the Contractor reasonably assess the availability of healthcare provider. Because the availability of providers is not equally distributed throughout the State, the Contractor must be vigilant in how it interprets the "closest appropriate provider" regulation and should implement procedures to avoid arbitrary interpretations.

K.4.2.7.4. The Contractor shall implement procedures and processes to avoid excessive burden of proof on clients who reside in rural areas whose healthcare providers are more likely to be located in excess of 15 miles from the client's residence.

K.4.2.7.5. In evaluating the requirement for the closest appropriate healthcare provider, the Contractor shall:

- K.4.2.7.5.1. Direct the client to an alternative healthcare provider closer in location who will provide an equally appropriate level of service and an appointment appropriate to meet the needs of the client whenever the Contractor believes that the transportation to the alternative closer healthcare provider may be more cost effective. The Contractor may consult with the Department's Medical, Behavioral or Dental ASO;
- K.4.2.7.5.2. Provide the client and or medical provider an opportunity to justify the client's original selection based on the medical necessity for the selected healthcare provider;
- K.4.2.7.5.3. Examine the Connecticut Medical Assistance Program (CTMAP) provider directory for possible alternative healthcare providers;
- K.4.2.7.5.4. Conduct all verification inquiries as expeditiously as possible to accommodate the transportation need within the timeframe available for the medical treatment. The Contractor's verification processes shall not create unnecessary obstructions to receive NEMT services;
- K.4.2.7.5.5. For purposes of this requirement, Contractor shall follow the policies and procedures approved by the Department when evaluating if a healthcare provider located within a reasonable distance from the client's residence can provide an equally appropriate, timely level of service appropriate to meet the needs of the client and may therefore be deemed the "closest appropriate provider." For purposes of this requirement, an established relationship between a healthcare provider and a client is not sufficient by itself to warrant Medicaid financed transportation to the healthcare provider;
- K.4.2.7.5.6. Document the authorization reason when the Contractor authorizes NEMT to a healthcare provider in the transportation database that is not the geographically closest provider. When requiring documentation to establish the "closest appropriate" healthcare provider, the Contractor shall utilize the least burdensome documentation method that also provides the necessary information; and
- K.4.2.7.5.7. Audit on a monthly basis the verification action (listed above in subsections a)-g)) for a random sample of trip reservations.

K.4.3. Transportation Authorization Process - The Contractor shall:

- K.4.3.1. Document all request and authorization transactions in the Contractor's automated transportation database;

- K.4.3.2. Document the authorization reason when the Contractor authorizes transportation to a healthcare provider in the transportation database that is not the geographically closest healthcare provider;
- K.4.3.3. Require clients to request NEMT at least two business days in advance of a scheduled non-urgent appointment. The Contractor may deny NEMT if the client fails to request NEMT services for a scheduled non-urgent appointment at least two business days in advance;
- K.4.3.4. Waive the two business day requirement for "Good Cause." "Good Cause" includes unanticipated circumstances such as (1) a personal vehicle is not available unexpectedly or (2) the client unexpectedly has no money for gas, however, the Contractor shall document such action;
- K.4.3.5. Accept urgent reservations, as medical need dictates either on the day of the request or the following day, based on an appointment given by a medical provider. The Contractor shall confirm the urgent nature of the appointment with the medical provider, when possible, recognizing that client requests for transportation at "urgent care clinics" cannot be verified. Authorizations that need to be performed by a registered nurse may be performed during normal reservation hours;
- K.4.3.6. Accept reservations for NEMT for non-urgent medical appointments during normal business hours and urgent reservations at any time through a staffed back-up Call Center;
- K.4.3.7. Utilize an automated system to schedule and record client trips;
- K.4.3.8. Monitor Transportation Provider dispatching activities to require the following performance:
  - K.4.3.8.1. Waiting time for pickup or delivery shall not exceed fifteen minutes;
  - K.4.3.8.2. Transportation Providers shall drop off and pick up clients at pre-arranged times;
  - K.4.3.8.3. Transportation Providers shall pick up clients for appointments and drop them off at scheduled appointment within no more than a fifteen minute variance from the time scheduled;
  - K.4.3.8.4. Transportation Providers shall pick up clients for return rides within forty-five minutes from the time of the return trip call; and
  - K.4.3.8.5. Transportation duration time shall not exceed fifteen minutes from the expected transportation duration for a single ride from the client's pick up location to the client's drop off location as determined by a standard estimating process.

- K.4.3.9. Report missed pickups, client "no-shows", and cancellations on arrival to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements, and Exhibit D: Reporting Requirements or as may be required by the Department;
- K.4.3.10. Confirm with the client's healthcare provider (when possible), the client's medical need for special transportation services; and
- K.4.3.11. Document its decisions regarding closest appropriate healthcare provider and least expensive mode of transportation including recording reasons for not utilizing the lowest cost Transportation Provider in the Contractor's transportation database.
- K.4.3.12. The Contractor shall perform the core competencies through the use of the following procedural requirements and internal process controls developed by the Contractor. These include:
  - K.4.3.12.1. Method for recording all requests for transportation including those requests that are denied and the oversight of those denials through the Contractor's transportation management system, LogistiCAD and the reporting of those decisions to the Department.
  - K.4.3.12.2. Procedure for determining "closest appropriate healthcare provider" including a process for identifying a closer healthcare provider who is ready, willing and able to provide the medical service by type and specialty as required by the client's needs. Contractor shall follow the policies and procedures approved by the Department and as articulated at K. 4.2.7.5.5 when evaluating if a closer appropriate healthcare provider is available.
  - K.4.3.12.3. Process for authorizing NEMT ambulance including the identification of Medicare and other primary payers;
  - K.4.3.12.4. Process for identifying and coding Medicaid covered services and destinations;
  - K.4.3.12.5. Procedures for evaluating and responding to healthcare provider statements that the provider has an established relationship with the client;
  - K.4.3.12.6. Plan to monitor "on-time" performance including late pick up and drop off and missed pick up; "no-shows," and "on-time performance, corrective action procedures and reporting method to the Department. The monitoring of "on-time" performance will be based on driver logs submitted during the billing process and real time observation. The Contractor will provide the Department "on-time" performance reports;



- K.4.3.12.7. Process for avoiding barriers to transportation service when either the client or the healthcare provider cannot verify the appointment, including those instances when a client is requesting urgent transportation or when a healthcare provider cannot (or will not) verify an appointment (for reasons of law, practice or clerical mismanagement);
- K.4.3.12.8. Process for providing transportation when the client has no permanent residence, or when the individual requests transportation to or from an alternate address for post surgery care, hospitalization or other medical care;
- K.4.3.12.9. The role of its nurse or other medical professional in evaluating the "Medical Necessity" standard for determining least expensive, appropriate mode of transportation and nearest healthcare provider of service;
- K.4.3.12.10. Authorization Process including Approvals, Denials, Appeals, and Notice of Action (refer to Section II of this Contract, Appeals, and Section JJ of this Contract, Notices of Action);
- K.4.3.12.11. Scheduling process and procedures;
- K.4.3.12.12. Dispatching processes and procedures;
- K.4.3.12.13. Plan to evaluate and respond to "Urgent Demand-Response" trips not scheduled in advance;
- K.4.3.12.14. Plan to require pickups within fifteen minutes from the scheduled pickup time including the Contractor's process to verify pickup and drop off times;
- K.4.3.12.15. Plan to record, measure and avoid "missed pickups," "no-shows," and "on-time performance;" and
- K.4.3.12.16. Method to monitor client trip utilization and consistency with the Contractor's scheduled arrangements.

L. Client Outreach – NEMT Information and Coordination

- L.1. The Contractor shall provide a comprehensive NEMT outreach and educational plan and culturally sensitive materials (including printed brochures and electronic brochures for newly eligible clients in local Department offices and other facilities) directed at eligible clients, health care providers and human service agencies. The Contractor shall propose such materials and distribution plan to the Department for its review and approval (prior to distribution) within ninety days (or alternate date as agreed by the Department) from the execution of a contract.
- L.2. At a minimum the materials shall describe for clients and other stakeholders:

- L.2.1. The availability and coverage of NEMT
- L.2.2. Eligibility for NEMT services
- L.2.3. The authorization process:
  - L.2.3.1. Eligibility Verification
  - L.2.3.2. Appointment Verification
  - L.2.3.3. Least Expensive Mode
  - L.2.3.4. Closest Appropriate Healthcare Provider
- L.2.4. How to properly access and use NEMT services:
  - L.2.4.1. Two or five day business day advance notice
  - L.2.4.2. Urgent transportation
  - L.2.4.3. Will Calls" for return trip notification
- L.2.5. Wait times
- L.2.6. Transportation duration time – livery and bus:
  - L.2.6.1. Bus Pass utilization, transfers, distance to bus stop, schedule restrictions
  - L.2.6.2. Bus pass denominations and number of verified appointments as the basis for the denomination
  - L.2.6.3. Inter-urban bus service – when used
- L.2.7. Livery - Description (scheduled – not "vehicle for hire" and not "demand response vehicles") Pickup and Drop Off standards, assignment
- L.2.8. Ambulance Utilization
- L.2.9. Personal Reimbursement on an "exception" basis
- L.2.10. Ride logs: Importance of signing the log
- L.2.11. Phone numbers – "How to contact us"
- L.2.12. Late pick-up: Who to call
- L.2.13. After hours transportation

L.2.14. How to inform the Contractor of Changes in Appointment Schedule or changes in ability to use a bus

L.2.15. Complaints, Significant Incidents

L.2.16. Notice of Action

L.2.17. Appeals and Hearings

L.3. Such materials must be culturally sensitive and written at a seventh grade reading level in both English and Spanish.

L.4. The Contractor shall distribute the materials according to the Department approved distribution plan.

L.5. The Contractor shall produce, print, and distribute 100,000 informational brochures to facilities and other stakeholders according to a plan approved by the Departments.

L.6. The Contractor shall supply the Department brochures to be distributed to the clients by the Department at the time that eligibility is granted or other time as determined by the Department and the Department's acceptance of cost proposal.

L.7. The Contractor shall develop and implement strategies with the Department' approval to work with clients who do not comply with established policies and procedures, such as clients who habitually do not show when the driver arrives to pick up the client at a prescheduled time.

L.8. The Contractor shall collaborate with hospitals, nursing homes, dialysis centers and methadone treatment facilities to achieve NEMT efficiencies. The Contractor will conduct in-service sessions and webinars for healthcare providers regarding NEMT services and to obtain suggestions for program improvement.

M. Client Accommodations, Rights and Cultural Sensitivity

M.1. NEMT services must be available on a non-discriminatory basis to eligible clients irrespective of the regions, communities, or neighborhoods they live in or their age, race, religion, creed, national origin, sexual orientation, gender, ability, health status or based on others with whom they live. The Contractor shall:

M.1.1. Develop written policies regarding client rights. The Contractor shall comply with all applicable State and federal laws pertaining to client rights, privacy and accommodation. The Contractor shall require its employees, subcontractors and network providers to respect those rights when providing services to clients. All employees shall complete annual Utilization Review Accreditation Commission (URAC) Compliance, HIPAA, Diversity, Ethics, and Harassment training. Client rights and responsibilities include, but are not limited to, the following:

- M.1.1.1. The right to be treated with respect and due consideration for the Member's dignity and privacy;
  - M.1.1.2. The right to receive information on NEMT options and alternatives in a manner appropriate to the client's condition and ability to understand;
  - M.1.1.3. The right to refuse NEMT options available;
  - M.1.1.4. The responsibility to request NEMT for only Medicaid covered services;
  - M.1.1.5. The responsibility to utilize the service without interference with the driver or other passengers; and
  - M.1.1.6. The responsibility to be available for livery or wheelchair transport at the time requested and scheduled; and
  - M.1.1.7. The responsibility to notify the Broker when the Client must cancel the transportation.
- M.2. The Contractor shall arrange for the transportation for eligible clients to the nearest appropriate healthcare provider;
  - M.3. The Contractor shall arrange for the transportation for all eligible clients, including those with disabilities. Such accommodations may include but not be limited to providing communication alternatives to persons who are deaf or hard of hearing. The Contractor shall offer complete interpreter services for all language groups and special accommodations for the hearing impaired and shall use telecommunications relay services that provide full telephone accessibility to people who are deaf, hearing impaired, or speech impaired. The Contractor shall also hire bilingual CSRs fluent in Spanish and English to better service diverse populations in Connecticut;
  - M.4. The Contractor shall arrange for the least expensive, appropriate mode of transportation based on the medical condition, needs and limitations of the client established through appropriate means. For a first time appointment this shall include the client's personal statements regarding their ability to utilize a particular mode of transportation. In this instance a clinician would not have been able to assess the medical condition and without the opportunity to assess, the clinician would not be able to validate the client's statement of their ability to utilize a particular transportation mode;
  - M.5. The Contractor shall require transportation companies (drivers) to assist clients entering and exiting the vehicles. Such assistance may include assisting individuals from their homes to the vehicle and from the vehicle to a medical service provider lobby when an escort or an attendant does not accompany the individual; and
  - M.6. The Contractor shall ensure that Transportation Providers and drivers comprehend reasonable accommodations for persons with physical, emotional or limitations of

comprehension. Assistance in this context is not intended as a replacement for an escort or an attendant; however, assistance assumes that certain NEMT Clients may require assistance and that assistance must be provided by the vehicle operator to the extent their liability insurance allows. The Contractor shall determine client assistance requirements at the time the client requests a ride and shall send the information to the transportation provider with the scheduled reservation. The Provider Agreement establishes "door-to-door" as standard livery and wheelchair service, but obligates the provider to supply higher level of service as authorized by the Contractor. The Contractor shall train transportation providers and drivers to understand and respect people who have diverse needs through scheduled training including: special communication sensitivity, passenger safety and passive restraint systems, securing skills and techniques, and passenger-assistance.

#### N. Call Center

N.1. Call Center technology referred to in this contract is an Automated Call Distribution (ACD) system. Clients request transportation services or otherwise obtain or provide information through this technology. The system distributes and manages calls, tracks calls, provides automated information and records voice calls and data. Related technology must record, retrieve and transmit the recorded phone calls electronically to the Department. The Contractor shall implement and maintain a comprehensive, fully functional, inbound and outbound telephone call system including the following characteristics and capabilities.

N.1.1. The use of both staffed lines and an industry standard ACD system to monitor and distribute call volume to staff during regular business hours and transfer calls to an after-hours backup mechanism. The call system shall have the following characteristics and specifications:

N.1.1.1. The ACD system shall provide:

N.1.1.1.1. Menu Options; and

N.1.1.1.2. Sufficient lines to support the volume of calls within the performance standards defined in the contract.

N.1.1.1.3. Sophisticated outbound "Reservation Reminder" IVR service that will deliver a robust, multi-channel communications solution to remind clients of scheduled ride appointments by voice, e-mail, or text message

N.1.1.2. The ACD system capabilities shall include:

N.1.1.2.1. Limited menu ACD including:

N.1.1.2.1.1. Prerecorded information;

N.1.1.2.1.2. Option to accept messages in a voice mail box; and

- N.1.1.2.1.3. Option to talk with a representative or select a known extension.
- N.1.1.3. Translator service connection;
- N.1.1.4. Ability to receive direct and transferred calls;
- N.1.1.5. Ability to transfer calls internally and externally;
- N.1.1.6. Conferencing;
- N.1.1.7. TDD or TTY line, text-telephone device (TTD) or equivalent system to communicate by telephone with hearing-impaired clients;
- N.1.1.8. Overflow capability;
- N.1.1.9. Call back capability;
- N.1.1.10. Data collection and analysis including:
  - N.1.1.10.1. Tabulating and reporting data on telephone calls and surveys for both day-to-day operational management and ongoing service quality monitoring.
  - N.1.1.10.2. Recording all telephone conversations including a method to retrieve such recorded conversations by date, time and employee and a method to store such recordings. Recorded telephone conversations shall remain available for retrieval for six months after the recording unless the Department requests an extended retention prior to the expiration of the retention of such recorded calls for audits, investigations or other purposes the Department shall specify.
  - N.1.1.10.3. After business hours, recorded messages shall provide sufficient and appropriate information regarding regular business hours.
  - N.1.1.10.4. When a staff person is not available for routine calls, a recorded message shall answer every thirty seconds from the ACD call activation during business hours. When calls are not answered within the first fifteen seconds, the ACD shall initiate a recorded message encouraging a caller to remain on the line and assuring a caller that a qualified staff person will answer the call momentarily.
- N.1.1.11. The call reporting system shall include recording and statistical tabulating capability in real time, including at a minimum:
  - N.1.1.11.1. Number of incoming calls;
  - N.1.1.11.2. Number of answered calls by Contractor staff by ACD line;

- N.1.1.11.3. Average number of calls answered by Contractor staff;
  - N.1.1.11.4. Average call wait time;
  - N.1.1.11.5. Average talk time by ACD line;
  - N.1.1.11.6. Percent of routine service calls answered by staff less than sixty seconds after the selection of a menu option;
  - N.1.1.11.7. Number of calls placed on hold and length of time on hold per ACD line; and
  - N.1.1.11.8. Number and percent of abandoned calls. (For purposes of this subsection abandoned calls refers to those calls abandoned after the entire menu selection has been played). The call abandonment rate shall be measured by each hour of the day and averaged for each day.
- N.1.2. Recording all inbound and outbound phone calls except those phone calls for or from employees or classes of employees the Department exempts in writing upon request by the Contractor. Notwithstanding the forgoing, the Department, at its option, may reverse any granted exemption upon written notice to the Contractor. A recording system with redundant power supplies and hard drives and backup DVDs will be used to record all incoming and outgoing calls. which may be searched and retrieved by date, time, length of call, agent ID, queue, and caller ID. and forwarded to the Department.
- N.1.3. A toll-free number and sufficient toll-free telephone lines for callers to obtain NEMT information, customer survey information, and to support clients, provider and related functions outlined in this Contract. Specialty lines include: The Reservation Line. Clients can call this number to arrange for transportation, confirm that a reservation has been made, file a complaint regarding transportation, and cancel a reservation between the hours of 7 a.m. and 6 p.m. EST. If a client calls after hours for a routine reservation, they will be prompted to call back during normal business hours; however, if the request is an urgent, discharge, next-day, or ride assist request, the caller will be prompted to hold for a live CSR. The "Where's My Ride?" Line - Allows clients to call at any time of the day (24x7x365) to find out the status of transportation that may be running late. This line may also be used to file a complaint regarding transportation. Facility Line - immediately connects healthcare providers to the appropriate healthcare coordinator to arrange for pickups and discharges at healthcare facilities as well as to handle other functions related to the healthcare provider's role. Provider Line - a dedicated line used by transportation providers to notify us of changes, ask questions, and report no-shows at any time of the day - 24x7x365.
- N.1.4. Seamlessly transitioning a caller from the ACD to a Customer Service Representative (CSR) for the functions described in this Contract.

- N.1.5. Connecting with a telephonic language translation service when and if necessary, to respond to callers who do not speak English.
- N.1.6. An "emergency" option to allow clients immediate access to staff to manage urgent or emergency issues or to transfer emergency calls to 911 or an appropriate local emergency (ambulance) service as appropriate.
- N.1.7. An after-hours menu option to allow the caller to record messages in a voice mailbox for after hours calls with a call back the next day, and to allow a caller to select an after-hours backup Call Center customer service representative equipped with the same access to data and capacity to record message as the day time ACD.
- N.1.8. Additionally, the system (or separate device) shall allow the Contractor to immediately contact Transportation Providers and shall allow the Transportation Provider to immediately contact the Contractor in the event of an urgent transportation issue arising during the course of an NEMT trip.
- N.1.9. The Contractor's communication and technology systems are constructed with reliable and redundant components so that no single point of failure exists in the control network, including: two media servers; two IPSI circuit packs in each IPSI-connected port network; two Ethernet switches; and two UPS units, voice and data bearer traffic between port networks carried on a Simplex network made up of one Expansion Interface (EI) in each port network. Each night, the system software is backed up to the Contractor's off-site backup center

O. Telephone Call Management – Client Services

- O.1. The Department shall regularly review the performance of the Contractor's call management services and require and review corrective action when necessary.
  - O.1.1. The Contractor shall operate an effective and efficient in-bound and out-bound Call Center with trained staff competent to: Establish client status and eligibility for NEMT services; determine client coverage category; identify the residency of an individual requesting NEMT services, and apply regulatory restrictions to the provision of NEMT services.
  - O.1.2. The Contractor shall have a staffing schedule for "normal business hours" for the daily operation of the Connecticut Call Center based on anticipated call volume and other business requirements. The normal business hours will operate all week days except for six regular state holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day. State holidays will have an alternate staffing schedule to maintain coverage. The normal business hours shall include at a minimum, core business hours from 8:00 AM to 5:00 PM, Local Time, when the Contractor will be available for service to clients, the Department and other stakeholders. The staffing schedule shall include the number



of staff assigned by time of day and day of the week and non-business hours coverage.

O.1.3. The Contractor shall have a plan to monitor after-hours call volume,

O.1.4. The Contractor shall have a plan to adjust staffing when the call volume reaches thresholds proposed by the Contractor and approved by the Department.

P. Telephone Performance

- P.1. The Contractor shall provide telephone service that meets standards of promptness and quality listed below. The determination of violations of performance standards will be based on the Contractor's monthly telephone logs.
- P.2. The Department expects that one hundred percent of telephone calls will be answered within four rings (a call pick-up system that places the call in queue may be used), however the performance standard requirement is 98% of all calls received during each month will be answered within four rings.
- P.3. The performance standard requires the Contractor to maintain a queue of not more than two calls per operator at any time for 98% of the monthly call volume.
- P.4. The wait time in the queue shall not exceed five minutes.
- P.5. The blocked call rate (busy signal) shall not exceed 5% of total calls received during each month.
- P.6. The call abandonment rate shall not exceed 5% of total calls received during each month.

Q. Operations – Network Management

Q.1. NEMT Network Introduction

Q.1.1. The Contractor shall create a broad system for providing the least expensive, medically appropriate form of NEMT to NEMT Clients. The Contractor shall authorize and/or arrange the following types of NEMT in accordance with existing regulations: private automobile, bus, livery, taxi, wheelchair van, stretcher van, train, ambulance, secured transportation containing an occupant protection system that addresses safety needs of disabled or special needs individuals, and reimbursement for volunteers for the cost of transporting individuals and as required in the State of Connecticut Medicaid State Plan or as otherwise approved by the Department. When required, the Contractor shall coordinate air travel through a travel agent and in consultation with the Department. The NEMT system shall include:

- Q.1.1.1. Methods for arranging and reimbursing family members or friends to transport eligible clients when clients have no personal means to transport themselves,
  - Q.1.1.2. Purchasing and distributing appropriate denominations of bus tickets or passes for eligible clients who would be appropriately served by this mode of transportation,
  - Q.1.1.3. A livery and ambulance transportation network,
  - Q.1.1.4. A mechanism for obtaining commercial air transportation and train transportation when necessary and in consultation with the Department, and
  - Q.1.1.5. Other methods that are approved by the Department prior to utilization.
- Q.1.2. Personal Reimbursement - The Contractor shall:
- Q.1.2.1. Develop and maintain a process to reimburse eligible clients for the cost of their transportation to and from covered medical services by friends, or other individuals when such transportation is prior approved and:
    - Q.1.2.1.1. Is available to the client; and
    - Q.1.2.1.2. the client has no other means of transportation or personal resources to use his or her own vehicle; and
    - Q.1.2.1.3. the individual offering to transport the client does so voluntarily and the client voluntarily accepts this alternative form of transportation; and
    - Q.1.2.1.4. the vehicle in which the client is transported has at least the minimum level of liability insurance for operation on Connecticut roads; and
    - Q.1.2.1.5. the rate of reimbursement is the Department's established rate; and
    - Q.1.2.1.6. no less expensive mode of appropriate transportation is available.
    - Q.1.2.1.7. For purposes of determining the mileage to be reimbursed, the Contractor shall utilize the lesser of the mileage submitted by the transportation provider or mileage as determined by a standard or commercial mileage calculator. When a client requires multiple stops, the Contractor may utilize a statement from the client indicating vehicle odometer readings at the beginning and at the end of the trip. The methodology will be subject to the Department's approval
  - Q.1.2.2. Require, as conditions of reimbursement, that the individual submit the following with his or her request for reimbursement:

- Q.1.2.2.1. A statement including the client's name, client identification number, date of service, residential location of the client, name of medical provider, service location of the medical provider, mileage between the client's residence or pick up location (whichever is closer to the medical provider), total amount owed for reimbursement;
- Q.1.2.2.2. A statement signed by the medical provider or other documentation from the provider that the client was seen by the provider on the date of service; and
- Q.1.2.3. Maintain personal reimbursement client based data and report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements: \_ or as may be required by the Department.
- Q.1.2.4. Reimburse the individual in accordance with usual and customary standards applied to other modes of transportation in the Contractor's system.
- Q.1.2.5. Coordinate reimbursement to individuals who have been erroneously billed and have paid for NEMT transportation by livery or ambulance providers.
  - Q.1.2.5.1. The Contractor shall establish and maintain procedures that will require its contracted ambulance and livery providers to reimburse clients for transportation charges the erroneously billed to the client by the provider and for which the client paid. This provision applies to all NEMT Clients;
  - Q.1.2.5.2. The Contractor will reimburse the Transportation Provider for the NEMT services provided to the client at the Department's fixed fee schedule in effect as of the date of service;
  - Q.1.2.5.3. The Transportation Provider will be prohibited from balance billing the client.
- Q.1.2.6. Invoice the Department for actual personal reimbursements made in accordance with the provisions in this section.

R. Bus Tickets and Passes - The Contractor shall:

- R.1. Purchase various denominations of bus tickets for the NEMT needs of clients, but distribute the lowest denomination of bus passes available for the requested and verified trips as of the date of the request. The Contractor shall not utilize more bus passes or a higher denomination of trip pass than is necessary to meet the NEMT needs of eligible clients. At its option, the Department may seek alternative methods to purchase the passes. In either case, the Contractor shall prepare lists of individuals for whom specific denominations of passes are required from the following transit companies: Connecticut Transit, Bridgeport Transit, Estuary Transit, Housatonic

Transit, Middletown Transit, Milford Transit, Northeast Transit, Norwalk Transit, Northwestern Transit, Southeast Transit, Windham Transit

R.2. Evaluate the appropriateness of bus transportation for clients based on current ADA use requirements of  $\frac{3}{4}$  of a mile. The evaluation shall include:

R.2.1. An assessment when required by a qualified medical professional of the medical appropriateness of bus transportation for the client including whether the client has any physical, medical or intellectual barrier to travel by bus.

R.2.2. An evaluation of the utilization constraints of bus transport, ensuring that for those clients directed to use bus transportation that:

R.2.2.1. The client lives within  $\frac{3}{4}$  of a mile from a bus stop given the physical, emotional and intellectual limitations of the client; and

R.2.2.2. The bus also stops within  $\frac{3}{4}$  of a mile from the medical provider given the physical, emotional and intellectual limitations of the client; and

R.2.2.3. The bus route to and from the medical provider is available within a reasonable time from the appointment time; and

R.2.2.4. The route schedule provides additional runs in the event that the client misses a scheduled and intended run; and

R.2.2.5. Inter-city bus schedules permit reasonable times for transfer to and from the appointment.

R.2.3. Prepare all bus passes for distribution to clients in sufficient time for the client to receive such passes. Preparation will include:

R.2.3.1. Verifying the mailing address of recipients;

R.2.3.2. Inserting the pass in an envelope addressed appropriately; and

R.2.3.3. Sorting the envelopes by zip code if appropriate for postal discount.

R.2.3.4. Documenting undeliverable returned bus passes for follow-up.

R.2.3.5. The Contractor shall mail the passes and the cost of postage shall be a pass through cost to the Department. Any corporate allocation, profit margin, or fee shall not be calculated with the inclusion of postage in the total value on which the margin is taken. The Contractor shall submit to the Department an invoice for its cost for the passes and its cost for the postage and envelopes. The Department and the Contractor will pursue optimum purchasing and refund arrangements for non-used passes.

R.2.4. Maintain bus ticket/pass data including client, trip, and bus pass specific data and report to the Department in a form and in a frequency required by the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements\_ or as may be required by the Department.

R.2.5. Provide the Department bus ticket/pass purchases and distribution comparison report in accordance with Section CC of this Contract Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department.

R.2.6. On a monthly basis identify the number of tickets and passes of various denominations purchased, the number of tickets and passes distributed and document bus passes returned as undeliverable.

R.3. Paratransit and Dial-A-Ride

R.3.1. Paratransit van services are provided in all areas of Connecticut with local fixed route bus services for people who are unable to use the local bus system due to their disability in compliance with the terms of the Americans with Disabilities Act (ADA) of 1990. Dial-A-Ride services are available throughout the Connecticut for individuals who are elderly.

S. Train and Commercial Air Tickets - The Contractor shall:

S.1. Purchase train and commercial air tickets when such transportation is the least expensive and appropriate mode of transportation;

S.2. Obtain the Department's prior approval for such purchases;

S.3. Maintain train and commercial air ticket purchase data and report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit E: Reporting Requirements or as may be required by the Department; and

S.4. Invoice the Department for the cost of the actual tickets purchased.

T. Livery and Ambulance Network - The Contractor shall:

T.1. Perform all necessary transportation network development and management functions to meet all of the NEMT needs of NEMT Clients, including non-English speaking clients and disabled individuals who require assistance from attendants or service animals, within the promptness standards defined in this contract.

T.2. Evaluate and determine the capacity need for livery vehicles;

- T.3. Develop Transportation Provider files including HP enrollment documents for each Transportation Provider in the Contractor's network. The Transportation Provider file shall include, but not be limited to, the following:
  - T.3.1. Broker/Transportation Provider Agreement which shall include the provider's enrollment with the MMIS payment system;
  - T.3.2. List of DOT permitted (livery) vehicles by provider with description and Vehicle Identification Number including a copy of the DOT issued permit;
  - T.3.3. List of DPH certified or licensed ambulances and invalid coaches by Provider and a copy of the DPH issued certificate or license;
  - T.3.4. Inspection reports and communication for each vehicle listed in the network;
  - T.3.5. A copy of each vehicle's registration (ambulance, invalid coach, livery);
  - T.3.6. A copy of vehicle insurance with the Contractor named as an additional insured on all policy documents and insurance certificates;
  - T.3.7. A copy of DPH ambulance license and DPH rate schedule (service authorization);
  - T.3.8. A copy of the Transportation Provider's W-9 form;
  - T.3.9. Electronic funds transfer agreement. All in-state Transportation Providers paid by Contractor must have an electronic funds transfer (EFT) agreement with both Contractor and HP. The EFT agreements must be a condition of the Provider Agreement;
  - T.3.10. List of authorized drivers with notices from either party updating the list of approved drivers with dates of acceptance and dates of exclusion;
  - T.3.11. Driver background check review with date of review conducted by the Contractor; and
  - T.3.12. Copies of all formal communication between the Contractor and the Transportation Provider involving payment adjustments and sanctions; performance notices and corrective action; notice of commendation.
- T.4. Provide documentation to the Department of Transportation to support livery providers participation in the Department's NEMT program. Inform the Department of Transportation of adjustments in network composition including, but not limited to, vehicle loss, sale or transfers of business, or disenrollment in the NEMT program;
- T.5. Recruit, enroll, and maintain an adequate network of NEMT Transportation Providers available 24 hours a day, including evenings, weekends and holidays with sufficient vehicle capacity. The Contractor shall not, however allow any Transportation Provider

in the network if the Centers for Medicare & Medicaid Services (CMS) has sanctioned or the Department has prohibited the Provider from participating in the Medicaid program;

- T.6. Utilize livery vehicles (wheelchair vans and cars, and other vehicles) permitted by Connecticut DOT for the purpose of Connecticut's Medicaid NEMT Program;
- T.7. Utilize wheelchair vans (or other vehicles) approved by the Connecticut Department of Public Health (Office of Emergency Services) to provide NEMT services when DOT permitted livery vehicles are not available or are not medically appropriate for the transport of Connecticut's Medicaid NEMT Clients;
- T.8. Utilize other vehicles, including "stretcher" vans and wheelchair accessible taxis or other vehicles as regulated or permitted by appropriate agencies and as permitted by the Department;
- T.9. Contract with ambulance and livery providers to perform such services within acceptable performance standards and at rates established by the Department. The agreements shall include provisions as detailed in Section U of this Contract, Subcontracts / Agreements: Transportation Providers and Support Services;
- T.10. Develop and maintain a regular and on-going process to communicate to Transportation Providers all necessary information concerning trips, quality of service feedback, and necessary problem solving, as applicable;
- T.11. Evaluate the performance of the Transportation Providers according to standards of timeliness, efficiency and customer service;
- T.12. Recommend disenrollment to the Department when livery or ambulance providers fail to perform according to established standards;
- T.13. For purposes of determining mileage, the Contractor shall utilize the lesser of the mileage submitted by the transportation provider or mileage as determined by a standard or commercial mileage calculator.;
- T.14. Provide the Department annual data on the network vehicle capacity including number, condition and mileage of each vehicle by type in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements: or as may be required by the Department;
- T.15. Designate a senior manager to act as the liaison between the Contractor and Transportation Providers and establish regular communication with the Transportation Providers to identify and address outstanding issues;
- T.16. Provide quarterly data to the Department on the network driver capacity Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department;

- T.17. Provide a Transportation Provider additions and deletions report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements on a monthly basis or as may otherwise be required by the Department;
- T.18. Monitor "on time" Transportation Provider performance and issue sanctions when their performance fails to meet performance standards, and provide the Department network performance data including a list of and an examination of delays and missed pick-ups with the causes of such and report to the Department in accordance with Section CC of this Contract Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as otherwise may be required by the Department.

U. Agreements: Transportation Providers and Subcontracts Support Services – The Contractor shall:

- U.1. Clearly identify the performance requirements to achieve the standards and requirements of the NEMT Program and payment procedures in all agreements between the Contractor and Transportation Providers, including ambulance and livery providers. The Transportation Agreements shall clearly describe the functional relationship between the Department's NEMT Contractor, the Department's fiscal intermediary, HP (when applicable), and the Transportation Provider and shall describe the requirements for authorization, claims verification, and claims payment processes. The Contractor shall act on behalf of the Department to perform various functions to administer the NEMT program. The Contractor shall:
  - U.1.1. Determine and authorize the most appropriate and economical mode of transportation for each eligible client requesting non-emergency medical transportation services;
  - U.1.2. Provide network capacity data in a format and in accordance with a schedule approved by the Department;
  - U.1.3. Require all Transportation Providers to comply with all applicable State and Federal laws and regulations, including but not limited to, the Americans with Disabilities Act and applicable laws and regulations related to appropriate certification or licensure requirements for vehicles and drivers;
  - U.1.4. Cooperate in the performance of financial, quality or other audits conducted by the Department or its agent(s);
  - U.1.5. Provide a copy of all subcontracts and provider agreements at least thirty days prior to execution of the agreement for the Department's review and approval;
    - U.1.5.1. All subcontracts shall be written;



- U.1.5.2. All subcontracts shall include any general requirements of Contractor's contract with the Department that are appropriate to the services provided by the subcontractor;
- U.1.5.3. All subcontracts shall provide for the right of any Department staff or other governmental entity to enter the subcontractor's premises to inspect, monitor or otherwise evaluate the work being performed as a delegated duty by the Contractor.
- U.1.6. Obtain NEMT services from out-of-state Transportation Providers if by doing so the Contractor is obtaining appropriate and least expensive transportation service for an eligible client;
- U.1.7. Offer Transportation Providers the opportunity to submit authorization requests electronically and to submit invoices electronically;
- U.1.8. Require Transportation Providers to submit claims and appeal any claims dispute to the Contractor within 90 days from the provision of service, except that in the instance of retroactive authorization, the provider shall have 90 days from the date of the authorization;
- U.1.9. Require the Ambulance Providers to enter into an Electronic Funds Transfer Agreements to receive electronic payments from HP and require the Transportation Providers to enter into a provider agreement with HP;
- U.1.10. Prohibit subcontractors from exercising any fraudulent or abusive practices including but not limited to the provision or receipt of gratuities or kickbacks; offering or making any payment or other form of remuneration, including any kickback, rebate, cash, gifts, or service in kind to the Contractor in order to influence referrals or subcontracting for non-emergency medical transportation provided to a Medicaid recipient.

V. NEMT Provider Enrollment in HP - The Contractor shall:

- V.1. Supply NEMT provider enrollment data and documents as outlined in Exhibit B: NEMT Provider Enrollment Data Requirements or as may be required by the Department;
- V.2. Assist NEMT providers, as necessary, to complete provider enrollment documents;
- V.3. Supply to the Department all enrollment and supplemental documents required prior to the start date of the contract;
- V.4. Submit a signed certification page from the Contractor's subcontract with the Transportation Provider that contains the minimum compliance provisions and assurances. Transportation Providers will not be enrolled in HP without signed contracts with the Contractor:

V.4.1. Following the enrollment of a Transportation Provider, HP will provide the Contractor the livery providers' Medicaid provider number to be used in submitting encounter data the Department or claims to HP.

W. Licensure Requirements - The Contractor shall:

- W.1. Continually monitor enrolled Transportation Providers, drivers and vehicles, and document that they meet licensure or certification requirements and the non-emergency transportation requirements established by the Department of Transportation, Department of Public Health and the Department of Motor Vehicles;
- W.2. Require the drivers of livery vehicles meet livery certification and have a "P" license endorsement by the Department of Motor Vehicles for NEMT payment purposes;
- W.3. Report to the Department those vehicles that are not appropriately licensed, certified, permitted or insured and drivers who are not appropriately licensed. See Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements and;
- W.4. Report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements any trips that were provided in vehicles that were not appropriately licensed, certified, permitted or insured or by drivers who were not appropriately licensed. The Department will recover from the Contractor payments made for individuals transported in inadequately licensed, permitted or insured vehicles or driven by individuals who are inadequately licensed or certified and may seek other fines and penalties as allowed by law.

X. Ride Assignment and Dispatching - The Contractor shall:

- X.1. Assign each ride to an appropriate Transportation Providers;
- X.2. Implement and require providers to utilize an electronic trip assignment/reservation system through which the providers are able to receive and confirm trip reservations and commitments;
- X.3. Assign and monitor rides to ensure that all rides meet promptness and timeliness standards. The Transportation Provider may "multi-load" (transport more than one client at a time); however, the provider may only transport those individuals who have been assigned by the Contractor when transporting HUSKY Health. The provider shall not transport NEMT Clients with non-client passengers, except for those individuals who are required to assist the client and have been identified by the Contractor. The provider shall not transport restricted clients with other clients when the Contractor has restricted or limited clients in multi-loading circumstances;
- X.4. Maintain immediate contact capability with provider dispatchers or other Transportation Provider personnel with the ability to contact and locate drivers and vehicles;

X.5. Report on trip data in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as otherwise may be required by the Department; and

X.6. Evaluate pick-up, drop off and ride duration performance of Transportation Providers and utilize data to influence ride assignments.

Y. Coordination of Service Provision with Volunteer or Service Providers with Transportation Resources - The Contractor shall:

Y.1. Establish relationships with community programs to coordinate transportation for eligible clients served in those community programs;

Y.2. Recruit, contract and establish payment arrangements with traditional and non-traditional Transportation Providers, (providers of transportation as a secondary activity) and volunteers, where feasible and advantageous, including but not limited to Transportation Providers that meet the following requirements:

Y.2.1. Access to permitted vehicles;

Y.2.2. Licensed and approved drivers;

Y.2.3. Transportation service that complies with applicable regulations;

Y.2.4. The cost of such service does not exceed comparable cost for commercial transportation services; and

Y.2.5. Such Transportation Providers meet the Contractor's standards for qualification and performance that are no less stringent than those of the Department.

Z. Safety and Risk Management - The Contractor shall:

Z.1. Implement procedures that will ensure the safety of passengers and drivers;

Z.2. Provide vehicle status and maintenance data in a frequency and format approved by the Department; and

Z.3. Authorize the use of escort(s) or attendant(s) to accompany a client or group of clients who have a need or disability that necessitates the assistance of an escort or attendant including, but not limited to, blindness, deafness, mental illness, or developmental disability.

Z.4. Require escorts or other behavior management conditions when the Contractor has evidence of or a reason to believe that a client has exhibited behavior that may cause a disruption to the transportation service.

AA. NEMT Trip Payment Authorization - Processing and Payment of Claims

AA.1. The Contractor shall:

- AA.1.1. Utilize the Departments established reimbursement rate schedules for NEMT services to be paid to the transportation provider by Contractor;
- AA.1.2. Establish timely filing standards for the payment of NEMT clean claims;
- AA.1.3. Reserve the right to recover payments made for incorrect or fraudulent claims; and
- AA.1.4. Pay for the least expensive, appropriate mode of bus or livery transportation to be reimbursed by the Department.
- AA.1.5. The Contractor (or Department) shall not pay for cancelled calls; no shows for ambulance, invalid coach, wheelchair accessible livery or taxi services; however, the Department and the Contractor shall jointly develop strategies to establish provider specific performance measures of client "no-shows" and to reduce client "no-shows."

AA.2. Non-emergency ambulance transport criteria:

- AA.2.1. The client is bed-confined and a qualified medical professional certifies that the beneficiary's condition is such that other methods of transportation are contra-indicated; or,
- AA.2.2. The client's medical condition, regardless of bed confinement, is such that transportation by ambulance is medically required:
  - AA.2.2.1. The patient's condition requires medical attention during transit which may include, but is not limited to, intravenous drip or suctioning during transport;
  - AA.2.2.2. The patient's diagnosis indicates that the patient's condition might deteriorate in transit to the point where medical attention would be needed; or
  - AA.2.2.3. The patient's condition requires hand and/or feet restraints; or
  - AA.2.2.4. The patient is comatose; or
  - AA.2.2.5. No alternative less expensive means of transportation is available as determined by the Department.
- AA.2.3. Documentation requirements:
  - AA.2.3.1. The Contractor shall obtain documentation of medical necessity from a physician or physician's assistant (PA), nurse practitioner (NP), clinical nurse specialist (CNS), or registered nurse (RN), that attests that they have personal knowledge of the client's condition at the time the ambulance transport is ordered or the service is furnished. The certifying individual must be employed

by the client's attending physician or by the hospital or facility where the beneficiary is being treated and from which the beneficiary is transported;

AA.2.3.2. In all cases, the Contractor must keep the medical necessity documentation on file and, upon request, present it to the Department;

AA.2.3.3. The presence of the signed certification statement or signed return statement does not alone demonstrate that the ambulance transport is/was medically necessary. All other program criteria must be met in order for payment to be made;

AA.2.3.4. The Contractor's medical necessity assessment must concur with the physician's certification of need. In instances where the Contractor's medical personnel disagree with the physician's certificate of need, the Contractor shall seek approval from the Department's Medical Director or designee, unless the Department approves an alternate review process as proposed by the Contractor.

AA.2.4. Origin and destination requirements - Medicaid covers the following ambulance transportation when otherwise appropriate and least expensive mode of transportation is insufficient. This may require prior authorization for the medical service:

AA.2.4.1. From any point of origin to the nearest hospital, Critical Access Hospital (CAH) or Skilled Nursing Facility (SNF) that is capable of furnishing the required level and type of care for the beneficiary's illness or injury. The hospital or CAH must have available the type of physician or physician specialist needed to treat the beneficiary's condition;

AA.2.4.2. From a hospital, CAH, or SNF to the beneficiary's home or residence;

AA.2.4.3. From an SNF to the nearest supplier of medically necessary services not available at the SNF where the beneficiary is a resident, including the return trip;

AA.2.4.4. For a client who is receiving renal dialysis for treatment of End Stage Renal Disease, (ESRD), from the client's home or residence to the nearest facility that furnishes renal dialysis, including the return trip;

AA.2.4.5. Other transport destinations as prior approved by the Department.

AA.2.5. The client requires transportation while prone, but less expensive modes including stretcher van are not available or medically appropriate. The Contractor shall adhere to the following:

AA.2.5.1. Authorization Protocol for Non-Emergency Ambulance

AA.2.5.1.1. Develop, subject to the Department's prior approval, a protocol establishing the criteria for ambulance and livery utilization; and

AA.2.5.1.2. Apply a Department approved PA review protocol to authorize ambulance trips. The protocol shall conform to Medicare ambulance utilization guidelines issued by CMS.

#### AA.2.5.2. Authorization/Claims Mechanism

AA.2.5.2.1. Establish a secure electronic (e-mail) authorization methodology that will enable ambulance providers to request authorization electronically and which will allow the Contractor to provide the ambulance company a response to authorization requests in a timely manner and will allow the Contractor to record subsequent changes in the request including, but not limited to, address changes, number of service (trip) units, days of service, etc.;

AA.2.5.2.2. Provide the Transportation Providers the ability to reconcile trip data and to invoice the Contractor electronically "on-line" for actual trips provided; and

AA.2.5.2.3. Provide the opportunity for Transportation Providers to utilize other methods if they do not have the capability to invoice electronically.

#### AA.2.5.3. Authorization Standards

AA.2.5.3.1. Respond to prior authorization requests from clients and individuals or transportation providers acting on behalf of clients including ambulance providers as expeditiously as possible, including the ability to respond to PA requests on weekends and after normal business hours. When appropriate, the Contractor will authorize round trip authorizations. The Contractor shall respond to NEMT ambulance PA requests within three hours of the request;

AA.2.5.3.2. Review ambulance PA requests and all decisions regarding the utilization of ambulance transportation based on medical necessity and least expensive mode of transportation. The Contractor will document and record all reasons for both approval and denial of ambulance and livery PA requests;

AA.2.5.3.3. The Contractor may authorize "complete" round trips to and from the medical provider and multiple trips to the same healthcare provider for a continuation of the service for the initial need. Trips to regularly scheduled dialysis treatments or regularly scheduled methadone treatments are examples of ongoing trips where the Contractor may approve multiple trips in advance for the same clinical need. The

Contractor must, however, re-evaluate the client's eligibility at the beginning of each month if the multiple trips span multiple months;

AA.2.5.3.4. Apply the Department's rate schedule when providing prior authorization for NEMT services; and

AA.2.5.3.5. Obtain the Department's approval of all out of state requests for NEMT authorizations as expeditiously as possible.

AA.2.5.4. Schedule, as necessary, non-emergency ambulance and livery services. The Contractor will not authorize or arrange emergency ambulance services.

AA.2.5.5. Transportation Provider - Claims Submissions to the Contractor

AA.2.5.5.1. Staff a dedicated phone line for providers Fax Capabilities and require transportation providers to have a fax line to communicate with the Contractor, and for the Contractor to send daily trip lists or single trip assignments to transportation providers; provide a Transportation Provider Web Portal to help manage the flow of information between the Contractor and transportation providers. including: download trip assignments, accept and reject trips, retrieve and manage information about assigned trips, download training materials, bill for completed trips, and access reports and documents necessary to support their relationship with the Contractor; provide to manage their routing, billing, and vehicle and driver compliance tasks

AA.2.5.5.2. Instruct transportation providers regarding requirements for the submission of clean claims and for correcting suspended or denied claims;

AA.2.5.5.3. Instruct transportation providers to submit in-state NEMT ambulance and livery claims for eligible clients to the Contractor for processing; and

AA.2.5.6. Broker Claims Verification

AA.2.5.6.1. Verify the claims data as required by the Department before paying livery claims and transmitting electronic HIPAA compliant authorizations for NEMT ambulance to HP ; and

AA.2.5.6.2. Transmit authorizations for ambulance clean claims to HP bi-weekly, with no claims submitted later than thirty days from the date of the Contractor's receipt of the clean claim or resubmitted clean claim.

AA.2.5.7. Broker Payments

AA.2.5.7.1. Pay contracted and non-contracted livery transportation providers the amount of any clean claim(s)

AA.2.5.7.2. Submit authorizations and trip detail information for NEMT ambulance services to HP within thirty (30) days of receipt of such claim(s);

AA.2.5.7.3. Submit encounter data for all livery and bus transportation, personal reimbursements, and all other transportation.

AA.2.5.7.4. Reimburse individuals for authorized reimbursements no later than forty-five (45) days from the submission of a clean claim for such reimbursement. Reimbursements shall be scheduled at a minimum of twice monthly; and

AA.2.5.7.5. Develop an appropriate mechanism to pay for authorized out-of-state ambulance and livery trips.

#### AA.2.5.8. Resolution of Payment Problems

AA.2.5.8.1. Attend regular meetings hosted by the Department and attended by HP to address operational issues regarding Transportation Providers;

AA.2.5.8.2. Produce general and provider specific payment monitoring reports in coordination with HP, use those reports to identify payment problems and diagnose the nature of those problems (i.e. authorization related vs. claims adjudication related);

AA.2.5.8.3. Facilitate the identification and resolution of Transportation Provider payment problems;

AA.2.5.8.4. Participate in a rapid response team consisting of HP personnel and Contractor personnel to resolve issues related to timely and accurate claims payment. The Contractor shall present to the Department for their review and approval, a plan for coordinating problem assessment and intervention. The plan shall include provisions for on-site assistance by a response team when problems persist for more than 60 days; and

AA.2.5.8.5. Develop and implement an efficient mechanism to review and monitor ambulance and livery claims submissions to HP and follow-up on denied claims when requested to do so by the Transportation Provider or the Department.

#### AA.2.5.9. Broker Invoices to the Department - The Contractor shall:

AA.2.5.9.1. Provide the Department or its agent with an "encounter claim" for each Client and date of service that appears on the Contractor's invoice



for all transaction types in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department; and

AA.2.5.9.2. Invoice the Department on a monthly basis to reimburse the Contractor for the cost of transports provided to clients who are pending and other forms of transport for which the Contractor paid in advance, including but not limited to, bus, train, plane, personal reimbursement and out-of-state transports.

AA.2.5.10. Audit Requirements – Claims and Payment - The Contractor shall:

AA.2.5.10.1. Audit claims submitted by Transportation Providers to ensure that claims are only paid for trips that have been prior authorized and approved by the Contractor and have actually been delivered by the Transportation Provider and report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department;

AA.2.5.10.2. Audit claims for clients who are pending on an on-going basis and report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department;

AA.2.5.10.3. Maintain data on invoices received and paid for personal reimbursement, bus, plane or train tickets and other purchases;

AA.2.5.10.4. Report denied claims data to the Department in accordance Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department;

AA.2.5.10.5. Report to the Department on a monthly basis all requests for NEMT ambulance, including the Contractor's decision in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department; and

AA.2.5.10.6. Track and report to the Department on a monthly basis all authorizations for payment for transportation provided to clients who are pending.

AA.2.5.11. Denied ambulance authorization requests - Appeal and Reconsideration-The Contractor shall:

AA.2.5.11.1. Develop a Transportation Provider appeal process whereby the ambulance provider may appeal denied authorization requests within 45 days from the date of the request; and

AA.2.5.11.2. Issue a decision within fifteen days from the appeal hearing date. In the event that the Transportation Provider is dissatisfied with the Contractor's response to the Transportation Provider's appeal, the Transportation Provider may request the Department reconsider the Contractor's appeal decision. The Transportation Provider's request for reconsideration must be submitted to the Department within fifteen days of an adverse appeal decision by the Contractor. The reconsideration decision will be based on the information available in the Contractor's hearing decision and the decision by the Department will be final.

AA.2.5.12. Cross-over claims:

AA.2.5.12.1. The Contractor is not required to prior authorize NEMT ambulance when Medicare or another third party is responsible. The ambulance company will be required to submit cross-over claims to the Department according to the Department's policy.

AA.2.5.13. Facility Outreach:

AA.2.5.13.1. The Contractor shall develop and implement, subject to the Department's approval, an outreach strategy to hospitals, nursing homes and other facilities that rely on NEMT ambulance service. The purpose of the outreach effort will be to facilitate appropriate utilization of ambulance service.

BB. Continuous Improvement

BB.1. Quality Management – Utilization Review

BB.2. The Contractor shall pursue and strive consistently for high-quality services from its staff, contractors and Transportation Providers by implementing a Quality Management (QM) Program that includes comprehensive quality assurance and quality improvement activities in an organized, unambiguous plan to pursue high-quality services, and opportunities for improvement on an ongoing basis.

BB.2.1. The Department shall:

BB.2.1.1. Review for approval, prior to implementation, the Contractor's QM Program and plan description that incorporates its initiatives, strategies, and methodologies for on-going quality assurance, quality improvement, and concurrent systems for identifying issues that require immediate attention;

- BB.2.1.2. Reject or approve, with or without comments and revisions, the proposed QM Program within thirty days of the Department's receipt of the QM Program plan. The Department may provide the Contractor with adjustments to its plan if the Department determines that the proposed QM Program plan does not meet the minimum requirements;
  - BB.2.1.3. Require the Contractor to study and evaluate issues that the Department may from time to time identify;
  - BB.2.1.4. Designate quality indicators to monitor performance;
  - BB.2.1.5. Review for approval all survey scripts or templates; and
  - BB.2.1.6. Periodically audit the QM efforts conducted by the Contractor and based on the results of the audit, require corrective action if necessary.
- BB.2.2. The Contractor shall:
- BB.2.2.1. Design and propose to the Department for its approval by January 1, 2013a comprehensive and cost effective QM Program plan. The Contractor agrees to implement and follow the approved QM Program after the Department approves the QM Program and revise and resubmit the QM Program to the Department for review and approval at least annually, no later than January 15 of each year. The Quality Program shall include a program structure, implementation schedule, and an outline of the QM objectives and planned programs to measure and improve NEMT services. At a minimum, the QM Program shall obtain and analyze information with minimal burden on Transportation Providers to address the following:
    - BB.2.2.1.1. Transportation Provider performance and management of promptness standards including a Department approved method to track and monitor Transportation Provider performance;
    - BB.2.2.1.2. NEMT Request Processing for eligible clients and clients who are pending;
    - BB.2.2.1.3. Prior authorization and utilization by mode (ambulance, stretcher, wheelchair – livery, sedan – livery, bus (by denomination), train, plane, air ambulance. On a monthly audit basis, NEMT utilization factors for each mode of transportation used shall be evaluated and verified:
      - BB.2.2.1.3.1. Appropriate and least expensive mode of transportation for the needs of the client;
      - BB.2.2.1.3.2. Closest appropriate healthcare provider;
      - BB.2.2.1.3.3. Covered services – appointment check;

- BB.2.2.1.3.4. The reimbursement or claims payment is for actual services delivered within performance standards;
- BB.2.2.1.3.5. The client attended the medical services as was pre-scheduled (100% of all pre-scheduled multiple trips, livery and bus) by confirmation with the medical provider;
- BB.2.2.1.3.6. That claims for livery services for such appointments were for trips actually delivered to clients to attend such appointments (100% of all pre-scheduled multiple trips - livery);
- BB.2.2.1.3.7. That the bus pass denomination was appropriate for the frequency of the medical services required by the client;
- BB.2.2.1.3.8. That the client's pick up and drop off bus stop locations were within an appropriate distance from the client's residence and medical location;
- BB.2.2.1.3.9. That the bus schedule and frequency is sufficient to accommodate the client's appointment schedule:
  - BB.2.2.1.3.9.1. The bus schedule and frequency shall provide more than one opportunity for a bus ride within 45 minutes prior to the medical appointment assuming that the client would be able to arrive at his or her destination prior to the scheduled appointment time; and
  - BB.2.2.1.3.9.2. The bus schedule and frequency shall provide more than one opportunity for a return bus ride after his or her appointment at a maximum of 45 minutes of wait time from the completion of the appointment; and
  - BB.2.2.1.3.9.3. Confirmation that the client had no medical, physical or linguistic barriers for utilizing such bus transportation.
- BB.2.2.1.4. Claims auditing, verification and authorization transactions including retroactive NEMT medical necessity reviews of trips that were retroactively authorized or denied for those individuals who are retroactively granted eligibility, when the effective date of eligibility predates the date of service and the service requires prior authorization;
- BB.2.2.1.5. Encounter data transactions;
- BB.2.2.1.6. Invoicing methodology for clients who are pending;
- BB.2.2.1.7. Complaint and Grievance Management: The QM Program shall utilize complaint and feedback from clients, Transportation Providers and

medical providers. The Contractor's QM Program shall describe its method to manage complaints and grievances from clients and healthcare providers regarding the Contractor and its Transportation Providers' performance. The procedures shall at a minimum describe:

- BB.2.2.1.7.1. A hierarchy of steps a caller and the Contractor may take to address complaints or grievances including a flow chart and methodology to track, monitor, respond, and resolve all complaints;
  - BB.2.2.1.7.2. The method of informing the caller regarding the complaint resolution options;
  - BB.2.2.1.7.3. The tracking and management of complaints, including those resolved informally, including a short dated summary of the problem, the response and the resolution; and
  - BB.2.2.1.7.4. Reporting complaint summary information and analysis with recommendations to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department.
- BB.2.2.1.8. Significant Incident Management: The QM Program shall describe its method to manage significant incidents. The procedures shall at a minimum describe:
- BB.2.2.1.8.1. Reporting methodology to the Department within one (1) hour of becoming aware of the incident and reporting on a quarterly and annual basis, critical incidents and significant events in the aggregate. Reports shall be submitted in accordance with timeframes outlined in Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements
  - BB.2.2.1.8.2. A rapid response investigation and corrective action process to manage significant incidents including a report and recommendation process to the Department
- BB.2.2.1.9. Driver and vehicle licensure, certification and safety requirements;
- BB.2.2.1.10. Ongoing Transportation Provider safety program that addresses at a minimum:
- BB.2.2.1.10.1. Driver licensure, safety training, drug and alcohol testing; and
  - BB.2.2.1.10.2. Vehicle safety inspections.

- BB.2.2.1.11. Licensure and Certification: An audit system to ensure that Transportation Providers meet licensure or certification requirements established by the Department of Transportation, Department of Public Health, and the Department of Motor Vehicles;
- BB.2.2.1.12. Call Center performance: An ongoing review of employee Call Center performance shall include, at a minimum:
- BB.2.2.1.12.1. A random selection of at least two phone calls per week from each employee communicating with callers for NEMT services reviewed and audited;
  - BB.2.2.1.12.2. The use of a standard protocol (as described in Section SS of this Contract, Staff and Transportation Provider Training and Procedures) for evaluating telephone call performance including the accuracy of the information provided and the sensitivity to customer satisfaction and telephone etiquette;
  - BB.2.2.1.12.3. Refer individual staff performing at less than an average of 90% proficiency in Call Center performance in any month to additional training or coaching;
- BB.2.2.1.13. Methodology for surveying clients as described in "Client Satisfaction and Assurance" including prioritizing, monitoring, and analyzing problems identified through client surveys, and employee performance reviews;
- BB.2.2.1.14. Selection and analysis of Quality Improvement Initiatives:
- BB.2.2.1.14.1. The performance improvement programs detailed in the Quality Management Program plan shall include all of the quality related initiatives negotiated as performance targets.
  - BB.2.2.1.14.2. The Contractor shall implement at least two additional quality improvement initiatives/efforts each year. The programs will be subject to the Department's approval and must address significant performance factors. The Department will collaborate with the Contractor to select the performance improvement programs.
  - BB.2.2.1.14.3. All of the performance improvement programs shall include the measurement of performance and quality indicators which shall be:
    - BB.2.2.1.14.3.1. Objective;
    - BB.2.2.1.14.3.2. Clearly and unambiguously defined;

BB.2.2.1.14.3.3. Valid and reliable;

BB.2.2.1.14.3.4. Systematically collected;

BB.2.2.1.14.3.5. Capable of measuring outcomes such as changes in performance or client satisfaction or valid proxies of those outcomes; and

BB.2.2.1.14.3.6. Representative of the entire population to which the quality indicator is relevant.

BB.2.2.1.14.4. All of the performance improvement programs shall evaluate the effectiveness of any system interventions to achieve quality improvement.

- BB.3. The QM Program plan shall describe the procedures for reporting the results of QM activities to the Department, Transportation Providers and medical providers and others as appropriate. The Contractor shall provide feedback to its Transportation Providers regarding the operation of its QM effort. The Contractor shall remain fully accountable for all quality assurance matters related to its Transportation Providers.
- BB.4. The QM Program plan shall describe the procedures for following up on the results of Quality activities to determine success of implementation. The Contractor shall document in writing its follow-up efforts.
- BB.5. Fund a position that employs a dedicated qualified QM key person, approved by the Department, responsible for the operation and success of the QM Program. This person shall have adequate experience to ensure a successful QM Program including the skills and ability to objectively evaluate and analyze provider and Contractor performance data and propose recommendations to the Department to resolve any identified issues.
- BB.6. Coordinate a Quality Assurance Committee with the Department as the lead that includes representatives from various health services and community providers to advise the Contractor on performance and quality improvement issues and strategies. Representation and membership on the committee shall be subject to the Department's approval. The Quality Assurance Committee shall meet at least quarterly and produce written documentation of committee activities to be shared with the Department.
- BB.7. Submit to the Department a comprehensive Quality Management Program Evaluation and Report on January 15th and annually thereafter. The report shall be based on the performance measures and the report components shall correspond to the evaluation components and schedule outlined in the Contractor's Quality Management Program plan. The minimum requirements of the evaluation report shall be determined by the Department.

CC. Data Analysis and Reporting Requirements

CC.1. The Department shall:

CC.1.1. Review and approve or reject report formats and submitted reports. The Department and the Contractor shall jointly develop the report templates within thirty days from the execution of the contract; and

CC.1.2. Approve or deny report submission extension requests.

CC.2. The Contractor shall:

CC.2.1. Capture data and provide reports consistent with the data elements identified in Exhibit D: Reporting Requirements : .

CC.2.1.1. Produce and submit accurate reports as required by the Department and attest to the accuracy of the reports through a certifying signature on the reports by an authorized representative of the Contractor;

CC.2.1.2. Establish and notify the Department of the "Key Person" responsible for the analysis of data and the coordination of the transmission of reports, correction of errors associated with the reports, and the resolution of any follow up questions;

CC.2.1.3. Implement processes and controls to ensure data integrity and accuracy of all reports;

CC.2.1.4. Analyze data and develop service improvement recommendations for the Department;

CC.2.1.5. Report on activities and measures as listed below on a regularly scheduled basis or as otherwise required by the Department, in the format required by the Department which may be modified from time to time;

CC.2.1.6. Transmit to the Department no later than the 15th of each month certain data, files and reports as the Department may require similar to those listed below recognizing that the Department may require format and content modifications;

CC.2.1.7. Adhere to all Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements;

CC.2.1.8. Submit electronically all reports outlined below in accordance with the due dates and, where applicable, in the prescribed format;

CC.2.1.9. If and when the Contractor identifies an error, notify the Department within one business day of becoming aware of an error that exists and resubmit the



corrected report within five business days or a mutually agreed upon timeframe;

CC.2.1.10. Respond to requests from the Department for ad-hoc reports within a mutually agreed upon timeframe, including reporting specifications, development, cost, if any, and the expected delivery date of the report;

CC.2.1.11. Provide data from its databases to agency systems and data warehouses as required by the Department;

CC.2.1.12. Create, update and maintain licensure files to be shared with the Department upon request that document that each Transportation Provider is appropriately licensed and/or certified and qualified to serve clients.

CC.2.1.13. Maintain capability to provide summary information, any subset of data, and reports on all of the data elements listed in Exhibit D: Reporting Requirements, at the request of the Department;

CC.2.1.14. Submit all reports according to the following schedule unless otherwise determined by the Department:

CC.2.1.14.1. Annual Reports due by February 15 of each year.

CC.2.1.14.2. Quarterly reports due as follows:

<u>Quarter Ending</u>	<u>Report Due</u>
March 31	May 15
June 30	August 15
September 30	November 15
December 31	February 15

DD. Encounter Data - The Contractor shall:

DD.1. Maintain "Encounter Data" for all NEMT claims and purchases;

DD.2. Supply the Department's claims fiscal intermediary with required livery and ambulance claims data in an electronic HIPAA compliant form and frequency as determined by the Department;

DD.3. Revise encounter data when the Contractor discovers errors in Transportation Provider invoices or payments made to Transportation Providers or individuals;

- DD.4. Work with the Department to create specifications for encounter claim format and detail;
- DD.5. Work with the Department to create specifications for submitting encounter claims not paid through the fiscal intermediary to the Department's Data Warehouse to facilitate the Department's claiming of Federal Financial Participation (FFP);
- DD.6. Submit records of all requested, authorized, and denied services for eligible individuals including all data fields listed in the Utilization Management subsection and any other information about the authorization as specified by the Department to the DSS Data Warehouse, in a mutually agreeable electronic format and frequency of transmission.
- EE. Transportation Provider and Healthcare Provider Relations- The Contractor shall:
  - EE.1. Develop and maintain positive Contractor-Provider relations; communicate with all providers in a professional and respectful manner; promote positive provider practices through communication and education and provide administrative services in the most efficient manner possible in an effort to pose minimal burden on providers;
  - EE.2. Promote on-going and seamless communication between providers and the Contractor and include transportation and healthcare providers in discussions to improve service and reduce cost;
  - EE.3. Work with Transportation Providers to reduce administrative burden through the use of the Contractor's Automated Voice Response system, Web systems, and other technologies;
  - EE.4. Provide encryption software upon request from a Transportation Provider to provide for the exchange of client data via e-mail;
  - EE.5. Post all policies and procedures, and other material produced as a requirement under this contract, with prior Department approval, on the Contractor's Connecticut NEMT Website;
  - EE.6. Make all policies and procedures, and other material produced available to Transportation Providers upon request in print copy;
  - EE.7. Conduct an initial statewide Transportation Provider orientation(s) to address performance expectations, Transportation Provider reimbursement and safety concerns;
  - EE.8. Offer training and technical assistance to Transportation Providers regarding driver responsibilities and code of conduct while transporting Medicaid Clients, performance standards and other topics appropriate to the operation of the NEMT program;

- EE.9. Track and manage all Transportation Provider inquiries and complaints related to NEMT and provide a summary of such inquiries and complaints to the Department quarterly;
- EE.10. Ensure that all inquiries and complaints are addressed and resolved in compliance with the Contractor's approved QM Program plan, and no later than thirty days from receipt;
- EE.11. Inform the Department immediately when urgent circumstances require an immediate response from the Department.

FF. Client Satisfaction and Assurance- The Contractor shall:

- FF.1. Proactively and reactively pursue client satisfaction with NEMT services;
- FF.2. Solicit client assessment through formal surveys and complaints made through a formal grievance procedure regarding the transportation service and actively address concerns raised by clients. The surveys may be conducted in cooperation with medical providers or other groups and may take the form of a mailed survey or an internet based survey. The Department must approve the survey instrument, questions and distribution methodology prior to the release of the survey. The initial survey will be released within twelve months of contract execution and at annual intervals thereafter.

GG. Complaint Resolution and Grievance Procedures- The Contractor shall:

- GG.1. Implement practices to resolve client and provider complaints and formal grievances. At a minimum the Contractor's internal methodology for resolving qualified NEMT Client's complaints and formal grievances shall include:
  - GG.1.1. Policies and procedures for registering, responding, and resolving complaints within thirty days, including a regular analysis of complaints to identify and resolve outstanding problems and trends;
  - GG.1.2. Documentation of the substance of the complaints or grievances and the actions taken;
  - GG.1.3. Aggregation and analysis of complaints and grievances data and use of the data for quality improvement;
  - GG.1.4. An appeal process for unresolved grievances; and
  - GG.1.5. How the Contractor will issue and track Notices of Action (see Section 2.30).
- GG.2. Implement a computerized system to record all data associated with complaints that at a minimum shall include:

- GG.2.1. Aggregation of complaint and grievance data including scanned documents, emails, recorded telephone calls, notes, summaries and any other information pertaining to a complaint or grievance and ensure a retrievable mechanism by appropriate data fields;
- GG.2.2. Analysis shall include the following data elements, which will be submitted to the Department on a mutually agreed upon regular schedule:

- GG.2.2.1. Client identification

- GG.2.2.2. Trip identification

- GG.2.2.3. Town

- GG.2.2.4. Complaint Date

- GG.2.2.5. Service Date

- GG.2.2.6. Complaint Content

- GG.2.2.7. Complaint Code

- GG.2.2.8. NEMT Provider

- GG.2.2.9. Investigation by Contractor

- GG.2.2.10. Conclusion

- GG.2.2.11. Follow-up, Policy and Practice Changes

- GG.3. Inform the Department immediately when inquiries and complaints are of an urgent nature and require an immediate response from the Department;
- GG.4. Provide the Department with a report outlining the Contractor's compliance with required timeframes and notifications related to client and provider inquiries and complaints. The Department and the Contractor shall agree to the form, content and frequency of the report in advance; and
- GG.5. Analyze and review complaint and incident data and propose solutions and recommendations to the Department on a monthly basis to improve NEMT services.

#### HH. Significant Incident Management

- HH.1. The Contractor shall implement an incident management program oriented to the timely discovery, thorough investigation and corrective action to prevent or mitigate harm and improve NEMT service.

#### II. Appeals – Internal Review

II.1. General Requirements:

- II.1.1. A client, or a person acting on behalf of a client, may appeal any adverse decision regarding NEMT services to a designated lead individual or supervisor within the Contractor's organization.
- II.1.2. Whenever a Call Center representative or other staff person denies or reduces a request for NEMT services or suspends an existing service, the Contractor must inform the client while the representative is on the call with the client or in a subsequent telephone call, and must send a written Notice of Action so that the client has an opportunity to request an appeal to a supervisor or designated lead person in the organization and may request an administrative hearing with the Department.
- II.1.3. The process for appealing a decision with the Contractor and for requesting an administrative hearing shall be unified for all clients who request NEMT services. The Contractor and the Department shall treat the filing of an NEMT appeal with the Contractor as a simultaneous request for an administrative hearing with the Department.
- II.1.4. At the time the client requests NEMT services, the Contractor shall attempt to obtain all appropriate information to verify and authorize the transportation request as more fully described above.
- II.1.5. When the Contractor is unable to verify appointments and the appropriate mode of transportation while the caller is on the telephone requesting the service from the Contractor, the Contractor shall inform the client that the Contractor requires additional information and the client must either provide written documentation or grant the Contractor the right to contact the medical provider to obtain further information before authorizing the trip.
- II.1.6. The Department shall schedule an administrative hearing within thirty calendar days of receipt of the appeal and notify the client and Contractor of the hearing date and location. If a client is disabled, the hearing may be scheduled at the client's home, if requested by the client. The Department shall date stamp and forward the appeal by fax or scanned pdf via email to the Contractor within two business days of receipt. The fax or email to the Contractor will include the date the client mailed the appeal to the Department. The postmark on the envelope will be used to determine the date the appeal was mailed. The Department shall fax or email a request for expedited review to the Contractor within one business day of receipt by the Department when the client's appeal contains a request for expedited review. The fax or email will include the date the client mailed the appeal. If the Contractor receives an appeal form, the Contractor shall date stamp and fax the appeal to the appropriate fax number at the Department within two business days.

- II.1.7. If the Contractor terminates, suspends or reduces an existing authorization for services being provided to a client, the client has a right to continuation of those services, provided that the client files an appeal/hearing request within ten (10) calendar days from the date the NOA is mailed to the client, or the effective date of the intended action, whichever is later. The right to continuation of services applies to the scope of services previously authorized for the time period between filing the appeal and a decision being rendered. The right to continuation of services does not apply to subsequent requests for approval that result in denial of the additional request or re-authorization of the request at a different level than requested.
- II.1.8. An individual(s) having final decision-making authority shall render the Contractor's appeal decision, with the understanding that the Department has the ultimate final decision in all matters.. Any appeal arising from an action based on a determination of medical necessity shall be decided by the Contractor's medical staff.
- II.1.9. An appeal may be decided on the basis of the written documentation available (or other reliable source of information including telephone recorded information including the conversation of any qualified person able to contribute pertinent information to the matter being appealed) unless the client requests an opportunity to discuss the decision with the Contractor and/or requests an opportunity to submit additional documentation or other written material.
- II.1.10. If the client wishes to meet with the Contractor's decision-maker, the meeting can be held via telephone or at a location accessible to the client. Subject to approval of the Department's regional Offices, any of the Department office locations may be available for video conferencing.
- II.1.11. The Contractor shall mail to the client, the client's parent or guardian if the client is under the age of 18 and/or the Department of Children and Families' central office contact person for any child who is committed to or in the custody of the Department of Children and Families, a written appeal determination described below, with an electronic copy to the Department, by the date of the Department's administrative hearing.
- II.1.12. The Contractor's written appeal determination shall include the client's name and address; the Contractor's name and address; a complete description of the information or documents reviewed by the Contractor in rendering its decision; a complete statement of the Contractor's findings and conclusions, including a citation to the legal authority that is the basis of the appeal determination; a clear statement of the Contractor's disposition of the appeal; and a statement that the client has exhausted the Contractor's internal appeal procedure. If the appeal is submitted in Spanish, it shall be responded to in Spanish.
- II.1.13. Along with the appeal determination, the Contractor shall remind the client on a form, which shall be approved by the Department, of the option to appeal to

the Department if the client is dissatisfied with the Contractor's denial, reduction, or suspension of NEMT services. The form shall state that the Department has already reserved a time to hold an administrative hearing concerning that determination and provide that information to the client.

- II.1.14. The Contractor shall remind the client on the form that if the client fails to appear at the administrative hearing, the client's reserved hearing time will be cancelled and any disputed services that were maintained will be suspended, reduced, or terminated in accordance with the Contractor's appeal determination. If clients are entitled to a continuation of services, the Contractor shall indicate that the services will be continued for the duration of the existing authorization until the outcome of the Administrative hearing is determined.
- II.1.15. If the client requests an Administrative Hearing the Contractor must prepare a written narrative of the situation for the Department's Administrative Hearing Officer and may be directed by the Department to attend the hearing.
- II.1.16. The Department shall retain decision-making authority on authorization of transportation services. The Department's decisions on matters involving Contractor denial of transportation services shall be final and binding and shall not be subject to appeal by the Contractor.
- II.1.17. The Contractor shall submit the summary narrative and related materials to the Department's NEMT Program staff for review and approval at least ten days before the scheduled hearing. The Contractor will mail an approved summary to the client at least five days before the scheduled hearing. An employee of the Contractor with a title of manager or higher shall attend the scheduled hearing.

#### JJ. Notices of Action

JJ.1. A Notice of Action (NOA) shall be issued to a client upon denial, suspension, or termination of services.

JJ.1.1. The Contractor shall comply with Department policies and procedures related to Notice of Action and Administrative Hearings. Such policies and procedures may change and the Department shall notify the Contractor of any changes when they occur. Additionally the Department and the Contractor will annually review the policies and procedures.

JJ.1.2. The Contractor shall:

JJ.1.2.1. Utilize the Grievance and Complaint resolution process identified above;

JJ.1.2.2. After informing a client of an adverse decision as described above, the Contractor shall mail a written denial notice (Notice of Action – NOA) on the form developed and provided to the Contractor from the Department, including

the reason for the denial, within one (1) business day of the decision to deny the service and retain documentation evidencing that the NOA was sent.

JJ.1.2.3. The following reasons would qualify for an NOA to be sent:

JJ.1.2.3.1. Denial because the services to which the client wishes to be transported are not Medicaid-covered services. Conn. Agencies Regs. 17-134d-33(e)(1)

JJ.1.2.3.2. Denial because the client is not receiving the type of transportation that he or she has requested. Department has the right to determine which type of transportation is most appropriate for the client. Conn. Agencies Regs. 17-134d-33(e)(2)(A)

JJ.1.2.3.3. Denial because the healthcare provider chosen by the client is not the "nearest appropriate healthcare provider of medical services." Conn. Agencies Regs. 17-134d-33(e)(2)(B). In order to deny on this basis, there must be a determination made by the vendor that "traveling further distances provides no medical benefit" above which the client would receive at a closer provider.

JJ.1.2.3.4. Denial because the method of transportation requested is not "the least expensive appropriate method of transportation, depending on the availability of the service and the physical and medical circumstances of the [client.]" Conn. Agencies Regs. 17-134d-33(e)(2)(C)

JJ.1.2.3.5. Denial because the client wants to go to a medical provider solely for the purpose of picking up a prescription or a written prescription order, Conn. Agencies Regs. 17-134d-33(e) (3) (D), or solely for the purpose of picking up "an item [that] does not require a fitting." Conn. Agencies Regs. 17-134d-33(e) (3) (F).

JJ.1.2.4. Utilize the Notice of Action letters and appeals process provided by the Department. The Contractor shall prepare for and participate in client appeals, as the Department requires and at the Contractor's expense.

KK. Third Party Liability - The Contractor shall:

KK.1. Obtain information concerning possible third party payers for participating clients;

KK.2. Report to the Department any information that varies with the information on AEVS and transmit copies of verification when provided by the client;

KK.3. Coordinate NEMT benefit for eligible Medicaid Clients who may be entitled to other federal health insurance or other resources to avoid cost to the Department's NEMT program;



KK.4. Assist the Department in all third party recovery efforts;

KK.5. Notify the Department of any/all NEMT accidents as significant incidents in accordance with applicable procedures. When a client is a party to the accident, the Contractor shall also provide the name of the insurance carrier and relevant contact information including, but not limited to, the NEMT company driver, owner, carrier and policy number.

LL. Fraud and Abuse Prevention

LL.1. The Department is extremely concerned about the potential for fraudulent, abusive and inappropriate use of Medicaid covered transportation both on the part of Transportation Providers and clients including:

LL.1.1. Transportation of ineligible riders;

LL.1.2. Trips to non-covered Medicaid services;

LL.1.3. Multiple trips where only one trip is necessary;

LL.1.4. Transportation in an ambulance, stretcher, or wheelchair-accessible vehicle when the client's medical needs do not warrant that mode of transportation;

LL.1.5. Charges by Transportation Providers for more miles than the actual distance of the trip;

LL.1.6. Trips that never occur;

LL.1.7. Gratuities or other types of inducements to the clients or others acting on behalf of the clients for any purpose; and

LL.1.8. Transportation in unlicensed or unpermitted vehicles or licensed and permitted vehicles driven by uninsured drivers.

LL.2. The Contractor (and its Transportation Providers) shall:

LL.2.1. Not knowingly take any action or fail to take any action that could result in an unauthorized benefit to the Contractor, its employees, its Transportation Providers, its vendors, or to a client;

LL.2.2. Commit to preventing, detecting, investigating, and reporting potential fraud and abuse occurrences, and shall assist the Department and DHHS in preventing and prosecuting fraud and abuse in the NEMT program;

LL.2.3. Acknowledge that the Department and DHHS, Office of the Inspector General, has the authority to recover payments or to impose civil monetary penalties on individuals and entities that submit false and fraudulent claims related to the NEMT program;

- LL.2.4. Immediately notify the Department when it detects a situation of potential fraud or abuse, including, but not limited to, the following:
  - LL.2.4.1. False statements, misrepresentations, concealment, failure to disclose, and conversion of benefits;
  - LL.2.4.2. Any giving or seeking of kickbacks, rebates, or similar remuneration;
  - LL.2.4.3. Charging or receiving reimbursement in excess of that provided by the Department; and
- LL.2.5. Cease any conduct that the Department or its agent deems to be abusive of the NEMT program, and take any corrective actions requested by the Department or its agent;
- LL.2.6. Provide information, as requested by the Department, on any employee or Transportation Provider who has been convicted of a civil or criminal offense related to that person's involvement with Medicare, Medicaid, or any other federal or state assistance program;
- LL.2.7. Attest to the truthfulness, accuracy, and completeness of all data submitted to the Department, based on the Contractor's best knowledge, information, and belief;
- LL.2.8. Implement administrative and management procedures and a mandatory compliance plan to guard against fraud and abuse. The Contractor's compliance plan shall include but not necessarily be limited to, the following efforts:
  - LL.2.8.1. The designation of a compliance officer and a compliance committee, who reports to senior management;
  - LL.2.8.2. Written policies, procedures and standards which demonstrate commitment to comply with all applicable Federal and State standards;
  - LL.2.8.3. Effective lines of communication between the compliance officer and Contractor employees and Transportation Providers;
  - LL.2.8.4. Conducting regular reviews and audits of operations to guard against fraud and abuse;
  - LL.2.8.5. Assessing and strengthening internal controls to ensure claims are submitted and payments are made properly;
  - LL.2.8.6. Effectively training and educating employees, Transportation Providers, and Transportation Providers about fraud and abuse and how to report it;
  - LL.2.8.7. Effectively organizing resources to respond to complaints of fraud and abuse;

LL.2.8.8. Establishing procedures to process fraud and abuse complaints; and

LL.2.8.9. Establishing procedures for prompt responses to potential offenses and reporting information to the Department.

LL.2.9. Examine publicly available data, including but not limited to the CMS Medicare/Medicaid Sanction Report and the CMS website (<http://www.oig.hhs.gov>) (LEIE - List of Excluded Individuals and Entities) to determine whether any potential or current employees, providers, or Transportation Providers have been suspended or excluded or terminated from the Medicare or Medicaid programs and shall comply with, and give effect to, any such suspension, exclusion, or termination in accordance with the requirements of State and Federal law; and

LL.2.10. Meet the requirements of Section § 6032 (if applicable) of the Deficit Reduction Act of 2005, P.L. 109-171, and any implementing regulations or guidance on those requirements issued by the federal government. These sections of the Federal Deficit Reduction Act of 2005 ("DRA") require entities that make or receive annual Medicaid payments of \$5 million or more ("covered entities") to:

LL.2.10.1. Establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provide detailed information about S. 1932—71 the False Claims Act established under sections 3729 through 3733 of Title 31, United States Code, Administrative Remedies for False Claims and Statements established under Chapter 38 of Title 31, United States Code, any State laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1128B(f));

LL.2.10.2. Include as part of such written policies, detailed provisions regarding the entity's policies and procedures for detecting and preventing fraud, waste, and abuse; and

LL.2.10.3. Include in any employee handbook for the entity a specific discussion of the laws described in subparagraph (a), the rights of employees to be protected as whistleblowers, and the entity's policies and procedures for detecting and preventing fraud, waste, and abuse.

MM. Performance Oversight

MM.1. Contract Compliance, Performance Targets, Standards, and Sanctions - General Requirements

MM.1.1. The Department has established mechanisms to support and encourage continuous NEMT quality improvement. The primary mechanism is the use of

Performance Targets that both the Department and the Contractor design as performance goals for a specific future performance measurement period. The Department also has established standards for specific performance that are crucial and fundamental to the integrity of the program. These standards are intended to reinforce performance levels in specific areas based in law, regulation or policy.

MM.1.2. Performance Targets are intended to ensure continued quality improvement and cost management.

MM.1.3. Performance Standards and Sanctions are intended to insure a minimum level of service throughout the term of the contract. All provisions for Performance Standards also shall constitute independent requirements for the purpose of determining whether the Contractor may be subject to penalties.

MM.1.4. The Department requires the Contractor to obtain and maintain throughout the term of the contract a Performance Bond in the amount of \$2 million dollars to protect the Department against costs due to the Contractor's failure to perform.

MM.1.5. The Department shall evaluate the on-going performance of the Contractor during the term of the contract through annual Performance Reviews.

#### MM.2. Performance Targets and Withhold Allocation

MM.2.1. The Department shall withhold 7.5% of each monthly administrative payment during each year of the contract to be paid to the Contractor, in whole or in part, on an annual basis contingent upon the Contractor's success in meeting established Performance Targets as set forth in Exhibit A.

MM.2.2. The Contractor shall negotiate annual performance targets with the Department to be fully incorporated as part of Exhibit A, attached hereto, without the need for a formal amendment. Both parties will sign the new performance targets annually. If the Department and the Contractor are not able to agree to annual performance targets, the Department shall have the right to terminate this agreement no sooner than 120 days after January 1 of the year to which such negotiated targets would have applied.

MM.2.3. Performance Targets will be tied to objectives such as access, quality, and utilization management. Each Performance Target has a separate value. The Contractor shall have the opportunity to separately earn the amount associated with each Performance Target.

MM.2.4. Performance Targets for the transition period following the execution of the contract and concluding with the "start of the Full Implementation" shall be related to that transition period.

- MM.2.5. The Contractor and the Department will negotiate Performance Targets for successive annual (twelve month) periods. The schedule of review may be revised. The initial PMPM target and terms for return of the withhold will be negotiated. The Performance Targets shall, among other things, include provisions related to the timely and accurate payment of claims and personal reimbursement and submission of encounter data to the Department.
- MM.2.6. The Department shall measure the Contractor's success in meeting the Performance Targets. The Department shall establish specifications mutually agreeable to the Department and the Contractor for measurement of the Contractor's performance and shall calculate the Contractor's performance on reports or data submitted by the Contractor.
- MM.2.7. The Contractor's failure to provide the Department with the requisite data or reports in accordance with the agreed reporting frequency for the Performance Period shall result in the Contractor's forfeiting the specified percentage of withhold attached to the corresponding Performance Target(s).
- MM.2.8. The Department shall determine whether the Contractor has met, exceeded or fallen below each of the required Performance Targets set forth in this subsection. The decision of the Department shall be final.
- MM.2.9. In determining the Contractor's success in meeting the agreed upon Performance Targets, performance measures will not be rounded. For example, if the Contractor is required to achieve a performance level of 95%, the target will not be achieved if the performance is 94.9%.
- MM.2.10. When a Performance Target includes the performance of a random sample, the sample size will be mutually agreed upon by the Department and the Contractor and will be based on the size of the population relevant to the Performance Target.
- MM.2.11. The reporting period for purposes of calculation of the Contractor's success in meeting the Performance Targets shall be by twelve month period beginning with January 1 of a calendar year unless otherwise stipulated by the Department. Claim based reports used to measure Performance Targets will not be completed until three (3) months after the close of the Performance Period to allow for claims run out.
- MM.2.12. The Department shall notify the Contractor of its success or failure in meeting the Performance Targets on or before April 15th of each year.
- MM.2.13. If the Contractor has failed to meet a Performance Target the Contractor shall, within fifteen (15) business days from the date of the Department's notification of the Contractor's failure to meet a specified Performance Target(s), submit a written report to the Department that shall explain why specific

Performance Targets were not met and describe a plan of action to be implemented in an effort to meet these Performance Targets in the future.

MM.2.14. If the Contractor has met or exceeded the Performance Targets the Department shall return the specified portion of the withhold, not more than 60 days from the close of the calendar year or receipt of the most recent data, whichever is later.

### MM.3. Performance Standards and Sanctions

MM.3.1. The Department has established Performance Standards as outlined in subsection MM.4 below.

MM.3.2. The Contractor's failure to meet minimum Performance Standards as outlined in subsection MM.4 will result in a sanction against the Contractor for each occurrence per Performance Standard not met. If the Contractor's Performance Reports or audits by the Department indicate that the Contractor failed to meet these Standards within the specifications under consideration, the Department shall adjust the Contractor's payment by a predetermined dollar amount set for each Performance Standard. Subsection MM. 4 identifies a portion of the Performance Standards and corresponding measures and the dollar amount to be deducted from the Contractor's payment if and when the Performance Standard is not met. The Contractor shall not be penalized for reporting delays that are the fault of the Department or its agents.

MM.3.3. Throughout the term of the contract the Department shall regularly review the Performance Standard reports to determine whether the Contractor is meeting these standards and issue a written sanction notification for each occurrence in which the Contractor fails to meet a Performance Standard. The Department shall have the sole authority to determine whether the Contractor has met, exceeded or fallen below any or all of the Performance Standards.

MM.3.4. The Department shall adjust the Contractor's administrative payment for each sanction on the payment following the delivery of the written notification.

MM.3.5. The Department shall review for approval the development of, modification to and implementation of corrective action plans.

MM.3.6. The Contractor shall submit to the Department a corrective action plan to avoid the recurrence of non-compliance, along with a timetable for implementation of the corrective action plan, within fifteen (15) business days from the date of the Department's written sanction notification to the Contractor for failure to meet a specified standard.

MM.3.7. Implementation of any sanction provision or the decision of the Department to refrain from implementation shall not be construed as anything other than a means of further encouraging the Contractor to perform in accordance with

the terms of the contract and is not the Department's sole remedy to the specific performance of the contract requirement.

MM.4. In addition, the Department will impose the following schedule of performance sanctions when the Contractor or its subcontractors fail to perform according to the standards listed below:

MM.4.1. Class A Performance Sanctions

MM.4.1.1. The Department will impose a Class A Sanction each time the Contractor fails to comply with the contract on an issue warranting a Class A Sanction listed below. The Department will notify the Contractor in writing in advance of imposing any sanction and will give the Contractor up to five business days to present its position regarding the Department's determination of a violation warranting a Class A sanction. Said sanction will be no more than \$500 for the first three (3) sanctions of the same type. Thereafter violations of the same contractual provision will result in a sanction of no more than \$1,000.

MM.4.1.2. In addition, the Department may assess a performance sanction of \$10,000 when the Department determines that the Contractor has engaged in a pattern of noncompliance with Class A performance measures and requirements. When the Department determines that the Contractor has exhibited a pattern of noncompliance with Class A measures and requirements, the Department shall notify the Contractor of such determination and shall provide the Contractor up to five business days from such notification to appeal the determination and offer a rationale why the Contractor should not be assessed the sanction.

MM.4.1.3. Violations warranting a Class A Sanction include:

MM.4.1.3.1. Failure to maintain access to current policies, (per six month review period).

MM.4.1.3.2. Failure to provide recorded client service phone calls as requested, (per six month review period).

MM.4.1.3.3. Billing the Department for a trip that was not provided.

MM.4.2. Class B Performance Sanctions

MM.4.2.1. Each time the Contractor (including a subcontractor) fails to comply with the contract on an issue warranting a Class B Sanction (see below), the Department shall notify the Contractor of its determination in writing and in advance of imposing any sanction. The Department may assess a performance sanction of up to \$5,000.00 per occurrence.

MM.4.2.2. When the Department determines that the Contractor has engaged in a pattern of non-compliance that warrant Class B Sanctions, the Department shall notify the Contractor, in writing and, may assess an additional performance sanction of \$10,000.00.

MM.4.2.3. The Contractor will be notified, in writing, when the Department determines that a performance standard has not been met and a performance sanction will be imposed. The Department shall identify the performance standard that has not been met and the corresponding penalty. The Contractor shall have five business days from the date of the letter to document to the Department, in writing, why the performance sanction should not be imposed. The Department, through its Contract Administrator, shall render a decision on the imposition of the performance sanction within five business days of the date of the Contractor's letter. The decision of the Contract Administrator shall be final.

MM.4.2.4. Issues subject to Class B Sanctions:

MM.4.2.4.1. Failure to transport clients in vehicles with applicable DMV licensure and DOT or DPH certification including sufficient liability insurance. (Per incident)

MM.4.2.4.2. Failure to transport clients utilizing appropriately certified and licensed drivers. (Per incident)

MM.4.2.4.3. Failure to issue a notice of action within time standards. (Per incident)

MM.4.2.4.4. Over writing valid client eligibility data which causes an unwarranted denial of NEMT for otherwise eligible clients requesting NEMT. (Per incident)

MM.4.2.4.5. Refusing to transport otherwise eligible clients or engaging in discriminatory practices. (Per Incident)

MM.4.2.4.6. Causing harm to a client or engaging in such behavior that a prudent person could reasonably expect would cause harm or injury to a client. (Per Incident)

MM.4.2.4.7. Failure to prevent confidentiality and data security breaches including, but not limited to, employee compliance with confidentiality requirements. (Per Incident)

MM.4.2.4.8. Failure to prevent a significant incident or accident in which the police and/or an ambulance are called to assist a transportation provider. Such incidents may include but are not limited to the failure to secure a wheelchair and/or a wheelchair client using an appropriate fastening



device, which results in an injury or the need for medical intervention (ambulance, emergency department or follow-up medical care). (Per incident).

MM.4.3. Pattern of Noncompliance

MM.4.3.1. In the event that the Department identifies a pattern of non-compliance and has imposed more than one sanction for non-compliance in accordance with this section, the Department may, with notice to the Contractor, invoke the provisions of Section PP of this Contract, Termination Provisions and categorize future occurrences of non-compliance as events of default.

MM.5. Alternative Effort

MM.5.1. The Department may search for cover for the services reasonably necessary to cure a default by the Contractor if, in the reasonable judgment of the Department:

MM.5.1.1. A default by the Contractor is not so substantial as to require termination;

MM.5.1.2. Reasonable efforts to induce the Contractor to cure the default are unavailing; and

MM.5.1.3. The default is capable of being cured by the Department or by another resource without unduly interfering with continued performance by the Contractor.

MM.5.2. If the Department exercises its right to search for cover to cure the default, the Contractor's next administrative payment will be adjusted to recover the reasonable cost of the procured services, excluding cost of transportation services, and the costs associated with the procurement of the services. If the Department exercises this right, the Contractor shall:

MM.5.2.1. Cooperate with such entities the Department may obtain to cure the default and shall allow those entities access to the facility, documentation, software, utilities and equipment; and

MM.5.2.2. Remain liable for all system support and administration performance criteria, maintenance of, and further enhancements to, any applications developed by these resources.

MM.6. Performance Bond or Statutory Deposit

MM.6.1. The Department requires a fully operational NEMT administrative system as of 12:01 AM on February 1, 2013 and for each day of the contract period thereafter. The failure of the Contractor to pass the "Readiness Review" or the failure of the Contractor to provide an operational system as of 12:01 AM on

AA.1. The Contractor shall:

- AA.1.1. Utilize the Departments established reimbursement rate schedules for NEMT services to be paid to the transportation provider by Contractor;
- AA.1.2. Establish timely filing standards for the payment of NEMT clean claims;
- AA.1.3. Reserve the right to recover payments made for incorrect or fraudulent claims; and
- AA.1.4. Pay for the least expensive, appropriate mode of bus or livery transportation to be reimbursed by the Department.
- AA.1.5. The Contractor (or Department) shall not pay for cancelled calls; no shows for ambulance, invalid coach, wheelchair accessible livery or taxi services; however, the Department and the Contractor shall jointly develop strategies to establish provider specific performance measures of client "no-shows" and to reduce client "no-shows."

AA.2. Non-emergency ambulance transport criteria:

- AA.2.1. The client is bed-confined and a qualified medical professional certifies that the beneficiary's condition is such that other methods of transportation are contra-indicated; or,
- AA.2.2. The client's medical condition, regardless of bed confinement, is such that transportation by ambulance is medically required:
  - AA.2.2.1. The patient's condition requires medical attention during transit which may include, but is not limited to, intravenous drip or suctioning during transport;
  - AA.2.2.2. The patient's diagnosis indicates that the patient's condition might deteriorate in transit to the point where medical attention would be needed; or
  - AA.2.2.3. The patient's condition requires hand and/or feet restraints; or
  - AA.2.2.4. The patient is comatose; or
  - AA.2.2.5. No alternative less expensive means of transportation is available as determined by the Department.
- AA.2.3. Documentation requirements:
  - AA.2.3.1. The Contractor shall obtain documentation of medical necessity from a physician or physician's assistant (PA), nurse practitioner (NP), clinical nurse specialist (CNS), or registered nurse (RN), that attests that they have personal knowledge of the client's condition at the time the ambulance transport is ordered or the service is furnished. The certifying individual must be employed

by the client's attending physician or by the hospital or facility where the beneficiary is being treated and from which the beneficiary is transported;

AA.2.3.2. In all cases, the Contractor must keep the medical necessity documentation on file and, upon request, present it to the Department;

AA.2.3.3. The presence of the signed certification statement or signed return statement does not alone demonstrate that the ambulance transport is/was medically necessary. All other program criteria must be met in order for payment to be made;

AA.2.3.4. The Contractor's medical necessity assessment must concur with the physician's certification of need. In instances where the Contractor's medical personnel disagree with the physician's certificate of need, the Contractor shall seek approval from the Department's Medical Director or designee, unless the Department approves an alternate review process as proposed by the Contractor.

AA.2.4. Origin and destination requirements - Medicaid covers the following ambulance transportation when otherwise appropriate and least expensive mode of transportation is insufficient. This may require prior authorization for the medical service:

AA.2.4.1. From any point of origin to the nearest hospital, Critical Access Hospital (CAH) or Skilled Nursing Facility (SNF) that is capable of furnishing the required level and type of care for the beneficiary's illness or injury. The hospital or CAH must have available the type of physician or physician specialist needed to treat the beneficiary's condition;

AA.2.4.2. From a hospital, CAH, or SNF to the beneficiary's home or residence;

AA.2.4.3. From an SNF to the nearest supplier of medically necessary services not available at the SNF where the beneficiary is a resident, including the return trip;

AA.2.4.4. For a client who is receiving renal dialysis for treatment of End Stage Renal Disease, (ESRD), from the client's home or residence to the nearest facility that furnishes renal dialysis, including the return trip;

AA.2.4.5. Other transport destinations as prior approved by the Department.

AA.2.5. The client requires transportation while prone, but less expensive modes including stretcher van are not available or medically appropriate. The Contractor shall adhere to the following:

AA.2.5.1. Authorization Protocol for Non-Emergency Ambulance

AA.2.5.1.1. Develop, subject to the Department's prior approval, a protocol establishing the criteria for ambulance and livery utilization; and

AA.2.5.1.2. Apply a Department approved PA review protocol to authorize ambulance trips. The protocol shall conform to Medicare ambulance utilization guidelines issued by CMS.

#### AA.2.5.2. Authorization/Claims Mechanism

AA.2.5.2.1. Establish a secure electronic (e-mail) authorization methodology that will enable ambulance providers to request authorization electronically and which will allow the Contractor to provide the ambulance company a response to authorization requests in a timely manner and will allow the Contractor to record subsequent changes in the request including, but not limited to, address changes, number of service (trip) units, days of service, etc.;

AA.2.5.2.2. Provide the Transportation Providers the ability to reconcile trip data and to invoice the Contractor electronically "on-line" for actual trips provided; and

AA.2.5.2.3. Provide the opportunity for Transportation Providers to utilize other methods if they do not have the capability to invoice electronically.

#### AA.2.5.3. Authorization Standards

AA.2.5.3.1. Respond to prior authorization requests from clients and individuals or transportation providers acting on behalf of clients including ambulance providers as expeditiously as possible, including the ability to respond to PA requests on weekends and after normal business hours. When appropriate, the Contractor will authorize round trip authorizations. The Contractor shall respond to NEMT ambulance PA requests within three hours of the request;

AA.2.5.3.2. Review ambulance PA requests and all decisions regarding the utilization of ambulance transportation based on medical necessity and least expensive mode of transportation. The Contractor will document and record all reasons for both approval and denial of ambulance and livery PA requests;

AA.2.5.3.3. The Contractor may authorize "complete" round trips to and from the medical provider and multiple trips to the same healthcare provider for a continuation of the service for the initial need. Trips to regularly scheduled dialysis treatments or regularly scheduled methadone treatments are examples of ongoing trips where the Contractor may approve multiple trips in advance for the same clinical need. The

Contractor must, however, re-evaluate the client's eligibility at the beginning of each month if the multiple trips span multiple months;

AA.2.5.3.4. Apply the Department's rate schedule when providing prior authorization for NEMT services; and

AA.2.5.3.5. Obtain the Department's approval of all out of state requests for NEMT authorizations as expeditiously as possible.

AA.2.5.4. Schedule, as necessary, non-emergency ambulance and livery services. The Contractor will not authorize or arrange emergency ambulance services.

AA.2.5.5. Transportation Provider - Claims Submissions to the Contractor

AA.2.5.5.1. Staff a dedicated phone line for providers Fax Capabilities and require transportation providers to have a fax line to communicate with the Contractor, and for the Contractor to send daily trip lists or single trip assignments to transportation providers; provide a Transportation Provider Web Portal to help manage the flow of information between the Contractor and transportation providers. including: download trip assignments, accept and reject trips, retrieve and manage information about assigned trips, download training materials, bill for completed trips, and access reports and documents necessary to support their relationship with the Contractor; provide to manage their routing, billing, and vehicle and driver compliance tasks

AA.2.5.5.2. Instruct transportation providers regarding requirements for the submission of clean claims and for correcting suspended or denied claims;

AA.2.5.5.3. Instruct transportation providers to submit in-state NEMT ambulance and livery claims for eligible clients to the Contractor for processing; and

AA.2.5.6. Broker Claims Verification

AA.2.5.6.1. Verify the claims data as required by the Department before paying livery claims and transmitting electronic HIPAA compliant authorizations for NEMT ambulance to HP ; and

AA.2.5.6.2. Transmit authorizations for ambulance clean claims to HP bi-weekly, with no claims submitted later than thirty days from the date of the Contractor's receipt of the clean claim or resubmitted clean claim.

AA.2.5.7. Broker Payments

AA.2.5.7.1. Pay contracted and non-contracted livery transportation providers the amount of any clean claim(s)

AA.2.5.7.2. Submit authorizations and trip detail information for NEMT ambulance services to HP within thirty (30) days of receipt of such claim(s);

AA.2.5.7.3. Submit encounter data for all livery and bus transportation, personal reimbursements, and all other transportation.

AA.2.5.7.4. Reimburse individuals for authorized reimbursements no later than forty-five (45) days from the submission of a clean claim for such reimbursement. Reimbursements shall be scheduled at a minimum of twice monthly; and

AA.2.5.7.5. Develop an appropriate mechanism to pay for authorized out-of-state ambulance and livery trips.

#### AA.2.5.8. Resolution of Payment Problems

AA.2.5.8.1. Attend regular meetings hosted by the Department and attended by HP to address operational issues regarding Transportation Providers;

AA.2.5.8.2. Produce general and provider specific payment monitoring reports in coordination with HP, use those reports to identify payment problems and diagnose the nature of those problems (i.e. authorization related vs. claims adjudication related);

AA.2.5.8.3. Facilitate the identification and resolution of Transportation Provider payment problems;

AA.2.5.8.4. Participate in a rapid response team consisting of HP personnel and Contractor personnel to resolve issues related to timely and accurate claims payment. The Contractor shall present to the Department for their review and approval, a plan for coordinating problem assessment and intervention. The plan shall include provisions for on-site assistance by a response team when problems persist for more than 60 days; and

AA.2.5.8.5. Develop and implement an efficient mechanism to review and monitor ambulance and livery claims submissions to HP and follow-up on denied claims when requested to do so by the Transportation Provider or the Department.

#### AA.2.5.9. Broker Invoices to the Department - The Contractor shall:

AA.2.5.9.1. Provide the Department or its agent with an "encounter claim" for each Client and date of service that appears on the Contractor's invoice

for all transaction types in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department; and

AA.2.5.9.2. Invoice the Department on a monthly basis to reimburse the Contractor for the cost of transports provided to clients who are pending and other forms of transport for which the Contractor paid in advance, including but not limited to, bus, train, plane, personal reimbursement and out-of-state transports.

AA.2.5.10. Audit Requirements – Claims and Payment - The Contractor shall:

AA.2.5.10.1. Audit claims submitted by Transportation Providers to ensure that claims are only paid for trips that have been prior authorized and approved by the Contractor and have actually been delivered by the Transportation Provider and report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department;

AA.2.5.10.2. Audit claims for clients who are pending on an on-going basis and report to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department;

AA.2.5.10.3. Maintain data on invoices received and paid for personal reimbursement, bus, plane or train tickets and other purchases;

AA.2.5.10.4. Report denied claims data to the Department in accordance Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department;

AA.2.5.10.5. Report to the Department on a monthly basis all requests for NEMT ambulance, including the Contractor's decision in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department; and

AA.2.5.10.6. Track and report to the Department on a monthly basis all authorizations for payment for transportation provided to clients who are pending.

AA.2.5.11. Denied ambulance authorization requests - Appeal and Reconsideration-The Contractor shall:

AA.2.5.11.1. Develop a Transportation Provider appeal process whereby the ambulance provider may appeal denied authorization requests within 45 days from the date of the request; and

AA.2.5.11.2. Issue a decision within fifteen days from the appeal hearing date. In the event that the Transportation Provider is dissatisfied with the Contractor's response to the Transportation Provider's appeal, the Transportation Provider may request the Department reconsider the Contractor's appeal decision. The Transportation Provider's request for reconsideration must be submitted to the Department within fifteen days of an adverse appeal decision by the Contractor. The reconsideration decision will be based on the information available in the Contractor's hearing decision and the decision by the Department will be final.

AA.2.5.12. Cross-over claims:

AA.2.5.12.1. The Contractor is not required to prior authorize NEMT ambulance when Medicare or another third party is responsible. The ambulance company will be required to submit cross-over claims to the Department according to the Department's policy.

AA.2.5.13. Facility Outreach:

AA.2.5.13.1. The Contractor shall develop and implement, subject to the Department's approval, an outreach strategy to hospitals, nursing homes and other facilities that rely on NEMT ambulance service. The purpose of the outreach effort will be to facilitate appropriate utilization of ambulance service.

BB. Continuous Improvement

BB.1. Quality Management – Utilization Review

BB.2. The Contractor shall pursue and strive consistently for high-quality services from its staff, contractors and Transportation Providers by implementing a Quality Management (QM) Program that includes comprehensive quality assurance and quality improvement activities in an organized, unambiguous plan to pursue high-quality services, and opportunities for improvement on an ongoing basis.

BB.2.1. The Department shall:

BB.2.1.1. Review for approval, prior to implementation, the Contractor's QM Program and plan description that incorporates its initiatives, strategies, and methodologies for on-going quality assurance, quality improvement, and concurrent systems for identifying issues that require immediate attention;



- BB.2.1.2. Reject or approve, with or without comments and revisions, the proposed QM Program within thirty days of the Department's receipt of the QM Program plan. The Department may provide the Contractor with adjustments to its plan if the Department determines that the proposed QM Program plan does not meet the minimum requirements;
  - BB.2.1.3. Require the Contractor to study and evaluate issues that the Department may from time to time identify;
  - BB.2.1.4. Designate quality indicators to monitor performance;
  - BB.2.1.5. Review for approval all survey scripts or templates; and
  - BB.2.1.6. Periodically audit the QM efforts conducted by the Contractor and based on the results of the audit, require corrective action if necessary.
- BB.2.2. The Contractor shall:
- BB.2.2.1. Design and propose to the Department for its approval by January 1, 2013a comprehensive and cost effective QM Program plan. The Contractor agrees to implement and follow the approved QM Program after the Department approves the QM Program and revise and resubmit the QM Program to the Department for review and approval at least annually, no later than January 15 of each year. The Quality Program shall include a program structure, implementation schedule, and an outline of the QM objectives and planned programs to measure and improve NEMT services. At a minimum, the QM Program shall obtain and analyze information with minimal burden on Transportation Providers to address the following:
    - BB.2.2.1.1. Transportation Provider performance and management of promptness standards including a Department approved method to track and monitor Transportation Provider performance;
    - BB.2.2.1.2. NEMT Request Processing for eligible clients and clients who are pending;
    - BB.2.2.1.3. Prior authorization and utilization by mode (ambulance, stretcher, wheelchair – livery, sedan – livery, bus (by denomination), train, plane, air ambulance. On a monthly audit basis, NEMT utilization factors for each mode of transportation used shall be evaluated and verified:
      - BB.2.2.1.3.1. Appropriate and least expensive mode of transportation for the needs of the client;
      - BB.2.2.1.3.2. Closest appropriate healthcare provider;
      - BB.2.2.1.3.3. Covered services – appointment check;

- BB.2.2.1.3.4. The reimbursement or claims payment is for actual services delivered within performance standards;
- BB.2.2.1.3.5. The client attended the medical services as was pre-scheduled (100% of all pre-scheduled multiple trips, livery and bus) by confirmation with the medical provider;
- BB.2.2.1.3.6. That claims for livery services for such appointments were for trips actually delivered to clients to attend such appointments (100% of all pre-scheduled multiple trips - livery);
- BB.2.2.1.3.7. That the bus pass denomination was appropriate for the frequency of the medical services required by the client;
- BB.2.2.1.3.8. That the client's pick up and drop off bus stop locations were within an appropriate distance from the client's residence and medical location;
- BB.2.2.1.3.9. That the bus schedule and frequency is sufficient to accommodate the client's appointment schedule:
  - BB.2.2.1.3.9.1. The bus schedule and frequency shall provide more than one opportunity for a bus ride within 45 minutes prior to the medical appointment assuming that the client would be able to arrive at his or her destination prior to the scheduled appointment time; and
  - BB.2.2.1.3.9.2. The bus schedule and frequency shall provide more than one opportunity for a return bus ride after his or her appointment at a maximum of 45 minutes of wait time from the completion of the appointment; and
  - BB.2.2.1.3.9.3. Confirmation that the client had no medical, physical or linguistic barriers for utilizing such bus transportation.
- BB.2.2.1.4. Claims auditing, verification and authorization transactions including retroactive NEMT medical necessity reviews of trips that were retroactively authorized or denied for those individuals who are retroactively granted eligibility, when the effective date of eligibility predates the date of service and the service requires prior authorization;
- BB.2.2.1.5. Encounter data transactions;
- BB.2.2.1.6. Invoicing methodology for clients who are pending;
- BB.2.2.1.7. Complaint and Grievance Management: The QM Program shall utilize complaint and feedback from clients, Transportation Providers and

medical providers. The Contractor's QM Program shall describe its method to manage complaints and grievances from clients and healthcare providers regarding the Contractor and its Transportation Providers' performance. The procedures shall at a minimum describe:

- BB.2.2.1.7.1. A hierarchy of steps a caller and the Contractor may take to address complaints or grievances including a flow chart and methodology to track, monitor, respond, and resolve all complaints;
  - BB.2.2.1.7.2. The method of informing the caller regarding the complaint resolution options;
  - BB.2.2.1.7.3. The tracking and management of complaints, including those resolved informally, including a short dated summary of the problem, the response and the resolution; and
  - BB.2.2.1.7.4. Reporting complaint summary information and analysis with recommendations to the Department in accordance with Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements or as may be required by the Department.
- BB.2.2.1.8. Significant Incident Management: The QM Program shall describe its method to manage significant incidents. The procedures shall at a minimum describe:
- BB.2.2.1.8.1. Reporting methodology to the Department within one (1) hour of becoming aware of the incident and reporting on a quarterly and annual basis, critical incidents and significant events in the aggregate. Reports shall be submitted in accordance with timeframes outlined in Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements
  - BB.2.2.1.8.2. A rapid response investigation and corrective action process to manage significant incidents including a report and recommendation process to the Department
- BB.2.2.1.9. Driver and vehicle licensure, certification and safety requirements;
- BB.2.2.1.10. Ongoing Transportation Provider safety program that addresses at a minimum:
- BB.2.2.1.10.1. Driver licensure, safety training, drug and alcohol testing; and
  - BB.2.2.1.10.2. Vehicle safety inspections.

- BB.2.2.1.11. Licensure and Certification: An audit system to ensure that Transportation Providers meet licensure or certification requirements established by the Department of Transportation, Department of Public Health, and the Department of Motor Vehicles;
- BB.2.2.1.12. Call Center performance: An ongoing review of employee Call Center performance shall include, at a minimum:
- BB.2.2.1.12.1. A random selection of at least two phone calls per week from each employee communicating with callers for NEMT services reviewed and audited;
  - BB.2.2.1.12.2. The use of a standard protocol (as described in Section SS of this Contract, Staff and Transportation Provider Training and Procedures) for evaluating telephone call performance including the accuracy of the information provided and the sensitivity to customer satisfaction and telephone etiquette;
  - BB.2.2.1.12.3. Refer individual staff performing at less than an average of 90% proficiency in Call Center performance in any month to additional training or coaching;
- BB.2.2.1.13. Methodology for surveying clients as described in "Client Satisfaction and Assurance" including prioritizing, monitoring, and analyzing problems identified through client surveys, and employee performance reviews;
- BB.2.2.1.14. Selection and analysis of Quality Improvement Initiatives:
- BB.2.2.1.14.1. The performance improvement programs detailed in the Quality Management Program plan shall include all of the quality related initiatives negotiated as performance targets.
  - BB.2.2.1.14.2. The Contractor shall implement at least two additional quality improvement initiatives/efforts each year. The programs will be subject to the Department's approval and must address significant performance factors. The Department will collaborate with the Contractor to select the performance improvement programs.
  - BB.2.2.1.14.3. All of the performance improvement programs shall include the measurement of performance and quality indicators which shall be:
    - BB.2.2.1.14.3.1. Objective;
    - BB.2.2.1.14.3.2. Clearly and unambiguously defined;

BB.2.2.1.14.3.3. Valid and reliable;

BB.2.2.1.14.3.4. Systematically collected;

BB.2.2.1.14.3.5. Capable of measuring outcomes such as changes in performance or client satisfaction or valid proxies of those outcomes; and

BB.2.2.1.14.3.6. Representative of the entire population to which the quality indicator is relevant.

BB.2.2.1.14.4. All of the performance improvement programs shall evaluate the effectiveness of any system interventions to achieve quality improvement.

- BB.3. The QM Program plan shall describe the procedures for reporting the results of QM activities to the Department, Transportation Providers and medical providers and others as appropriate. The Contractor shall provide feedback to its Transportation Providers regarding the operation of its QM effort. The Contractor shall remain fully accountable for all quality assurance matters related to its Transportation Providers.
- BB.4. The QM Program plan shall describe the procedures for following up on the results of Quality activities to determine success of implementation. The Contractor shall document in writing its follow-up efforts.
- BB.5. Fund a position that employs a dedicated qualified QM key person, approved by the Department, responsible for the operation and success of the QM Program. This person shall have adequate experience to ensure a successful QM Program including the skills and ability to objectively evaluate and analyze provider and Contractor performance data and propose recommendations to the Department to resolve any identified issues.
- BB.6. Coordinate a Quality Assurance Committee with the Department as the lead that includes representatives from various health services and community providers to advise the Contractor on performance and quality improvement issues and strategies. Representation and membership on the committee shall be subject to the Department's approval. The Quality Assurance Committee shall meet at least quarterly and produce written documentation of committee activities to be shared with the Department.
- BB.7. Submit to the Department a comprehensive Quality Management Program Evaluation and Report on January 15th and annually thereafter. The report shall be based on the performance measures and the report components shall correspond to the evaluation components and schedule outlined in the Contractor's Quality Management Program plan. The minimum requirements of the evaluation report shall be determined by the Department.

CC. Data Analysis and Reporting Requirements

CC.1. The Department shall:

CC.1.1. Review and approve or reject report formats and submitted reports. The Department and the Contractor shall jointly develop the report templates within thirty days from the execution of the contract; and

CC.1.2. Approve or deny report submission extension requests.

CC.2. The Contractor shall:

CC.2.1. Capture data and provide reports consistent with the data elements identified in Exhibit D: Reporting Requirements : .

CC.2.1.1. Produce and submit accurate reports as required by the Department and attest to the accuracy of the reports through a certifying signature on the reports by an authorized representative of the Contractor;

CC.2.1.2. Establish and notify the Department of the "Key Person" responsible for the analysis of data and the coordination of the transmission of reports, correction of errors associated with the reports, and the resolution of any follow up questions;

CC.2.1.3. Implement processes and controls to ensure data integrity and accuracy of all reports;

CC.2.1.4. Analyze data and develop service improvement recommendations for the Department;

CC.2.1.5. Report on activities and measures as listed below on a regularly scheduled basis or as otherwise required by the Department, in the format required by the Department which may be modified from time to time;

CC.2.1.6. Transmit to the Department no later than the 15th of each month certain data, files and reports as the Department may require similar to those listed below recognizing that the Department may require format and content modifications;

CC.2.1.7. Adhere to all Section CC of this Contract, Data Analysis and Reporting Requirements and Exhibit D: Reporting Requirements;

CC.2.1.8. Submit electronically all reports outlined below in accordance with the due dates and, where applicable, in the prescribed format;

CC.2.1.9. If and when the Contractor identifies an error, notify the Department within one business day of becoming aware of an error that exists and resubmit the

corrected report within five business days or a mutually agreed upon timeframe;

CC.2.1.10. Respond to requests from the Department for ad-hoc reports within a mutually agreed upon timeframe, including reporting specifications, development, cost, if any, and the expected delivery date of the report;

CC.2.1.11. Provide data from its databases to agency systems and data warehouses as required by the Department;

CC.2.1.12. Create, update and maintain licensure files to be shared with the Department upon request that document that each Transportation Provider is appropriately licensed and/or certified and qualified to serve clients.

CC.2.1.13. Maintain capability to provide summary information, any subset of data, and reports on all of the data elements listed in Exhibit D: Reporting Requirements, at the request of the Department;

CC.2.1.14. Submit all reports according to the following schedule unless otherwise determined by the Department:

CC.2.1.14.1. Annual Reports due by February 15 of each year.

CC.2.1.14.2. Quarterly reports due as follows:

<u>Quarter Ending</u>	<u>Report Due</u>
March 31	May 15
June 30	August 15
September 30	November 15
December 31	February 15

DD. Encounter Data - The Contractor shall:

DD.1. Maintain "Encounter Data" for all NEMT claims and purchases;

DD.2. Supply the Department's claims fiscal intermediary with required livery and ambulance claims data in an electronic HIPAA compliant form and frequency as determined by the Department;

DD.3. Revise encounter data when the Contractor discovers errors in Transportation Provider invoices or payments made to Transportation Providers or individuals;

- DD.4. Work with the Department to create specifications for encounter claim format and detail;
- DD.5. Work with the Department to create specifications for submitting encounter claims not paid through the fiscal intermediary to the Department's Data Warehouse to facilitate the Department's claiming of Federal Financial Participation (FFP);
- DD.6. Submit records of all requested, authorized, and denied services for eligible individuals including all data fields listed in the Utilization Management subsection and any other information about the authorization as specified by the Department to the DSS Data Warehouse, in a mutually agreeable electronic format and frequency of transmission.
- EE. Transportation Provider and Healthcare Provider Relations- The Contractor shall:
  - EE.1. Develop and maintain positive Contractor-Provider relations; communicate with all providers in a professional and respectful manner; promote positive provider practices through communication and education and provide administrative services in the most efficient manner possible in an effort to pose minimal burden on providers;
  - EE.2. Promote on-going and seamless communication between providers and the Contractor and include transportation and healthcare providers in discussions to improve service and reduce cost;
  - EE.3. Work with Transportation Providers to reduce administrative burden through the use of the Contractor's Automated Voice Response system, Web systems, and other technologies;
  - EE.4. Provide encryption software upon request from a Transportation Provider to provide for the exchange of client data via e-mail;
  - EE.5. Post all policies and procedures, and other material produced as a requirement under this contract, with prior Department approval, on the Contractor's Connecticut NEMT Website;
  - EE.6. Make all policies and procedures, and other material produced available to Transportation Providers upon request in print copy;
  - EE.7. Conduct an initial statewide Transportation Provider orientation(s) to address performance expectations, Transportation Provider reimbursement and safety concerns;
  - EE.8. Offer training and technical assistance to Transportation Providers regarding driver responsibilities and code of conduct while transporting Medicaid Clients, performance standards and other topics appropriate to the operation of the NEMT program;



- EE.9. Track and manage all Transportation Provider inquiries and complaints related to NEMT and provide a summary of such inquiries and complaints to the Department quarterly;
- EE.10. Ensure that all inquiries and complaints are addressed and resolved in compliance with the Contractor's approved QM Program plan, and no later than thirty days from receipt;
- EE.11. Inform the Department immediately when urgent circumstances require an immediate response from the Department.

FF. Client Satisfaction and Assurance- The Contractor shall:

- FF.1. Proactively and reactively pursue client satisfaction with NEMT services;
- FF.2. Solicit client assessment through formal surveys and complaints made through a formal grievance procedure regarding the transportation service and actively address concerns raised by clients. The surveys may be conducted in cooperation with medical providers or other groups and may take the form of a mailed survey or an internet based survey. The Department must approve the survey instrument, questions and distribution methodology prior to the release of the survey. The initial survey will be released within twelve months of contract execution and at annual intervals thereafter.

GG. Complaint Resolution and Grievance Procedures- The Contractor shall:

- GG.1. Implement practices to resolve client and provider complaints and formal grievances. At a minimum the Contractor's internal methodology for resolving qualified NEMT Client's complaints and formal grievances shall include:
  - GG.1.1. Policies and procedures for registering, responding, and resolving complaints within thirty days, including a regular analysis of complaints to identify and resolve outstanding problems and trends;
  - GG.1.2. Documentation of the substance of the complaints or grievances and the actions taken;
  - GG.1.3. Aggregation and analysis of complaints and grievances data and use of the data for quality improvement;
  - GG.1.4. An appeal process for unresolved grievances; and
  - GG.1.5. How the Contractor will issue and track Notices of Action (see Section 2.30).
- GG.2. Implement a computerized system to record all data associated with complaints that at a minimum shall include:

- GG.2.1. Aggregation of complaint and grievance data including scanned documents, emails, recorded telephone calls, notes, summaries and any other information pertaining to a complaint or grievance and ensure a retrievable mechanism by appropriate data fields;
- GG.2.2. Analysis shall include the following data elements, which will be submitted to the Department on a mutually agreed upon regular schedule:
  - GG.2.2.1. Client identification
  - GG.2.2.2. Trip identification
  - GG.2.2.3. Town
  - GG.2.2.4. Complaint Date
  - GG.2.2.5. Service Date
  - GG.2.2.6. Complaint Content
  - GG.2.2.7. Complaint Code
  - GG.2.2.8. NEMT Provider
  - GG.2.2.9. Investigation by Contractor
  - GG.2.2.10. Conclusion
  - GG.2.2.11. Follow-up, Policy and Practice Changes

GG.3. Inform the Department immediately when inquiries and complaints are of an urgent nature and require an immediate response from the Department;

GG.4. Provide the Department with a report outlining the Contractor's compliance with required timeframes and notifications related to client and provider inquiries and complaints. The Department and the Contractor shall agree to the form, content and frequency of the report in advance; and

GG.5. Analyze and review complaint and incident data and propose solutions and recommendations to the Department on a monthly basis to improve NEMT services.

HH. Significant Incident Management

HH.1. The Contractor shall implement an incident management program oriented to the timely discovery, thorough investigation and corrective action to prevent or mitigate harm and improve NEMT service.

II. Appeals – Internal Review

II.1. General Requirements:

- II.1.1. A client, or a person acting on behalf of a client, may appeal any adverse decision regarding NEMT services to a designated lead individual or supervisor within the Contractor's organization.
- II.1.2. Whenever a Call Center representative or other staff person denies or reduces a request for NEMT services or suspends an existing service, the Contractor must inform the client while the representative is on the call with the client or in a subsequent telephone call, and must send a written Notice of Action so that the client has an opportunity to request an appeal to a supervisor or designated lead person in the organization and may request an administrative hearing with the Department.
- II.1.3. The process for appealing a decision with the Contractor and for requesting an administrative hearing shall be unified for all clients who request NEMT services. The Contractor and the Department shall treat the filing of an NEMT appeal with the Contractor as a simultaneous request for an administrative hearing with the Department.
- II.1.4. At the time the client requests NEMT services, the Contractor shall attempt to obtain all appropriate information to verify and authorize the transportation request as more fully described above.
- II.1.5. When the Contractor is unable to verify appointments and the appropriate mode of transportation while the caller is on the telephone requesting the service from the Contractor, the Contractor shall inform the client that the Contractor requires additional information and the client must either provide written documentation or grant the Contractor the right to contact the medical provider to obtain further information before authorizing the trip.
- II.1.6. The Department shall schedule an administrative hearing within thirty calendar days of receipt of the appeal and notify the client and Contractor of the hearing date and location. If a client is disabled, the hearing may be scheduled at the client's home, if requested by the client. The Department shall date stamp and forward the appeal by fax or scanned pdf via email to the Contractor within two business days of receipt. The fax or email to the Contractor will include the date the client mailed the appeal to the Department. The postmark on the envelope will be used to determine the date the appeal was mailed. The Department shall fax or email a request for expedited review to the Contractor within one business day of receipt by the Department when the client's appeal contains a request for expedited review. The fax or email will include the date the client mailed the appeal. If the Contractor receives an appeal form, the Contractor shall date stamp and fax the appeal to the appropriate fax number at the Department within two business days.

- II.1.7. If the Contractor terminates, suspends or reduces an existing authorization for services being provided to a client, the client has a right to continuation of those services, provided that the client files an appeal/hearing request within ten (10) calendar days from the date the NOA is mailed to the client, or the effective date of the intended action, whichever is later. The right to continuation of services applies to the scope of services previously authorized for the time period between filing the appeal and a decision being rendered. The right to continuation of services does not apply to subsequent requests for approval that result in denial of the additional request or re-authorization of the request at a different level than requested.
- II.1.8. An individual(s) having final decision-making authority shall render the Contractor's appeal decision, with the understanding that the Department has the ultimate final decision in all matters.. Any appeal arising from an action based on a determination of medical necessity shall be decided by the Contractor's medical staff.
- II.1.9. An appeal may be decided on the basis of the written documentation available (or other reliable source of information including telephone recorded information including the conversation of any qualified person able to contribute pertinent information to the matter being appealed) unless the client requests an opportunity to discuss the decision with the Contractor and/or requests an opportunity to submit additional documentation or other written material.
- II.1.10. If the client wishes to meet with the Contractor's decision-maker, the meeting can be held via telephone or at a location accessible to the client. Subject to approval of the Department's regional Offices, any of the Department office locations may be available for video conferencing.
- II.1.11. The Contractor shall mail to the client, the client's parent or guardian if the client is under the age of 18 and/or the Department of Children and Families' central office contact person for any child who is committed to or in the custody of the Department of Children and Families, a written appeal determination described below, with an electronic copy to the Department, by the date of the Department's administrative hearing.
- II.1.12. The Contractor's written appeal determination shall include the client's name and address; the Contractor's name and address; a complete description of the information or documents reviewed by the Contractor in rendering its decision; a complete statement of the Contractor's findings and conclusions, including a citation to the legal authority that is the basis of the appeal determination; a clear statement of the Contractor's disposition of the appeal; and a statement that the client has exhausted the Contractor's internal appeal procedure. If the appeal is submitted in Spanish, it shall be responded to in Spanish.
- II.1.13. Along with the appeal determination, the Contractor shall remind the client on a form, which shall be approved by the Department, of the option to appeal to

the Department if the client is dissatisfied with the Contractor's denial, reduction, or suspension of NEMT services. The form shall state that the Department has already reserved a time to hold an administrative hearing concerning that determination and provide that information to the client.

- II.1.14. The Contractor shall remind the client on the form that if the client fails to appear at the administrative hearing, the client's reserved hearing time will be cancelled and any disputed services that were maintained will be suspended, reduced, or terminated in accordance with the Contractor's appeal determination. If clients are entitled to a continuation of services, the Contractor shall indicate that the services will be continued for the duration of the existing authorization until the outcome of the Administrative hearing is determined.
- II.1.15. If the client requests an Administrative Hearing the Contractor must prepare a written narrative of the situation for the Department's Administrative Hearing Officer and may be directed by the Department to attend the hearing.
- II.1.16. The Department shall retain decision-making authority on authorization of transportation services. The Department's decisions on matters involving Contractor denial of transportation services shall be final and binding and shall not be subject to appeal by the Contractor.
- II.1.17. The Contractor shall submit the summary narrative and related materials to the Department's NEMT Program staff for review and approval at least ten days before the scheduled hearing. The Contractor will mail an approved summary to the client at least five days before the scheduled hearing. An employee of the Contractor with a title of manager or higher shall attend the scheduled hearing.

#### JJ. Notices of Action

JJ.1. A Notice of Action (NOA) shall be issued to a client upon denial, suspension, or termination of services.

JJ.1.1. The Contractor shall comply with Department policies and procedures related to Notice of Action and Administrative Hearings. Such policies and procedures may change and the Department shall notify the Contractor of any changes when they occur. Additionally the Department and the Contractor will annually review the policies and procedures.

JJ.1.2. The Contractor shall:

JJ.1.2.1. Utilize the Grievance and Complaint resolution process identified above;

JJ.1.2.2. After informing a client of an adverse decision as described above, the Contractor shall mail a written denial notice (Notice of Action – NOA) on the form developed and provided to the Contractor from the Department, including

the reason for the denial, within one (1) business day of the decision to deny the service and retain documentation evidencing that the NOA was sent.

JJ.1.2.3. The following reasons would qualify for an NOA to be sent:

JJ.1.2.3.1. Denial because the services to which the client wishes to be transported are not Medicaid-covered services. Conn. Agencies Regs. 17-134d-33(e)(1)

JJ.1.2.3.2. Denial because the client is not receiving the type of transportation that he or she has requested. Department has the right to determine which type of transportation is most appropriate for the client. Conn. Agencies Regs. 17-134d-33(e)(2)(A)

JJ.1.2.3.3. Denial because the healthcare provider chosen by the client is not the "nearest appropriate healthcare provider of medical services." Conn. Agencies Regs. 17-134d-33(e)(2)(B). In order to deny on this basis, there must be a determination made by the vendor that "traveling further distances provides no medical benefit" above which the client would receive at a closer provider.

JJ.1.2.3.4. Denial because the method of transportation requested is not "the least expensive appropriate method of transportation, depending on the availability of the service and the physical and medical circumstances of the [client.]" Conn. Agencies Regs. 17-134d-33(e)(2)(C)

JJ.1.2.3.5. Denial because the client wants to go to a medical provider solely for the purpose of picking up a prescription or a written prescription order, Conn. Agencies Regs. 17-134d-33(e) (3) (D), or solely for the purpose of picking up "an item [that] does not require a fitting." Conn. Agencies Regs. 17-134d-33(e) (3) (F).

JJ.1.2.4. Utilize the Notice of Action letters and appeals process provided by the Department. The Contractor shall prepare for and participate in client appeals, as the Department requires and at the Contractor's expense.

KK. Third Party Liability - The Contractor shall:

KK.1. Obtain information concerning possible third party payers for participating clients;

KK.2. Report to the Department any information that varies with the information on AEVS and transmit copies of verification when provided by the client;

KK.3. Coordinate NEMT benefit for eligible Medicaid Clients who may be entitled to other federal health insurance or other resources to avoid cost to the Department's NEMT program;

KK.4. Assist the Department in all third party recovery efforts;

KK.5. Notify the Department of any/all NEMT accidents as significant incidents in accordance with applicable procedures. When a client is a party to the accident, the Contractor shall also provide the name of the insurance carrier and relevant contact information including, but not limited to, the NEMT company driver, owner, carrier and policy number.

LL. Fraud and Abuse Prevention

LL.1. The Department is extremely concerned about the potential for fraudulent, abusive and inappropriate use of Medicaid covered transportation both on the part of Transportation Providers and clients including:

LL.1.1. Transportation of ineligible riders;

LL.1.2. Trips to non-covered Medicaid services;

LL.1.3. Multiple trips where only one trip is necessary;

LL.1.4. Transportation in an ambulance, stretcher, or wheelchair-accessible vehicle when the client's medical needs do not warrant that mode of transportation;

LL.1.5. Charges by Transportation Providers for more miles than the actual distance of the trip;

LL.1.6. Trips that never occur;

LL.1.7. Gratuities or other types of inducements to the clients or others acting on behalf of the clients for any purpose; and

LL.1.8. Transportation in unlicensed or unpermitted vehicles or licensed and permitted vehicles driven by uninsured drivers.

LL.2. The Contractor (and its Transportation Providers) shall:

LL.2.1. Not knowingly take any action or fail to take any action that could result in an unauthorized benefit to the Contractor, its employees, its Transportation Providers, its vendors, or to a client;

LL.2.2. Commit to preventing, detecting, investigating, and reporting potential fraud and abuse occurrences, and shall assist the Department and DHHS in preventing and prosecuting fraud and abuse in the NEMT program;

LL.2.3. Acknowledge that the Department and DHHS, Office of the Inspector General, has the authority to recover payments or to impose civil monetary penalties on individuals and entities that submit false and fraudulent claims related to the NEMT program;

- LL.2.4. Immediately notify the Department when it detects a situation of potential fraud or abuse, including, but not limited to, the following:
  - LL.2.4.1. False statements, misrepresentations, concealment, failure to disclose, and conversion of benefits;
  - LL.2.4.2. Any giving or seeking of kickbacks, rebates, or similar remuneration;
  - LL.2.4.3. Charging or receiving reimbursement in excess of that provided by the Department; and
- LL.2.5. Cease any conduct that the Department or its agent deems to be abusive of the NEMT program, and take any corrective actions requested by the Department or its agent;
- LL.2.6. Provide information, as requested by the Department, on any employee or Transportation Provider who has been convicted of a civil or criminal offense related to that person's involvement with Medicare, Medicaid, or any other federal or state assistance program;
- LL.2.7. Attest to the truthfulness, accuracy, and completeness of all data submitted to the Department, based on the Contractor's best knowledge, information, and belief;
- LL.2.8. Implement administrative and management procedures and a mandatory compliance plan to guard against fraud and abuse. The Contractor's compliance plan shall include but not necessarily be limited to, the following efforts:
  - LL.2.8.1. The designation of a compliance officer and a compliance committee, who reports to senior management;
  - LL.2.8.2. Written policies, procedures and standards which demonstrate commitment to comply with all applicable Federal and State standards;
  - LL.2.8.3. Effective lines of communication between the compliance officer and Contractor employees and Transportation Providers;
  - LL.2.8.4. Conducting regular reviews and audits of operations to guard against fraud and abuse;
  - LL.2.8.5. Assessing and strengthening internal controls to ensure claims are submitted and payments are made properly;
  - LL.2.8.6. Effectively training and educating employees, Transportation Providers, and Transportation Providers about fraud and abuse and how to report it;
  - LL.2.8.7. Effectively organizing resources to respond to complaints of fraud and abuse;



LL.2.8.8. Establishing procedures to process fraud and abuse complaints; and

LL.2.8.9. Establishing procedures for prompt responses to potential offenses and reporting information to the Department.

LL.2.9. Examine publicly available data, including but not limited to the CMS Medicare/Medicaid Sanction Report and the CMS website (<http://www.oig.hhs.gov>) (LEIE - List of Excluded Individuals and Entities) to determine whether any potential or current employees, providers, or Transportation Providers have been suspended or excluded or terminated from the Medicare or Medicaid programs and shall comply with, and give effect to, any such suspension, exclusion, or termination in accordance with the requirements of State and Federal law; and

LL.2.10. Meet the requirements of Section § 6032 (if applicable) of the Deficit Reduction Act of 2005, P.L. 109-171, and any implementing regulations or guidance on those requirements issued by the federal government. These sections of the Federal Deficit Reduction Act of 2005 ("DRA") require entities that make or receive annual Medicaid payments of \$5 million or more ("covered entities") to:

LL.2.10.1. Establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provide detailed information about S. 1932—71 the False Claims Act established under sections 3729 through 3733 of Title 31, United States Code, Administrative Remedies for False Claims and Statements established under Chapter 38 of Title 31, United States Code, any State laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1128B(f));

LL.2.10.2. Include as part of such written policies, detailed provisions regarding the entity's policies and procedures for detecting and preventing fraud, waste, and abuse; and

LL.2.10.3. Include in any employee handbook for the entity a specific discussion of the laws described in subparagraph (a), the rights of employees to be protected as whistleblowers, and the entity's policies and procedures for detecting and preventing fraud, waste, and abuse.

MM. Performance Oversight

MM.1. Contract Compliance, Performance Targets, Standards, and Sanctions - General Requirements

MM.1.1. The Department has established mechanisms to support and encourage continuous NEMT quality improvement. The primary mechanism is the use of

Performance Targets that both the Department and the Contractor design as performance goals for a specific future performance measurement period. The Department also has established standards for specific performance that are crucial and fundamental to the integrity of the program. These standards are intended to reinforce performance levels in specific areas based in law, regulation or policy.

MM.1.2. Performance Targets are intended to ensure continued quality improvement and cost management.

MM.1.3. Performance Standards and Sanctions are intended to insure a minimum level of service throughout the term of the contract. All provisions for Performance Standards also shall constitute independent requirements for the purpose of determining whether the Contractor may be subject to penalties.

MM.1.4. The Department requires the Contractor to obtain and maintain throughout the term of the contract a Performance Bond in the amount of \$2 million dollars to protect the Department against costs due to the Contractor's failure to perform.

MM.1.5. The Department shall evaluate the on-going performance of the Contractor during the term of the contract through annual Performance Reviews.

#### MM.2. Performance Targets and Withhold Allocation

MM.2.1. The Department shall withhold 7.5% of each monthly administrative payment during each year of the contract to be paid to the Contractor, in whole or in part, on an annual basis contingent upon the Contractor's success in meeting established Performance Targets as set forth in Exhibit A.

MM.2.2. The Contractor shall negotiate annual performance targets with the Department to be fully incorporated as part of Exhibit A, attached hereto, without the need for a formal amendment. Both parties will sign the new performance targets annually. If the Department and the Contractor are not able to agree to annual performance targets, the Department shall have the right to terminate this agreement no sooner than 120 days after January 1 of the year to which such negotiated targets would have applied.

MM.2.3. Performance Targets will be tied to objectives such as access, quality, and utilization management. Each Performance Target has a separate value. The Contractor shall have the opportunity to separately earn the amount associated with each Performance Target.

MM.2.4. Performance Targets for the transition period following the execution of the contract and concluding with the "start of the Full Implementation" shall be related to that transition period.

- MM.2.5. The Contractor and the Department will negotiate Performance Targets for successive annual (twelve month) periods. The schedule of review may be revised. The initial PMPM target and terms for return of the withhold will be negotiated. The Performance Targets shall, among other things, include provisions related to the timely and accurate payment of claims and personal reimbursement and submission of encounter data to the Department.
- MM.2.6. The Department shall measure the Contractor's success in meeting the Performance Targets. The Department shall establish specifications mutually agreeable to the Department and the Contractor for measurement of the Contractor's performance and shall calculate the Contractor's performance on reports or data submitted by the Contractor.
- MM.2.7. The Contractor's failure to provide the Department with the requisite data or reports in accordance with the agreed reporting frequency for the Performance Period shall result in the Contractor's forfeiting the specified percentage of withhold attached to the corresponding Performance Target(s).
- MM.2.8. The Department shall determine whether the Contractor has met, exceeded or fallen below each of the required Performance Targets set forth in this subsection. The decision of the Department shall be final.
- MM.2.9. In determining the Contractor's success in meeting the agreed upon Performance Targets, performance measures will not be rounded. For example, if the Contractor is required to achieve a performance level of 95%, the target will not be achieved if the performance is 94.9%.
- MM.2.10. When a Performance Target includes the performance of a random sample, the sample size will be mutually agreed upon by the Department and the Contractor and will be based on the size of the population relevant to the Performance Target.
- MM.2.11. The reporting period for purposes of calculation of the Contractor's success in meeting the Performance Targets shall be by twelve month period beginning with January 1 of a calendar year unless otherwise stipulated by the Department. Claim based reports used to measure Performance Targets will not be completed until three (3) months after the close of the Performance Period to allow for claims run out.
- MM.2.12. The Department shall notify the Contractor of its success or failure in meeting the Performance Targets on or before April 15th of each year.
- MM.2.13. If the Contractor has failed to meet a Performance Target the Contractor shall, within fifteen (15) business days from the date of the Department's notification of the Contractor's failure to meet a specified Performance Target(s), submit a written report to the Department that shall explain why specific

Performance Targets were not met and describe a plan of action to be implemented in an effort to meet these Performance Targets in the future.

MM.2.14. If the Contractor has met or exceeded the Performance Targets the Department shall return the specified portion of the withhold, not more than 60 days from the close of the calendar year or receipt of the most recent data, whichever is later.

### MM.3. Performance Standards and Sanctions

MM.3.1. The Department has established Performance Standards as outlined in subsection MM.4 below.

MM.3.2. The Contractor's failure to meet minimum Performance Standards as outlined in subsection MM.4 will result in a sanction against the Contractor for each occurrence per Performance Standard not met. If the Contractor's Performance Reports or audits by the Department indicate that the Contractor failed to meet these Standards within the specifications under consideration, the Department shall adjust the Contractor's payment by a predetermined dollar amount set for each Performance Standard. Subsection MM. 4 identifies a portion of the Performance Standards and corresponding measures and the dollar amount to be deducted from the Contractor's payment if and when the Performance Standard is not met. The Contractor shall not be penalized for reporting delays that are the fault of the Department or its agents.

MM.3.3. Throughout the term of the contract the Department shall regularly review the Performance Standard reports to determine whether the Contractor is meeting these standards and issue a written sanction notification for each occurrence in which the Contractor fails to meet a Performance Standard. The Department shall have the sole authority to determine whether the Contractor has met, exceeded or fallen below any or all of the Performance Standards.

MM.3.4. The Department shall adjust the Contractor's administrative payment for each sanction on the payment following the delivery of the written notification.

MM.3.5. The Department shall review for approval the development of, modification to and implementation of corrective action plans.

MM.3.6. The Contractor shall submit to the Department a corrective action plan to avoid the recurrence of non-compliance, along with a timetable for implementation of the corrective action plan, within fifteen (15) business days from the date of the Department's written sanction notification to the Contractor for failure to meet a specified standard.

MM.3.7. Implementation of any sanction provision or the decision of the Department to refrain from implementation shall not be construed as anything other than a means of further encouraging the Contractor to perform in accordance with

the terms of the contract and is not the Department's sole remedy to the specific performance of the contract requirement.

MM.4. In addition, the Department will impose the following schedule of performance sanctions when the Contractor or its subcontractors fail to perform according to the standards listed below:

MM.4.1. Class A Performance Sanctions

MM.4.1.1. The Department will impose a Class A Sanction each time the Contractor fails to comply with the contract on an issue warranting a Class A Sanction listed below. The Department will notify the Contractor in writing in advance of imposing any sanction and will give the Contractor up to five business days to present its position regarding the Department's determination of a violation warranting a Class A sanction. Said sanction will be no more than \$500 for the first three (3) sanctions of the same type. Thereafter violations of the same contractual provision will result in a sanction of no more than \$1,000.

MM.4.1.2. In addition, the Department may assess a performance sanction of \$10,000 when the Department determines that the Contractor has engaged in a pattern of noncompliance with Class A performance measures and requirements. When the Department determines that the Contractor has exhibited a pattern of noncompliance with Class A measures and requirements, the Department shall notify the Contractor of such determination and shall provide the Contractor up to five business days from such notification to appeal the determination and offer a rationale why the Contractor should not be assessed the sanction.

MM.4.1.3. Violations warranting a Class A Sanction include:

MM.4.1.3.1. Failure to maintain access to current policies, (per six month review period).

MM.4.1.3.2. Failure to provide recorded client service phone calls as requested, (per six month review period).

MM.4.1.3.3. Billing the Department for a trip that was not provided.

MM.4.2. Class B Performance Sanctions

MM.4.2.1. Each time the Contractor (including a subcontractor) fails to comply with the contract on an issue warranting a Class B Sanction (see below), the Department shall notify the Contractor of its determination in writing and in advance of imposing any sanction. The Department may assess a performance sanction of up to \$5,000.00 per occurrence.

MM.4.2.2. When the Department determines that the Contractor has engaged in a pattern of non-compliance that warrant Class B Sanctions, the Department shall notify the Contractor, in writing and, may assess an additional performance sanction of \$10,000.00.

MM.4.2.3. The Contractor will be notified, in writing, when the Department determines that a performance standard has not been met and a performance sanction will be imposed. The Department shall identify the performance standard that has not been met and the corresponding penalty. The Contractor shall have five business days from the date of the letter to document to the Department, in writing, why the performance sanction should not be imposed. The Department, through its Contract Administrator, shall render a decision on the imposition of the performance sanction within five business days of the date of the Contractor's letter. The decision of the Contract Administrator shall be final.

MM.4.2.4. Issues subject to Class B Sanctions:

MM.4.2.4.1. Failure to transport clients in vehicles with applicable DMV licensure and DOT or DPH certification including sufficient liability insurance. (Per incident)

MM.4.2.4.2. Failure to transport clients utilizing appropriately certified and licensed drivers. (Per incident)

MM.4.2.4.3. Failure to issue a notice of action within time standards. (Per incident)

MM.4.2.4.4. Over writing valid client eligibility data which causes an unwarranted denial of NEMT for otherwise eligible clients requesting NEMT. (Per incident)

MM.4.2.4.5. Refusing to transport otherwise eligible clients or engaging in discriminatory practices. (Per Incident)

MM.4.2.4.6. Causing harm to a client or engaging in such behavior that a prudent person could reasonably expect would cause harm or injury to a client. (Per Incident)

MM.4.2.4.7. Failure to prevent confidentiality and data security breaches including, but not limited to, employee compliance with confidentiality requirements. (Per Incident)

MM.4.2.4.8. Failure to prevent a significant incident or accident in which the police and/or an ambulance are called to assist a transportation provider. Such incidents may include but are not limited to the failure to secure a wheelchair and/or a wheelchair client using an appropriate fastening

device, which results in an injury or the need for medical intervention (ambulance, emergency department or follow-up medical care). (Per incident).

MM.4.3. Pattern of Noncompliance

MM.4.3.1. In the event that the Department identifies a pattern of non-compliance and has imposed more than one sanction for non-compliance in accordance with this section, the Department may, with notice to the Contractor, invoke the provisions of Section PP of this Contract, Termination Provisions and categorize future occurrences of non-compliance as events of default.

MM.5. Alternative Effort

MM.5.1. The Department may search for cover for the services reasonably necessary to cure a default by the Contractor if, in the reasonable judgment of the Department:

MM.5.1.1. A default by the Contractor is not so substantial as to require termination;

MM.5.1.2. Reasonable efforts to induce the Contractor to cure the default are unavailing; and

MM.5.1.3. The default is capable of being cured by the Department or by another resource without unduly interfering with continued performance by the Contractor.

MM.5.2. If the Department exercises its right to search for cover to cure the default, the Contractor's next administrative payment will be adjusted to recover the reasonable cost of the procured services, excluding cost of transportation services, and the costs associated with the procurement of the services. If the Department exercises this right, the Contractor shall:

MM.5.2.1. Cooperate with such entities the Department may obtain to cure the default and shall allow those entities access to the facility, documentation, software, utilities and equipment; and

MM.5.2.2. Remain liable for all system support and administration performance criteria, maintenance of, and further enhancements to, any applications developed by these resources.

MM.6. Performance Bond or Statutory Deposit

MM.6.1. The Department requires a fully operational NEMT administrative system as of 12:01 AM on February 1, 2013 and for each day of the contract period thereafter. The failure of the Contractor to pass the "Readiness Review" or the failure of the Contractor to provide an operational system as of 12:01 AM on

February 1, 2013, as approved by the Department, in accordance with the Contractor's Implementation Plan, or the failure of the Contractor to maintain a fully operational system thereafter will cause considerable harm to the Department and its eligible clients.

MM.6.2. The Contractor shall be liable to the Department for resultant damages if the Contractor is not operational by 12:01 AM on February 1, 2013. To mitigate such harm the Department requires the Contractor to obtain either a Performance Bond or a Statutory Deposit as further described below:

MM.6.2.1. The Performance Bond or Statutory Deposit is intended to guarantee a fully operational system for the term of the contract and cover the Department's costs in the event of a performance or financial failure by the Contractor. (Separately the Department requires audited financial statements annually). The Proposer agrees that:

MM.6.2.1.1. It will be able to secure a Performance Bond or Statutory Deposit according to the terms of this section.

MM.6.2.1.2. It will engage in good faith negotiations to execute a contract before November 9, 2012.

MM.6.2.1.3. It will provide a fully operational system on February 1, 2013 and will maintain a fully operational system thereafter.

MM.6.2.1.4. It will participate in transitional activities with the present Contractors, if necessary.

MM.6.2.1.5. It will participate in a bifurcated review process to be conducted by the Department according to the terms of Section OO of this Contract. The Contractor will be required to pass the Readiness Review as determined before the Department will allow the Contractor to provide services. In the event the Department determines that the Contractor is not "ready" to provide services by February 1, 2013, the Department will take such action that may be required to ensure the seamless delivery of non-emergency medical transportation services including calling the Contractor's performance bond. Additionally, the Department will engage in a post implementation review to ensure that the services being provided are consistent with the requirements contained herein.

MM.6.2.2. The Contractor shall obtain a Performance Bond or Statutory Deposit Account in the amount of \$2,000,000 on or before the execution of the Contract in accordance with the following:

MM.6.2.2.1. The purpose of the bond or Statutory Deposit amount is to mitigate harm caused by any failure of the Contractor to perform services required in the contract;



MM.6.2.2.2. The bond shall be provided by an insurer, which has been previously approved by the Department;

MM.6.2.2.3. The bond shall name the State of Connecticut as the Obligee;

MM.6.2.2.4. The bond or Statutory Deposit amount shall remain in effect until the latter of:

MM.6.2.2.4.1. The duration of the contract and any extensions to the contract; or

MM.6.2.2.4.2. The work to be performed under the contract has been fully completed to the satisfaction of the Department and the Department has released the Contractor from carrying the bond by written consent.

MM.6.2.3. The Contractor shall not be liable for such damages if the Department has failed to meet its obligations under the contract, and that failure of the Department was a direct cause of the Contractor's ability to perform its administrative services by the date specified in the Contractor's approved Implementation Plan.

MM.6.2.3.1. The Contractor agrees to pass a "Readiness Review" conducted by the Department and concluded no later than January 1, 2013, or on such other date as the Contractor and the Department may agree in writing. The Department shall conduct a formal review of the Contractor's operational status to determine whether the Contractor is sufficiently prepared to undertake the service as described in this Contract to be "Fully Operational" by February 1, 2013. "Fully Operational" means that the Contractor has the capacity to correctly perform the functions described in this Contract as determined by the Department.

NN. Transition and Implementation Requirements- General Provisions

NN.1. The Department is committed to a smooth transition from multiple Contractors to a single Contractor. The start-up phase begins at contract execution and ends on at 12:01 am February 1, 2013, Contractor.

NN.1.1. Department Responsibilities

NN.1.1.1. The Department shall engage in good faith negotiations to execute a contract by November 9, 2012.

NN.1.1.2. The Department shall review the Contractor's Implementation Plan and periodic updates and not unreasonably withhold approval of the Plan and subsequent updates.

NN.1.1.3. The Department shall require that its current NEMT Contractors and its MCOs, , submit to the Department or the successful Proposer, thirty days prior to implementation, a list of clients who have used NEMT services sufficient information to support continuity and coordination of NEMT services for those individuals who have pre-scheduled transportation arrangements.

NN.1.1.4. The Department shall require contracted FFS NEMT Contractors to pay for all NEMT services authorized and scheduled and provided prior to February 1, 2013.

NN.1.2. Contractor Responsibilities

NN.1.2.1. The Contractor shall develop and provide to the Department for review and approval an Implementation Plan prior to the execution of the contract, which shall include the designated individuals responsible for the execution of the Implementation Plan and the dates by which the Contractor will begin implementation of each of its administrative services.

OO. Readiness Review

- OO.1. The Department shall conduct a Readiness Review of specific requirements beginning no later than sixty (60) days prior to the implementation date of February 1, 2013. The purpose of the Readiness Review will be to determine whether the Contractor has achieved sufficient progress to operate its administrative services timely, as indicated in the Contractor's approved Implementation Plan.
- OO.2. The Department shall notify the Contractor in writing of the results of its readiness review within seven business days from the review. The Department may approve the Contractor's progress with or without comment, conditionally with additional requirements, or may determine that the Contractor has not made sufficient progress to operate its administrative services by the date indicated in the Contractor's approved Implementation Plan.
- OO.3. If the Department determines that the Contractor has failed to make sufficient progress to become operational and to perform administrative services by the date indicated in the Contractor's approved Implementation Plan, the Contractor shall have five business days from the date of such notice to propose a corrective action plan to the Department's satisfaction.
- OO.4. Irrespective of the Contractor's corrective action, the Department, at its option, may take such additional steps as it deems necessary to provide seamless NEMT administrative services for its clients including, but not limited to, calling for execution of the Performance Bond and terminating the Contract for the Contractor's failure to pass the Readiness Review.
- OO.5. Exhibit C: Readiness Review lists the potential Readiness Review Topics.

PP. Termination Provisions

- PP.1. The Department may exercise its right to invoke the provisions of this section when it determines the Contractor has failed to perform. All terminations shall be effective at the end of a month, unless otherwise specified in this section. The Contractor may be terminated under the following circumstances:
- PP.1.1. By mutual written agreement of the Department and the Contractor upon such terms and conditions as they may agree;
- PP.1.2. By the Department for convenience, upon not less than one hundred-eighty (180) days written notice to the Contractor;
- PP.1.3. By the Department, for cause, upon failure of the Contractor to materially comply with the terms and conditions of this Contract.
- PP.1.4. The Department shall give the Contractor written notice specifying the Contractor's failure to comply and shall provide Contractor a period of fourteen (14) days to cure such breach. If the Contractor is working in good faith towards a resolution, the Department may offer up to an additional sixteen (16) days to cure. If the Contractor fails to comply, the Departments may serve written notice stating the date of termination and work stoppage arrangements, not otherwise specified in this Contract. Such date of termination shall be no less than fifteen (15) days following the date on which notice of the breach was provided to the Contractor.
- PP.1.5. By the Department, in the event of default by the Contractor, which is defined as the inability of the Contractor to provide services, where such inability is not otherwise excused pursuant to this Contract, as described in this Contract or the Contractor's insolvency.
- PP.1.6. With the exception of termination due to insolvency, the Department shall require the Contractor to cure the default within thirty (30) days or to submit a plan of correction acceptable to the Department unless such opportunity would result in immediate harm to members, or the improper diversion of Medicaid program funds;
- PP.1.7. By the Department, in the event of notification that the owners or managers of the Contractor, or other entities with substantial contractual relationship with the Contractor, have been convicted of Medicare or Medicaid fraud or abuse or received certain sanctions as specified in Section 1128 of the Social Security Act;
- PP.1.8. By the Department, in the event it determines that the health or welfare of members is in jeopardy should the contract continue;
- PP.1.9. By the Department, in the event a petition for bankruptcy is filed by or against the Contractor;

PP.1.10. By the Department, if the Contractor fails substantially to authorize medically necessary transportation services that are required under this Contract;

PP.1.11. By the Department, if the Contractor intentionally misrepresents or falsifies information that is furnished to the Secretary of Health and Human Services, the Department or Medicaid recipients, potential recipients or health care providers under the Social Security Act or pursuant to this Contract; and

PP.1.12. By the Contractor, on one hundred eighty (180) days written notice.

PP.2. Unless termination occurs pursuant to any of the above conditions, this Contract shall terminate on the Expiration date of the original contract or subsequent amendments. The Contractor shall be paid solely for covered services provided prior to the Expiration or Termination date. The Contractor is obligated to cooperate fully with the closeout or transition of any activities so as to permit continuity in the administration of the Department's programs. This includes, but is not limited to, allowing the Department's full access to the Contractor's facilities and records to the extent necessary to arrange for the orderly transfer of contracted activities (including information for the reimbursement of any outstanding Medicaid claims) and any other provisions specifically defined in the termination agreement.

PP.3. If the Department terminates this Contract pursuant to this section and unless otherwise specified in this section, the Department shall provide the Contractor written notice of such termination at least sixty (60) days prior to the effective date of the termination, unless the Department itself receives less than sixty (60) days notice, in which case the Department shall provide the Contractor with as much notice as possible. If the Department determines a reduction in the scope of work is necessary, it shall notify the Contractor and the parties shall proceed to amend the contract pursuant to its provisions. By termination pursuant to this Article, neither party may nullify obligations already incurred for performance of services prior to the date of notice or, unless specifically stated in the notice, required to be performed through the effective date of termination. Any agreement or notice of termination shall incorporate necessary transition arrangements if such arrangements are not otherwise specified in this Contract.

PP.4. In the event that either party seeks early termination of this agreement, the Contractor and the Department shall negotiate an early termination agreement that may include transition activities, the status of the Contractor during the termination/transition period, cost recovery, payment terms, and any other matter that is necessary for the orderly termination and transfer of activities to a new Contractor or the Departments. Such agreement shall be concluded within thirty (30) days of the notice of termination. If agreement is not reached regarding the termination agreement within the specified thirty (30)-day period, the contract shall terminate sixty (60) days thereafter.

QQ. Staff and Transportation Provider Training and Procedures- The Contractor shall:

- QQ.1. Develop and implement an in-service training program and operational procedures, provide manuals, forms and reports, necessary for smooth operation of the NEMT responsibilities;
- QQ.2. Propose and, subject to the Department's approval, implement a formal training program that orients staff to standard procedures and practices including service quality so that clients receive excellent customer service and are treated with respect, dignity and cultural sensitivity. Such training must include an orientation to Connecticut Medicaid services, client status, NEMT eligibility, prior authorization and verification procedures, significant incident management, complaint management, crisis call management, medical necessity, entitlement and client rights, data uses and application and importance for the program; and other training modules that relate to on-going quality improvement. The Contractor shall provide sufficient "interviewing technique training" for all staff who perform Call Center communication with clients. All communication with clients and service authorizations must be performed by trained employees. The Contractor will maintain documentation of all training and re-training for each employee; and
- QQ.3. Implement training for Transportation Providers and their drivers to ensure their compliance with Medicaid requirements including but not limited to the requirement for educating all employees and officers on how to detect fraud, waste and abuse.

RR. NEMT Web Site and Communication

- RR.1. The Contractor shall create and implement HIPAA compliant communication systems including a Department approved website specifically used to serve NEMT providers and clients and to facilitate communication and issue resolution between the Department and the Contractor. The website(s) shall be structured for easy navigation and user-friendliness. If the Contractor embeds the website(s) within a more complex corporate website, the Contractor shall ensure that the Connecticut NEMT Services link is clearly accessible from the corporate main site. The Contractor shall ensure that the website provides, in a prominent place, an option for Spanish selection.
- RR.2. The website shall provide information concerning the NEMT program including, but not limited to:
- RR.2.1. Policies and procedures applicable to the efficient functioning of the NEMT service. The website and written materials for clients shall be in an easily understood format. All written materials and correspondence with clients shall be culturally sensitive and written at no higher than a seventh grade reading level in both English and Spanish. The client information shall contain at a minimum: description of transportation options and the conditions for their use, requesting and scheduling transportation, rights and responsibilities answers to frequently asked questions
- RR.2.2. Broker contact information;

- RR.2.3. Bus routes, schedules, and a distance calculator (or a link to a distance calculator) to determine the distance between a client's residence and a bus stop;
- RR.2.4. Medical certification forms and appointment scheduling;
- RR.2.5. A link to the Department's primary websites and related websites and a link to the Contractor's corporate website;
- RR.2.6. The Contractor shall ensure that the website is compliant with § 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794d) so that persons with visual impairments and other disabilities can access the content on the website.  
Note: the federal government has provided compliance information online at <http://www.section508.gov/>
- RR.3. The Contractor shall provide Web-enabled transactional capabilities. Such capabilities shall include but may not be limited to:
- RR.3.1. A portal for provider or client inquiries and complaints;
- RR.3.2. A portal for issue forums, where stakeholders will be able to comment on issues involving NEMT;
- RR.3.3. A secure portal for the Department to access reports and other data;
- RR.3.4. A secure portal for transportation providers to access trip data and to manage trips, build daily routes, automate routing, develop driver manifests, trip logs, revenue per vehicle, contract and enrollment and credentialing information, on-line driver education; policies, dash-board performance reports, and other benefit information available through the Contractor
- RR.3.5. Secure access for healthcare providers to request transportation on behalf of their clients, to provide comments, suggestions and complaints and
- RR.3.6. Interactive Issues Log for use by the Contractor and the Department only. The secure issues log shall provide the mechanism to list and track issues for resolution in the day-to-day management of the program.
- RR.4. The Contractor shall, in consultation with the Department, determine what program content is to be published on the website;
- RR.5. The Contractor shall submit and propose to the Department, for its review and approval prior to distribution, all informational and educational materials directed at clients;
- RR.6. All electronic communication involving protected client information must conform to HIPAA privacy standards and must be transmitted and stored in a HIPAA compliant fashion; and

RR.7. The Contractor shall abide by Guidelines Web Based Application, EWTA DoIT Technology Standards.

SS. Systems Design and Architecture – The Contractor Shall:

- SS.1. Establish and maintain a HIPAA compliant computer system to accommodate all operational, reporting, and storage functions required in the contract;
- SS.2. Maintain and store all operational data in an information system that is compliant with Open Database Connectivity Standards (ODBC) and that will allow for easy data retrieval to meet the program reporting specifications described in this contract and can execute ANSI SQL;
- SS.3. Provide the Department with a mutually agreeable electronic or WEB-based file format of the MIS data dictionary of all data elements in all databases maintained in association with the contract;
- SS.4. Maintain eligibility data to account for historical eligibility data for one year;
- SS.5. Maintain information integrity through controls at appropriate locations within the Contractor's system, process flow and ensure quality control of all electronic transmissions;
- SS.6. Supply all computer hardware (and software as appropriate) necessary to provide eligibility access to Contractor staff. Contractor purchased computer hardware and software must meet Department approval as the Department will own the hardware and software;
- SS.7. Perform all file and system maintenance functions to the Contractor's proprietary system; and
- SS.8. Maintain data processing expertise, data processing equipment, programmers and operators as needed and other related technical support to ensure the continued operation of the Contractor functions.
- SS.9. Maintain and store all data related to the authorization and provision of NEMT services for a period and in a format that meets federal and state requirements (currently ten years). Such information shall be in a retrievable format. Such data shall not include "eligibility" data that the Department provides to the Contractor.
- SS.10. Implement an approved Disaster Recovery and Business Continuity plan that will, at a minimum, prevent the loss of historical data and ensure continuous operations, meaning no break in client and provider telecommunications and authorization services of more than thirty (30) minutes in the event of a system failure and no more than five (5) business days for all other administrative functions. The plan shall include a backup schedule and the Contractor's plan for responding to phone calls seamlessly in the event of local power failures, phone system failures or other

emergencies. During the period that the disaster recovery plan is in effect, the Contractor shall be responsible for all costs and expenses related to provision of the alternate services under its normal Administration fee. The Contractor shall notify the Contract Manager and Administrator prior to the initiation of alternate services as to the extent of the disaster and/or emergency and the expected duration of the alternate services within twenty-four (24) hours of onset of the problem. The Department shall review and approve the Disaster Recovery Plan or provide the Contractor with comments and changes. Throughout the term of the contract the Contractor is required to advise the Department, in writing of any anticipated changes to those sections of the Contractor's Disaster Recovery Plan that have been approved by the Department. The Contractor shall maintain and execute the Disaster Recovery and Business Continuity plan to ensure compliance with the Department's IT requirements even if a disaster interrupts normal business and IT operations. The Disaster Recovery or IT Business Continuity plan shall include:

- SS.10.1. Daily Backups. Traditional daily system backups shall be done on all servers to ensure that the content of all host and local area network systems can be recovered in the event of a disaster. Software and production data files are copied to digital tape or other suitable media. A verification and audit program shall be used to confirm that the system backup tapes are complete and accurate and can be properly restored. Copies of the tapes shall be created and stored in a secure off-site location to be used to reload the production systems. System backup tapes shall be rotated regularly to ensure physical integrity of the tapes and to minimize tape parity error problems.
- SS.10.2. Backup Power
- SS.10.3. Recovery. The Contractor shall be able to have the Contractor's IT system back online within 15 to 30 minutes and operating in a secure environment.
- SS.10.4. Testing. Testing of the disaster recovery process, at a minimum, shall be provided for annually with preparation and delivery of a report to the Department within one month of the test.

#### TT. Information System Functionality

- TT.1. The success of the Department's health service system for Medicaid clients depends on a responsive NEMT service system, which in turn depends on an integrated data system. The Contractor will perform a pivotal role by scheduling transportation services with Transportation Providers based on appropriate confirmation of eligibility and other factors. The Contractor may be required to produce data extracts and reports of its activity for the Department.
- TT.2. The Contractor shall:
  - TT.2.1. Maintain a Medicaid Eligibility platform capable of receiving eligibility files from the Department;



- TT.2.2. Maintain an NEMT reservation platform capable of conducting NEMT reservation/confirmation, prior authorization and verification transactions for all clients and modes of transportation;
- TT.2.3. Maintain a system capable of submitting ambulance authorization data to HP in a format specified by the Department;
- TT.2.4. Maintain a "Claims Management" platform capable of submitting livery claims on behalf of the Transportation Provider to the Department's Fiscal Intermediary;
- TT.2.5. Maintain a Complaint Management platform capable of receiving and tracking complaints;
- TT.2.6. Maintain an Incident Management Platform capable of receiving and managing incidents;
- TT.2.7. Maintain a Vehicle Management platform capable of monitoring Transportation Providers' vehicle status including mileage, condition and inspections on a routine basis (including identification data for the vehicles detailing owner, plate number, and Vehicle Identification Number; and
- TT.2.8. Archive client data for a minimum of ten years from the date of its creation or for the duration of any audit requiring the preservation of such data or as otherwise required by federal or state regulations.

UU. Security and Confidentiality

- UU.1. The Department is required by state and federal law to protect the privacy of applicant and client information. The Department is a "covered entity," as defined in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and subsequent addenda, and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, E and D. Accordingly, the Contractor is considered a business associate as defined in HIPAA and shall be required to comply with these and all other state and federal laws concerning privacy and security of all client information provided to the Contractor by the Department or acquired by the Contractor in performance of the contract. This includes all client information whether maintained or transmitted orally, in writing, by recording, by magnetic tape, or electronically. Compliance with privacy laws includes compliance with the HIPAA Privacy Rule and also compliance with other federal and state confidentiality statutes and regulations that apply to the Department. The Department also requires the Contractor to continually update and improve its privacy and security measures as client data becomes more vulnerable to external technological developments.
- UU.2. The Department requires the Contractor to comply with HIPAA requirements when it requires the Contractor to share certain information with the Department's contracted Non-risk Broker or other agent of the Department.

UU.3. The Department shall:

- UU.3.1. Designate specific staff to access and request client information from the Contractor;
- UU.3.2. Review and approve privacy and security policies and procedures developed by the Contractor; and
- UU.3.3. Review breaches in privacy and security that have been reported to them by the Contractor.

UU.4. The Contractor shall:

- UU.4.1. Comply with Connecticut General Statutes §53a-250 through 53a-261 regarding computer-related offenses;
- UU.4.2. Comply with all applicable federal and State of Connecticut laws and regulations, as both an agent and a business associate of the Department, regarding confidentiality and safeguarding information including HIPAA privacy and security regulations that apply to business associates of the Department, including, but not limited to, returning or destroying all client information created or received by the Contractor on behalf of the Department, as directed by the Department;
- UU.4.3. Comply with all security and use requirements established by the Department for parties using EMS, AEVS, and any other Department data system (Connecticut General Statutes §53a-250 through §53a-261 "Computer Related Offenses;" §§31-254 "Unemployment Compensation;" and §1015.20 and §1020.10 of the Connecticut DSS Uniform Policy Manual);
- UU.4.4. Propose for review and approval by the Department within 90 days from the execution of a contract, security policies and procedures that comply with state and federal law concerning the use, disclosure, and security of client data, including procedures to:
  - UU.4.4.1. Prevent the improper use or disclosure of any information about a client that is obtained from any source or in any manner except in connection with the legitimate performance of tasks within this contract;
  - UU.4.4.2. Limit access to client information held in its possession to those individuals who need client information for the performance of their job functions and ensure that those individuals have access to only that information that is the minimum necessary for performance of their job functions;
  - UU.4.4.3. Ensure the physical safety of data under its control by using devices and methods including, but not limited to: alarm systems, locked files, guards or

other devices reasonably expected to prevent loss or unauthorized removal of data;

UU.4.4.4. Prevent unauthorized use of passwords, access logs, badges or other methods designed to prevent loss of or unauthorized access to electronically or mechanically held data. Methods used shall include, but not be limited to, restricting system and/or terminal access at various levels; assigning personal IDs and passwords that are tied to pre-assigned access rights to enter the system; restricting access to input and output documents, including "view-only" access and other restrictions designed to protect data;

UU.4.4.5. Monitor privacy and security practices to determine whether breaches have occurred;

UU.4.4.6. Sanction anyone within the Contractor's control, including Transportation Providers, who violates the privacy and security policies;

UU.4.4.7. Implement corrective actions and establish mechanisms to avoid the recurrence of a breach; and

UU.4.4.8. Recover data that has been released without authorization.

UU.4.5. Train all of its employees, directors, and officers concerning state and federal privacy and security laws governing confidentiality as more fully described in Section SS of this Contract, Staff and Transportation Provider Training and Procedures;

UU.4.6. Cooperate with the Department in taking all steps deemed advisable by the Department to minimize misuse, regain possession, and/or otherwise protect the State of Connecticut's rights and the data subject's privacy;

UU.4.7. Allow access to any personal data held in its possession solely to those employees of the Department who require such information in the performance of their occupational responsibilities;

UU.4.8. Agree to implement any improvements or modifications resulting from periodic physical security reviews;

UU.4.9. Require each employee or any other person to whom the Contractor grants access to client information under this contract to sign a statement indicating that he or she is informed of, understands, and will abide by state and federal statutes and regulations concerning confidentiality, privacy and security;

UU.4.10. Notify the Department the same day, and in writing by the next business day, that anyone in the Contractor's control has:

UU.4.10.1. Improperly disclosed client information or improperly used, copied or removed client data;

UU.4.10.2. Misused or used without proper authorization, an operator password or authorization number, whether or not such use has resulted in fraud or abuse; or

UU.4.10.3. Received any subpoena for client data or any material related to the contract in the Contractor's possession.

UU.4.11. Notify the Department, in writing, and consult with the Department by the next business day, when:

UU.4.11.1. A subpoena has been served on the Contractor; or

UU.4.11.2. A request made pursuant to the state Freedom of Information Act (Conn. Gen. Stat. 1-200, et seq.) received by the Contractor concerning material held by the Contractor related to the contract. As an agent of the Department, the successful Proposer may not respond to Freedom of Information Act requests without prior approval from the Department.

UU.4.12. Designate a key person who will be responsible for implementation and monitoring of compliance with privacy and security policies and procedures;

UU.4.13. Retain records in accordance with the most current version of the State of Connecticut record retention schedule supplied to the Contractor by the Department;

UU.4.14. Securely transport paper records, documents and electronic files to the Department or to another facility that the Department identifies for the actual destruction of paper records and documents; and

UU.4.15. Comply with 45 CFR Parts 160 and 164 regarding Breach Notification and Guidance Specifying the Technologies and Methodologies that Render Protected Health Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals.

VV. Department Responsibilities - To complete the tasks herein the Department shall:

VV.1. Engage in good faith negotiations to execute a contract by November 9, 2012.

VV.2. Review the Contractor's Implementation Plan and periodic updates and not unreasonably withhold approval of the Plan and subsequent updates.

VV.3. Conduct a readiness review ongoing from the date of execution of the contract to be completed by January 1, 2013.

- VV.4. Approve all key personnel at the start of the contract and re-evaluate key personnel throughout the term of the contract.
- VV.5. Require NEMT Contractor to pay for all NEMT services authorized, scheduled and provided to the HUSKY A, HUSKY C, and HUSKY D populations prior to February 1, 2013.
- VV.6. With the Contractor's input, establish reasonable, market-based reimbursement rates for livery and non-emergency ambulance services.
- VV.7. Negotiate annual performance targets with the Contractor, to be added to Exhibit A each year.

WW. Conflicts of interest

- WW.1. The contractor, by executing this contract, attests to the fact that it has no contractual relationships that would violate 42 CFR 440.170.

XX. Contractor Payment

- XX.1. Department payments to the Contractor: The Department will pay the Contractor an administrative payment for the successful performance of administrative services and will reimburse the Contractor based on the submission and approval of invoices for expenses, based on the approved, fixed budget with the Department. The Department will reimburse the Contractor for approved NEMT costs that are not payable through HP including:

- XX.1.1. NEMT costs for clients who are pending but are listed and identified on monthly and daily files provided to the Contractor or when the Department has prior approved and verified the status of such individuals, including clients who are pending but require ambulance transportation;

- XX.1.2. Common carrier purchases (bus, train and commercial air);

- XX.1.3. Payments for personal reimbursements; and

- XX.1.4. Out-of-state (facility to facility) transports. The Department will reimburse the Contractor when properly invoiced for these expenses and when the Contractor provides supportive encounter data in HIPAA compliant form utilizing HCPCS codes as required by the Department.

- XX.2. The Contractor will not be at risk for transportation costs, so long as they are administered in accordance with the terms of the contract, federal and state regulations, any Department policies and procedures issued to the Contractor and as long as the Contractor maintains adequate records and documentation of all transportation transactions for purposes of audit. The Department will establish the rates paid to Transportation Providers for non-emergency ambulance, wheelchair van,

livery services and personal reimbursements and other modes as may be determined by the Department.

XX.2.1. The Department shall deposit with Contractor, on or before the first working day of each calendar month, the estimated total dollar amount for livery and wheelchair NEMT claims to be paid by Contractor during that month.

XX.2.1.1. The estimated dollar amount pre-funded to Contractor each month shall be no less than the total amount of livery and wheelchair NEMT claims paid by Contractor during the preceding month, or such other amount as mutually agreed to by the parties.

XX.2.1.2. If the dollar amount of livery and wheelchair NEMT claims for a month exceeds the dollar amount pre-funded by the Department, the Department shall, within five business days of notice from the Contractor that additional funding is needed, either pre-fund the dollar amount necessary to pay the remaining claims, or direct Contractor pay the remaining claims and to invoice the Department for the cost of such claims.

XX.2.1.3. Within 15 business day after the end of each month the Contractor shall submit to the Department encounter data for all livery and wheelchair claims paid during the preceding month, together with an invoice for any livery and wheelchair claims paid directly by Contractor (not pre-funded by the Department). The encounter data shall be in a HIPAA compliant format as required by the Department. Department shall reimburse Contractor for transportation provider claims paid by Contractor above and beyond the pre-funded amount, within thirty (30) days of receipt of Contractor's monthly invoice and electronic encounter file.

XX.2.1.4. Within 15 business days after the end of each calendar quarter the Contractor shall submit to the Department a reconciliation report accounting for all amounts pre-funded by the Department, and all livery and wheelchair claims paid by the Contractor, during the preceding quarter. The reconciliation report will identify the amount of any unused pre-funded amounts, which, at the discretion of the Department, shall be credited by Contractor toward the next monthly pre-funding amounts, or shall be reimbursed by the Contractor to the Department within 15 days of request for reimbursement by the Department.

XX.3. For the performance of the services and tasks described herein, based upon review and approval by the Department, and actual costs incurred, the Contractor shall receive a maximum dollar amount not to exceed \$24,796,833, in accordance with the attached budget. The Contractor additionally shall be eligible for an additional amount over the term of the contract of \$1,859,762.44 which represents a potential of 7.5% on the total contract value. These dollars may be paid in whole or in part, contingent upon the Contractor meeting the specific requirements of the performance targets, attached hereto as Exhibit A.

- XX.4. All payments to the Contractor will be contingent upon the Department's receipt and approval of an itemized invoice with a detailed description of the work completed.
- XX.5. The Contractor acknowledges that DSS may claim the funds provided through this Agreement as part of a DSS federal claim and therefore, the funds are not to be used as a match for any other federal program. The Contractor shall include this provision in any subcontract agreements that are funded, in whole or in part, by the funds from this agreement.
- XX.6. The Contractor shall administer NEMT as a non-risk Broker. Under the non-risk arrangement, the Department, through HP, will pay for non-emergency ambulance costs while the Contractor will pay for livery and all other legitimate NEMT costs, as permitted by DSS, and will be reimbursed for such costs by the Department. The Contractor's payment (but not the reimbursements from the Department for livery and other legitimate NEMT costs) will be subject to a withhold of 7.5% that will be released incrementally, contingent upon the Contractor's ability to meet negotiated performance targets as defined in Exhibit A, "Performance Targets." The Performance Targets shall be renegotiated by the parties each year and shall not require an amendment but shall supplement the existent targets. The annual negotiated Performance Targets shall be fully incorporated as part of Exhibit A.

YY. Budget and Payment Provisions

YY.1. Overview: This section sets forth the payment provisions and conditions for goods and services provided or performed, as the case may be, pursuant to this contract.

YY.2. Contractor Reimbursement – Start-up Period

YY.2.1. The maximum value of this contract for the performance of the administrative services required to meet each of the requirements of this contract during the start-up period, defined as November 9, 2012 through the date that the Department releases the Contractor's implementation team, shall not exceed \$31,523.00 and shall be expended in accordance with the budget in Exhibit E.

YY.2.2. The Contractor shall be paid the start-up budget within thirty (30) days of the Contractor's completion, and the Department's acceptance of, each of the following milestones:

YY.2.2.1. Contract execution;

YY.2.2.2. Successful loading of a complete eligibility file with Contractor;

YY.2.2.3. Successful claims test file with the DSS MMIS contractor;

YY.2.2.4. Successful pre-implementation readiness review.

YY.2.3. Within ninety days after the program start date, the Department shall pay to Contractor the balance, if any, of the start-up budget. Contractor shall submit to the Department a reconciliation of the actual expenditures incurred and paid by the Contractor during the start-up period against the payments received from the Department. The Department shall require the return of any under expenditures; apply the under expenditures against a future payment or direct the Contractor to reinvest the under expenditure into the Contract's scope of work.

YY.3. Contractor Reimbursement – Operating Years

YY.3.1. The maximum value of this contract for the performance of the administrative services required to meet the requirements of this contract on an annual basis for each of the five years of full contract operations shall be set forth in Exhibit E to this contract.

YY.3.2. The schedule of monthly payments (1/12<sup>th</sup> of annual budget) for the performance of the administrative services required to meet the requirements of this contract shall be set forth in Exhibit E to this contract. Throughout the contract period such scheduled monthly payments may be revised in accordance with the terms of this contract.

YY.3.3. The Contractor and the Department may re-negotiate agreed upon terms if the NEMT program experiences membership, benefit availability or access to covered services that increase utilization.

YY.3.4. The Contractor shall utilize the funds paid under this contract by the Department for the administrative services provided under this contract in accordance with the corresponding budgets set forth in Exhibit E.

YY.3.5. The 7.5% profit withhold and any budget percent withheld shall be paid to the Contractor, in whole or in part, contingent upon the Contractor's success in meeting established Performance Targets as set forth in Exhibit A.

YY.3.6. Each monthly payment request must be submitted on a DSS W-1270 Form to the DSS Contract Manager. Request for payment will be honored and funds released within thirty (30) days of receipt of the invoice with review and acceptance by the Department, the availability of funds and the Contractor's satisfactory compliance with the terms of the contract.

YY.3.7. The form and content of any financial reports to be submitted by Contractor shall be developed by and agreed to by the Contractor and the Department in advance of the due date of such financial report. If required, financial reports shall be submitted in accordance with the provisions of Exhibit D and shall be directed to the Department's Contract Manager and the Department's Director of the Division of Financial Management and Analysis.



YY.3.8. When the Department's review of any financial report, final reconciliation or on-site examination of the Contractor's financial records indicate that under expenditure or under utilization of contract funds has or is likely to occur by the end of each contract year, the Department shall, with advance notice to and in consultation with the Contractor, demand the return to the Department, in full, any unexpended funds; alter the payment schedule for the balance of the contract period; direct the Contractor to reinvest the under expended funds in the program so long as the reinvestment tasks are within the agreed to scope of work or authorize that the unexpended funds be carried over and used as part of a new contract period if a new similar contract is executed.

YY.3.9. The Department shall conduct a final reconciliation of the payments received by Contractor's against actual expenditures as reported in the audited financial statements or other financial reports and agreed upon procedures required to be submitted by the Contractor. The Department shall require the return of any disallowed expenditures and may require the Contractor to return the funds to the Department or reinvest any unexpended funds into the scope of work in the Contract.

YY.3.10. Throughout the term of the contract the Contractor shall reconcile actual expenditures as reported in the audited financial statements or agreed upon procedures against payments received from the Department. The reconciliation shall be prepared by the Contractor and submitted to the Contract Managers, in accordance with the following schedule:

For the Period	The reconciliation is due on or before:
January 1, 2013 – December 31, 2013	May 31, 2014
January 1, 2014 – December 31, 2014	May 31, 2015
January 1, 2015 – December 31, 2015	May 31, 2016
January 1, 2016 – December 31, 2016	May 31, 2017

YY.4. Optional Tasks/Change Orders

YY.4.1. The Contractor authorizes its Connecticut General Manager to request or agree to, in response to the Department's requests, minor modifications to the Contract which do not alter the scope of work within this Contract.

YY.4.2. If the requested changes pertain to an existing task but the specific changes are outside of the scope of work for the specific task, the Contractor shall submit to the Department a Change Order request documenting the scope of the change, the staffing levels and/or direct charges required to address the change,

the cost to the Department and the impact of the cost on the approved budget. The Contractor shall not be authorized to work on any Change Order unless and until the Department provides the Contractor with their written approval. Significant Change Order work may require authorization from the State of Connecticut Office of Policy and Management in order to amend the contract to allocate additional funds to this project.

YY.4.3. If the requested changes do not pertain to an existing task and are therefore outside the Scope of Work in this contract the Department shall issue a request to the Contractor identifying the scope of the optional task to be performed. Within ten (10) business days of the Contractor's receipt of the task request or such other date as agreed to by the Department, the Contractor shall provide the Department with a work plan including start and end dates, staffing plan, total cost for the task and payment schedule. The Department will review the materials and approve, reject or revise the task request. The Contractor shall not be authorized to work on any optional tasks unless and until the Department provides the Contractor with an approved task order. Significant task requests may require authorization from the State of Connecticut Office of Policy and Management in order to amend the contract to allocate additional funds to this project.

#### YY.5. Capital Purchases

YY.5.1. The Contractor shall be responsible for all capital expenditures within the approved amount for "Total Other Direct Costs". If, during the term of the contract, the Department or the Contractor identifies a need to purchase additional capital equipment to address special requirements outside of the scope of work imposed by the Department, the Contractor shall provide the Department with a written request for the purchase. The request shall identify the equipment to be purchased with a written justification for the purchase, the per unit cost and maximum total cost. The Department shall within thirty (30) calendar days of the receipt of the request, deny or approve the request up to the total maximum cost. If approved by the Department the Contractor shall be reimbursed for the actual cost, not to exceed the maximum total cost set forth in the Department's approval, incurred through the purchase of the requested equipment.

#### YY.6. Withholding of Payment

YY.6.1. The Department and the Contractor acknowledge that there will be certain administrative requirements throughout this contract, for which there are no penalties assessed in this Contract with respect to Contractor's failure to perform or provide in the manner and within the timeframe agreed to by the Department and Contractor. With respect to such requirements, the Department shall have the discretion to withhold payment in the event Contractor fails to perform or provide the administrative requirements as agreed to with the Department. The withholding of payment shall be subject to the requirements set forth in subsection YY.6.2, below.

YY.6.2. If the Department determines that Contractor is not performing or providing or has not performed or provided the administrative requirements set forth herein in the manner agreed to by the Department and Contractor, the Department shall notify Contractor of that fact in writing. Such written notice shall include a description of the deficiency and any suggestions or recommendations the Department may have for addressing the deficiency. The Contractor shall have ten (10) calendar days, or such other time as the parties may agree in writing, from the date it receives such notice to correct the deficiency or agree with the Department upon a plan for correcting such deficiency. If the Contractor fails to correct the deficiency or agree with the Department upon a plan for correcting the deficiency within the ten (10) calendar day time period, or such other time period as the parties have agreed, then the Department may withhold payment to the Contractor. The Department may withhold up to 10 percent of the monthly payment as set forth in Exhibit E of this contract owed to the Contractor for each month during which the Department determine that the deficiency has not been cured as agreed upon by the parties. No withhold of payment shall be imposed upon the Contractor pursuant to this Section if the alleged deficiency is being disputed by Contractor pursuant to Part II, Section D.7 of this Contract. The Departments shall release the withheld payment to the Contractor immediately upon the Department's determination that the deficiency has been corrected as agreed or the Contractor has prevailed in its dispute of the alleged deficiency.

#### ZZ.Notices

ZZ.1. In addition to the persons listed on page 1 of this contract, notices shall be addressed as follows:

ZZ.1.1. In case of notice(s) to the Department regarding the scope of services:

ZZ.1.1.1. Judi Jordan, Department of Social Services, 25 Sigourney Street, Hartford, CT 06106; [judith.jordan@ct.gov](mailto:judith.jordan@ct.gov); (860) 424-5860

ZZ.1.2. In case of notice to the Department regarding contractual matters:

ZZ.1.2.1. Andrea Alexander, Contracts Supervisor, Department of Social Services, 25 Sigourney Street, Hartford, CT 06106; [andrea.alexander@ct.gov](mailto:andrea.alexander@ct.gov); (860) 424-5780

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## PART II. TERMS AND CONDITIONS

The Contractor shall comply with the following terms and conditions.

- A. **DEFINITIONS.** Unless otherwise indicated, the following terms shall have the following corresponding definitions:
1. **"Bid"** shall mean a bid submitted in response to a solicitation.
  2. **"Breach"** shall mean a party's failure to perform some contracted-for or agreed-upon act, or his failure to comply with a duty imposed by law which is owed to another or to society.
  3. **"Cancellation"** shall mean an end to the Contract affected pursuant to a right which the Contract creates due to a Breach.
  4. **"Claims"** shall mean all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
  5. **"Client"** shall mean a recipient of the Contractor's services.
  6. **"Contract"** shall mean this agreement, as of its effective date, between the Contractor and the State for Services.
  7. **"Contractor Parties"** shall mean a Contractor's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract (e.g. subcontractor) and the Contractor intends for such other person or entity to perform under the Contract in any capacity. For the purpose of this contract, vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program.
  8. **"Data"** shall mean all results, technical information and materials developed and/or obtained in the performance of the Services hereunder, including but not limited to all reports, survey and evaluation tools, surveys and evaluations, plans, charts, recordings (video and/or sound), pictures, curricula, electronically prepared presentations, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the Services performed hereunder.
  9. **"Day"** shall mean all calendar days, other than Saturdays, Sundays and days designated as national or State of Connecticut holidays upon which banks in Connecticut are closed.

10. **"Expiration"** shall mean an end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract's term being completed.
11. **"Force Majeure"** shall mean events that materially affect the Services or the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.
12. **"Records"** shall mean all working papers and such other information and materials as may have been accumulated and/or produced by the Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.
13. **"Services"** shall mean the performance of Services as stated in Part I of this Contract.
14. **"State"** shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.
15. **"Termination"** shall mean an end to the Contract affected pursuant to a right which the Contract creates, other than for a Breach.

**B. CONTRACTOR OBLIGATIONS.**

1. **Credits and Rights in Data.** Unless expressly waived in writing by the Agency, all Records and publications intended for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the State and the Agency and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify and hold harmless the Agency, unless the Agency or its agents co-authored said publication and said release is done with the prior written approval of the Agency Head. All publications shall contain the following statement: "This publication does not express the views of the [insert Agency name] or the State of Connecticut. The views and opinions expressed are those of the authors." Neither the Contractor nor any of its agents shall copyright Data and information obtained under this Contract, unless expressly previously authorized in writing by the Agency. The Agency shall have the right to publish, duplicate, use and disclose all such Data in any manner, and may authorize others to do so. The Agency may copyright any Data without prior Notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Agency of such Data.
2. **Organizational Information, Conflict of Interest, IRS Form 990.** During the term of this Contract and for the one hundred eighty (180) days following its date of Termination

and/or Cancellation, the Contractor shall upon the Agency's request provide copies of the following documents within ten (10) Days after receipt of the request:

- (a) its most recent IRS Form 990 submitted to the Internal Revenue Service, and
- (b) its most recent Annual Report filed with the Connecticut Secretary of the State's Office or such other information that the Agency deems appropriate with respect to the organization and affiliation of the Contractor and related entities.

This provision shall continue to be binding upon the Contractor for one hundred and eighty (180) Days following the termination or cancellation of the Contract.

### 3. Federal Funds.

- (a) The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Agency shall specify all such requirements in Part I of this Contract.
- (b) The Contractor acknowledges that the Agency has established a policy, as mandated by section 6032 of the Deficit Reduction Act (DRA) of 2005, P.L. 109-171, that provides detailed information about the Federal False Claims Act, 31 U.S.C. §§ 3729-3733, and other laws supporting the detection and prevention of fraud and abuse.
  - (1) Contractor acknowledges that it has received a copy of said policy and shall comply with its terms, as amended, and with all applicable state and federal laws, regulations and rules. Contractor shall provide said policy to subcontractors and shall require compliance with the terms of the policy. Failure to abide by the terms of the policy, as determined by the Agency, shall constitute a Breach of this Contract and may result in termination of this Contract.
- (c) This section applies if, under this Contract, the Contractor or Contractor Parties furnishes, or otherwise authorizes the furnishing of health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by the Agency.
- (d) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
- (e) Contractor shall not, for purposes of performing the Contract with the Agency, knowingly employ or contract with, with or without compensation: (A) any individual or entity listed by a federal agency as excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs; or (B) any person or entity who is excluded from contracting with the State of Connecticut or the federal government (as reflected in the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement

Programs, Department of Health and Human Services, Office of Inspector General (HHS/OIG) Excluded Parties list and the Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked Persons List). Contractor shall immediately notify the Agency should it become subject to an investigation or inquiry involving items or services reimbursable under a federal health care program or be listed as ineligible for participation in or to perform services in connection with such program. The Agency may terminate this Contract immediately if at any point the Contractor, subcontractor or any of their employees are sanctioned, suspended, excluded from or otherwise become ineligible to participate in federal health care programs.

**4. Audit Requirements.**

- (a) The State Auditors of Public Accounts shall have access to all Records for the fiscal year(s) in which the award was made. The Contractor shall provide for an annual financial audit acceptable to the Agency for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The Contractor shall comply with federal and state single audit standards as applicable.
- (b) The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State, including, but not limited to, the Agency, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents. Requests for any audit or inspection shall be in writing, at least ten (10) days prior to the requested date. All audits and inspections shall be at the requester's expense. The State may request an audit or inspection at any time during the Contract term and for three (3) years after Termination, Cancellation or Expiration of the Contract. The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.
- (c) For purposes of this subsection as it relates to State grants, the word "Contractor" shall be read to mean "nonstate entity," as that term is defined in C.G.S. § 4-230.

**5. Related Party Transactions.** The Contractor shall report all related party transactions, as defined in this section, to the Agency on an annual basis in the appropriate fiscal report as specified in Part I of this Contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor or Contractor Party and a related party include, but are not limited to:

- (a) real estate sales or leases;
- (b) leases for equipment, vehicles or household furnishings;



- (c) mortgages, loans and working capital loans; and
- (d) contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor or Contractor Party.

6. **Suspension or Debarment.** In addition to the representations and requirements set forth in Section C.4:

- (a) The Contractor certifies for itself and Contractor Parties involved in the administration of federal or state funds that they:
  - (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental agency (federal, state or local);
  - (2) within a three year period preceding the effective date of this Contract, have not been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; for violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
  - (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the above offenses; (4) have not within a three year period preceding the effective date of this Contract had one or more public transactions terminated for cause or fault.
- (b) Any change in the above status shall be immediately reported to the Agency.

7. **Subcontracts.** Each Contractor Party's identity, services to be rendered and costs shall be detailed in Part I of this Contract. Absent compliance with this requirement, no Contractor Party may be used or expense paid under this Contract unless expressly otherwise provided in Part I of this Contract. No Contractor Party shall acquire any direct right of payment from the Agency by virtue of this section or any other section of this Contract. The use of Contractor Parties shall not relieve the Contractor of any responsibility or liability under this Contract. The Contractor shall make available copies of all subcontracts to the Agency upon request.

8. **Independent Capacity of Contractor.** The Contractor and Contractor Parties shall act in an independent capacity and not as officers or employees of the state of Connecticut or of the Agency.

9. **Indemnification.**

- (a) The Contractor shall indemnify, defend and hold harmless the state of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:
  - (1) claims arising directly or indirectly, in connection with the Contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties; and
  - (2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its indemnification and hold-harmless obligations under this Contract. The Contractor's obligations under this section to indemnify, defend and hold harmless against claims includes claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or uncopied compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the Contract.
- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such claims.
- (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the claims.
- (d) The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any sections survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the Contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a claim against a third party.
- (f) This section shall survive the Termination, Cancellation or Expiration of the Contract, and shall not be limited by reason of any insurance coverage.

10. **Insurance.** The Contractor agrees that while performing services specified in this agreement that it will carry sufficient insurance (liability and/or other) as applicable according to the nature of the service(s) to be performed so as to "save harmless" the State of Connecticut from any insurable cause whatsoever. If requested, certificates of such insurance shall be provided to the contracting State agency and such certificates shall clearly show that the State and the agency are covered by such insurance.
11. **Choice of Law/Choice of Forum, Settlement of Disputes, Claims Against the State.**
- (a) The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.
  - (b) Any dispute concerning the interpretation or application of this Contract shall be decided by the Agency Head or his/her designee whose decision shall be final, subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the Agency Head pursuant to this section, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Agency shall proceed diligently with the performance of the Contract.
  - (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Title 4, Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings, except as authorized by that Chapter, in any state or federal court in addition to or in lieu of said Chapter 53 proceedings.
12. **Compliance with Law and Policy, Facility Standards and Licensing.** Contractor shall comply with all:
- (a) pertinent local, state and federal laws and regulations as well as Agency policies and procedures applicable to contractor's programs as specified in this Contract. The Agency shall notify the Contractor of any applicable new or

revised laws, regulations, policies or procedures which the Agency has responsibility to promulgate or enforce; and

- (b) applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

**13. Representations and Warranties.** Contractor shall:

- (a) perform fully under the Contract;
- (b) pay for and/or secure all permits, licenses and fees and give all required or appropriate notices with respect to the provision of Services as described in Part I of this Contract; and
- (c) adhere to all contractual sections ensuring the confidentiality of all Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law.

**14. Reports.** The Contractor shall provide the Agency with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the Contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor shall provide the Agency with such reports as the Agency requests as required by this Contract.

**15. Delinquent Reports.** The Contractor shall submit required reports by the designated due dates as identified in this Contract. After notice to the Contractor and an opportunity for a meeting with an Agency representative, the Agency reserves the right to withhold payments for services performed under this Contract if the Agency has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this Contract or previous contracts for similar or equivalent services the Contractor has entered into with the Agency. This section shall survive any Termination of the Contract or the Expiration of its term.

**16. Record Keeping and Access.** The Contractor shall maintain books, Records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this Contract. These Records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the State or, where applicable, federal agencies. The Contractor shall retain all such Records concerning this Contract for a period of three (3) years after the completion and submission to the State of the Contractor's annual financial audit.

**17. Protection of Personal Information.**

- (a) Contractor and Contractor Parties, at their own expense, have a duty to and shall protect from a Personal Information Breach any and all Personal Information which they come to possess or control, wherever and however stored or maintained, in a commercially reasonable manner in accordance with current industry standards.  
<http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968><http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968>
- (b) Each Contractor or Contractor Party shall implement and maintain a comprehensive data security program for the protection of Personal Information. The safeguards contained in such program shall be consistent with and comply with the safeguards for protection of Personal Information, and information of a similar character, as set forth in all applicable federal and state law and written policy of the Department or State concerning the confidentiality of Personal Information. Such data-security program shall include, but not be limited to, the following:
- (1) A security policy for employees related to the storage, access and transportation of data containing Personal Information;
  - (2) Reasonable restrictions on access to records containing Personal Information, including access to any locked storage where such records are kept;
  - (3) A process for reviewing policies and security measures at least annually;
  - (4) Creating secure access controls to Personal Information, including but not limited to passwords; and
  - (5) Encrypting of Personal Information that is stored on laptops, portable devices or being transmitted electronically.
- (c) The Contractor and Contractor Parties shall notify the Department and the Connecticut Office of the Attorney General as soon as practical, but no later than twenty-four (24) hours, after they become aware of or suspect that any Personal Information which Contractor or Contractor Parties possess or control has been subject to a Personal Information Breach. If a Personal Information Breach has occurred, the Contractor shall, within three (3) business days after the notification, present a credit monitoring and protection plan to the Commissioner of Administrative Services, the Department and the Connecticut Office of the Attorney General, for review and approval. Such credit monitoring or protection plan shall be made available by the Contractor at its own cost and expense to all individuals affected by the Personal Information Breach. Such credit monitoring or protection plan shall include, but is not limited to reimbursement for the cost of placing and lifting one (1) security freeze per credit file pursuant to Connecticut General Statutes § 36a-701a. Such credit monitoring or protection plans shall be approved by the State in accordance with this Section and shall cover a length of time commensurate with the circumstances of the Personal Information Breach. The Contractors' costs and

expenses for the credit monitoring and protection plan shall not be recoverable from the Department, any State of Connecticut entity or any affected individuals.

- (d) The Contractor shall incorporate the requirements of this Section in all subcontracts requiring each Contractor Party to safeguard Personal Information in the same manner as provided for in this Section.
- (e) Nothing in this Section shall supersede in any manner Contractor's or Contractor Party's obligations pursuant to HIPAA or the provisions of this Contract concerning the obligations of the Contractor as a Business Associate of the Department.

18. **Workforce Analysis.** The Contractor shall provide a workforce Analysis Affirmative Action report related to employment practices and procedures.

19. **Litigation.**

- (a) The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
- (b) The Contractor shall provide written Notice to the Agency of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990 as revised or amended from time to time, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other requirements of federal or state law concerning equal employment opportunities or nondiscriminatory practices.

20. **Sovereign Immunity.** The Contractor and Contractor Parties acknowledge and agree that nothing in the Contract, or the solicitation leading up to the Contract, shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent that this Section conflicts with any other Section, this Section shall govern.

C. **CHANGES TO THE CONTRACT, TERMINATION, CANCELLATION, AND EXPIRATION.**

1. **Contract Amendment.**

- (a) No amendment to or modification or other alteration of this Contract shall be valid or binding upon the parties unless made in writing, signed by the parties, and, if applicable, approved by the Connecticut Attorney General.
- (b) The Agency may amend this Contract to reduce the contracted amount of compensation if:
  - (1) the total amount budgeted by the State for the operation of the Agency or Services provided under the program is reduced or made unavailable in any way; or
  - (2) federal funding reduction results in reallocation of funds within the Agency.
- (c) If the Agency decides to reduce the compensation, the Agency shall send written Notice to the Contractor. Within twenty (20) Days of the Contractor's receipt of the Notice, the Contractor and the Agency shall negotiate the implementation of the reduction of compensation unless the parties mutually agree that such negotiations would be futile. If the parties fail to negotiate an implementation schedule, then the Agency may terminate the Contract effective no earlier than sixty (60) Days from the date that the Contractor receives written notification of Termination and the date that work under this Contract shall cease.

**2. Contractor Changes and Assignment.**

- (a) The Contractor shall notify the Agency in writing:
  - (1) at least ninety (90) days prior to the effective date of any fundamental changes in the Contractor's corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility;
  - (2) no later than ten (10) days from the effective date of any change in:
    - (A) its certificate of incorporation or other organizational document;
    - (B) more than a controlling interest in the ownership of the Contractor;or
    - (C) the individual(s) in charge of the performance.
- (b) No such change shall relieve the Contractor of any responsibility for the accuracy and completeness of the performance. The Agency, after receiving written Notice from the Contractor of any such change, may require such contracts, releases and other instruments evidencing, to the Agency's satisfaction, that any individuals retiring or otherwise separating from the

Contractor have been compensated in full or that allowance has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to the Agency in accordance with the terms of the Agency's written request. The Agency may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the surviving Contractor Parties, as appropriate, must continue to perform under the Contract until performance is fully completed.

- (c) Assignment. The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of the Agency.
- (1) The Contractor shall comply with requests for documentation deemed to be appropriate by the Agency in considering whether to consent to such assignment.
  - (2) The Agency shall notify the Contractor of its decision no later than forty-five (45) Days from the date the Agency receives all requested documentation.
  - (3) The Agency may void any assignment made without the Agency's consent and deem such assignment to be in violation of this Section and to be in Breach of the Contract. Any cancellation of this Contract by the Agency for a Breach shall be without prejudice to the Agency's or the State's rights or possible claims against the Contractor.

### 3. Breach.

- (a) If either party Breaches this Contract in any respect, the non-breaching party shall provide written notice of the Breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) Days from the date that the breaching party receives the notice. In the case of a Contractor Breach, the Agency may modify the ten (10) day cure period in the notice of Breach. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure, but the nature of the Breach is such that it cannot be cured within the right to cure period. The Notice may include an effective Contract Termination date if the Breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the Termination date, no further action shall be required of any party to effect the Termination as of the stated date. If the notice does not set forth an effective Contract Termination date, then the non-breaching party may terminate the Contract by giving the breaching party no less than twenty four (24) hours' prior written Notice after the expiration of the cure period.



- (b) If the Agency believes that the Contractor has not performed according to the Contract, the Agency may:
- (1) withhold payment in whole or in part pending resolution of the performance issue, provided that the Agency notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the budget;
  - (2) temporarily discontinue all or part of the Services to be provided under the Contract;
  - (3) permanently discontinue part of the Services to be provided under the Contract;
  - (4) assign appropriate State personnel to provide contracted for Services to assure continued performance under the Contract until such time as the contractual Breach has been corrected to the satisfaction of the Agency;
  - (5) require that contract funding be used to enter into a subcontract with a person or persons designated by the Agency in order to bring the program into contractual compliance;
  - (6) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the State or the program(s) provided under this Contract or both; or
  - (7) any combination of the above actions.
- (c) The Contractor shall return all unexpended funds to the Agency no later than thirty (30) calendar days after the Contractor receives a demand from the Agency.
- (d) In addition to the rights and remedies granted to the Agency by this Contract, the Agency shall have all other rights and remedies granted to it by law in the event of Breach of or default by the Contractor under the terms of this Contract.
- (e) The action of the Agency shall be considered final. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the mutually agreed plan of correction, the Agency may proceed with Breach remedies as listed under this section.

4. **Non-enforcement Not to Constitute Waiver.** No waiver of any Breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent Breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity. A party's failure to insist on strict performance of any section of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or Breach.

5. **Suspension.** If the Agency determines in its sole discretion that the health and welfare of the clients or public safety is being adversely affected, the Agency may immediately suspend in whole or in part the Contract without prior notice and take any action that it deems to be necessary or appropriate for the benefit of the clients. The Agency shall notify the Contractor of the specific reasons for taking such action in writing within five (5) Days of immediate suspension. Within five (5) Days of receipt of this notice, the Contractor may request in writing a meeting with the Agency Head or designee. Any such meeting shall be held within five (5) Days of the written request, or such later time as is mutually agreeable to the parties. At the meeting, the Contractor shall be given an opportunity to present information on why the Agency's actions should be reversed or modified. Within five (5) Days of such meeting, the Agency shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Agency head or designee. This action of the Agency head or designee shall be considered final.

6. **Ending the Contractual Relationship.**

(a) This Contract shall remain in full force and effect for the duration of its entire term or until such time as it is terminated earlier by either party. Either party may terminate this contract by providing at least sixty (60) days prior written notice pursuant to the Notice requirements of this Contract.

(b) The Agency may immediately terminate the Contract in whole or in part whenever the Agency makes a determination that such termination is in the best interest of the State. Notwithstanding Section D.2, the Agency may immediately terminate or cancel this Contract in the event that the Contractor or any subcontractors becomes financially unstable to the point of threatening its ability to conduct the services required under this Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets.

(c) The Agency shall notify the Contractor in writing of Termination pursuant to subsection (b) above, which shall specify the effective date of termination and the extent to which the Contractor must complete or immediately cease performance. Such Notice of Termination shall be sent in accordance with the Notice provision contained on page 1 of this Contract. Upon receiving the Notice from the Agency, the Contractor shall immediately discontinue all Services affected in accordance with the Notice, undertake all reasonable and necessary efforts to mitigate any losses or damages, and deliver to the Agency all Records as defined in Section A.12, unless otherwise instructed by the Agency in writing, and take all actions that are necessary or appropriate, or that the Agency may reasonably direct, for the protection of Clients and preservation of any and all property. Such Records are deemed to be the property of the Agency and the Contractor shall deliver them to the Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from the Agency for the specified records whichever is less. The Contractor shall deliver those Records that exist in electronic, magnetic or other

intangible form in a non-proprietary format, such as, but not limited to ASCII or .TXT.

- (d) The Agency may terminate the Contract at any time without prior notice when the funding for the Contract is no longer available.
- (e) The Contractor shall deliver to the Agency any deposits, prior payment, advance payment or down payment if the Contract is terminated by either party within thirty (30) days after receiving demand from the Agency. The Contractor shall return to the Agency any funds not expended in accordance with the terms and conditions of the Contract and, if the Contractor fails to do so upon demand, the Agency may recoup said funds from any future payments owing under this Contract or any other contract between the State and the Contractor. Allowable costs, as detailed in audit findings, incurred until the date of termination for operation or transition of program(s) under this Contract shall not be subject to recoupment.

**7. Transition after Termination or Expiration of Contract.**

- (a) If this Contract is terminated for any reason or it expires in accordance with its term, the Contractor shall do and perform all things which the Agency determines to be necessary or appropriate to assist in the orderly transfer of Clients served under this Contract and shall assist in the orderly cessation of Services it performs under this Contract. In order to complete such transfer and wind down the performance, and only to the extent necessary or appropriate, if such activities are expected to take place beyond the stated end of the Contract term then the Contract shall be deemed to have been automatically extended by the mutual consent of the parties prior to its expiration without any affirmative act of either party, including executing an amendment to the Contract to extend the term, but only until the transfer and winding down are complete.
- (b) If this Contract is terminated, cancelled or not renewed, the Contractor shall return to the Agency any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract in accordance with the written instructions from the Agency in accordance with the Notice provision of this Contract. Written instructions shall include, but not be limited to, a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. Unless the Agency specifies a shorter time frame in the letter of instructions, the Contractor shall affect the returns to the Agency no later than sixty (60) days from the date that the Contractor receives Notice.

**D. STATUTORY AND REGULATORY COMPLIANCE.**

- 1. **Americans with Disabilities Act.** The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 (<http://www.ada.gov/>) as amended from

time to time ("Act") to the extent applicable, during the term of the Contract. The Agency may cancel this Contract if the Contractor fails to comply with the Act. The Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it shall hold the State harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor shall comply with section 504 of the Federal Rehabilitation Act of 1973, as amended from time to time, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.

2. **Utilization of Minority Business Enterprises.** The Contractor shall perform under this contract in accordance with 45 C.F.R. Part 74; and, as applicable, C.G.S. §§ 4a-60 to 4a-60a and 4a-60g to carry out this policy in the award of any subcontracts.
3. **Priority Hiring.** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall give priority to hiring welfare recipients who are subject to time-limited welfare and must find employment. The Contractor and the Agency shall work cooperatively to determine the number and types of positions to which this Section shall apply.
4. **Non-discrimination.**
  - (a) For purposes of this Section, the following terms are defined as follows:
    - (1) "Commission" means the Commission on Human Rights and Opportunities;
    - (2) "Contract" and "contract" include any extension or modification of the Contract or contract;
    - (3) "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
    - (4) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
    - (5) "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
    - (6) "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
    - (7) "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
    - (8) "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic

and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;

- (9) "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and
- (10) "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

(b)

- (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved;
- (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission;

- (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and
  - (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.
- (c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
  - (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
  - (e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes §46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the

Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

- (f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.
- (g)
  - (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
  - (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and
  - (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.
- (h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may

request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

**5. Freedom of Information.**

For purposes of this contract, Contractor is performing a governmental function as defined in state statute.

- (a) Contractor acknowledges that the Agency must comply with the Freedom of Information Act, C.G.S. §§ 1-200 et seq. ("FOIA") which requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b).
  
- (b) Governmental Function. In accordance with C.G.S. § 1-218, because the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contractor is a "person" performing a "governmental function," as those terms are defined in C.G.S. §§ 1-200(4) and (11), the Agency is entitled to receive a copy of the Records and files related to the Contractor's performance of the governmental function, which may be disclosed by the Agency pursuant to the FOIA.

**6. Whistleblowing.** This Contract is subject to C.G.S. § 4-61dd if the amount of this Contract is a "large state contract" as that term is defined in C.G.S. § 4-61dd(h). In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee's disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) for each offense, up to a maximum of twenty per cent (20%) of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the relevant sections of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

**7. Executive Orders.** This Contract is subject to Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices; Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings; Executive Order No. 16 of Governor John G. Rowland, promulgated August 4, 1999, concerning violence in the workplace. This Contract may also be subject to Executive Order 7C of



Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions. All of these Executive orders are incorporated into and made a part of the Contract as if they had been fully set forth in it. At the Contractor's request, the Agency shall provide a copy of these Orders to the Contractor.

8. **Campaign Contribution Restrictions.** For all State contracts as defined in C.G.S. § 9-612(g) the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission's ("SEEC") notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11 reproduced below: [www.ct.gov/seec](http://www.ct.gov/seec)



### Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

This notice is provided under the authority of Connecticut General Statutes §9-612(g)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on the reverse side of this page).

#### CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall knowingly solicit contributions from the state contractor's or prospective state contractor's employees or from a subcontractor or principals of the subcontractor on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

#### DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

#### PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

**Civil penalties**—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

**Criminal penalties**—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

#### CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information may be found on the website of the State Elections Enforcement Commission, [www.ct.gov/seg](http://www.ct.gov/seg). Click on the link to "Lobbyist Contractor Limitations."



#### DEFINITIONS

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that: (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 42-160. "Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means: (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more in a calendar year, for: (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submissions, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means: (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes, (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office, or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

"Subcontractor" means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty-first of the year in which the subcontract terminates. "Subcontractor" does not include: (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a subcontractor" means: (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has *managerial or discretionary responsibilities with respect to a subcontract* with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

Original Contract

Amendment # \_\_\_\_\_

(For Internal Use Only)

**SIGNATURES AND APPROVALS**

The Contractor is a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended, and agrees to be bound by the provisions found in Exhibit F.

Documentation necessary to demonstrate the authorization to sign must be attached.

This document may be executed in counterpart with both signature pages serving as originals.

CONTRACTOR – LogistiCare Solutions, LLC

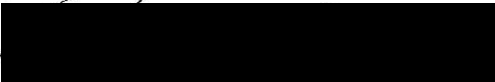


11 / 12 / 2012

ALBERT CORTINA, CHIEF ADMINISTRATIVE OFFICER

Date

**DEPARTMENT OF SOCIAL SERVICES**

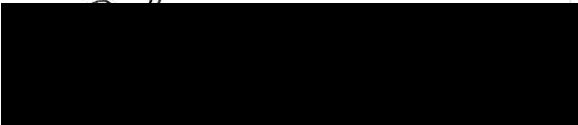


11 / 13 / 2012

RODERICK L. BREMBY, *Commissioner*

Date

**OFFICE OF THE ATTORNEY GENERAL**



11 / 20 / 12

*Joseph Rubin*  
ASST. / ASSOC. ATTORNEY GENERAL (Approved as to form & legal sufficiency) Date

## **Exhibit A**

### **Performance Targets 2013**

#### **Contractor Reimbursement – Start-up Period**

The Contractor shall be paid the start-up cost of \$31,523, which excludes profit, upon the Contractor's completion and the Department's acceptance of each of the following milestones to be completed prior no less than 30 days prior to the scheduled go-live date.

1. Contract execution with the Department;
2. Documented delivery of contract packages to all livery, wheelchair and ambulance providers currently utilized by the NEMT program;
3. Submission of completed enrollment packages to HP for livery, wheelchair and ambulance providers sufficient to satisfy the NEMT needs throughout the state. Notwithstanding the foregoing provision, Contractor shall not be penalized, sanctioned, or subject to liquidated damages if an adequate network cannot be developed or maintained due to transportation providers' refusal to accept the Department's reimbursement rates for livery and non-emergency ambulance services (See Agreement, Part 1, Section C, 3);
4. Operational call center in place by 12/1/12;
5. Evidence of employment and training of sufficient staff to perform the functions for which they have been employed;
6. Evidence that its data systems have successfully loaded a complete eligibility file;
7. Evidence that its data systems have successfully loaded provider file with all CMAP medical providers;
8. Successful authorization test file with the DSS MMIS contractor and/or data warehouse contractor; and
9. Successful pre-implementation readiness review.

No later than May 1, 2013, or ninety days after the program start date, whichever is later, Contractor shall submit to the Department a reconciliation of the actual expenditures incurred and paid by the Contractor during the start-up period against the start-up cost paid to the Contractor by the Department. The Department may require the return of any under expenditures or the reinvestment of the under expenditure into the Contract's scope of work.

The profit to the Contractor earned during the start-up period shall be invoiced by the Contractor as part of the reconciliation, no later than ninety days after the program start date and paid to the Contractor by the Department no later than thirty (30) days after submission to and acceptance by the Department.

### **Monthly Invoices, Withhold, and Return of Withhold**

Each calendar month Contractor shall invoice to the department 1/12 of the annual Grand Total Expenses/Total Cost, which **does not** include an allowable profit of 7.5%. The allowable profit shall be withheld by the Department and shall be paid to Contractor annually, subject to its meeting the Performance Targets as defined below. For example, the Grand Total Expenses/Total Cost included in the 2013 CT Non-emergency Medical Transportation Budget/Invoice Template is \$5,791,110. Therefore, in 2013 Contractor will invoice the Department 1/12 of that amount each month, or \$482,592.49. An additional 7.5% profit applicable to that amount, or \$36,738 monthly, is also potentially payable to the Contractor at the end of each calendar year if the Performance Targets have been achieved.

The Performance Targets shall be measured on a monthly basis, and reviewed on a quarterly basis, with the withheld profit for those targets that are successfully met released and authorized for payment as part of the next annual payout. Each quarterly review will be averaged within its category within 30 days of the calendar year end, with the average representing the score in each section by DSS. Withheld profit that is eligible for payment to Contractor shall be paid by the Department within sixty (60) days of December 31 of each calendar year under the contract.

### **Performance Targets**

The contract performance targets are divided into four (4) categories, each of which represents 1/4<sup>th</sup> of the total withhold dollar amount.

1. Call Center Performance
2. Service and Satisfaction
3. Network Management
4. Claims and Systems Integration

#### **1. Call Center Performance--- ¼ of the total withhold**

Call center performance will be monitored and reported across multiple standard metrics, however, for the purpose of determining the return of the Contractor's profit withhold, the assessment will be based on the Call Center staff accessing all means of verifying a member's eligibility before they approve/deny an NEMT trip. Contractor staff will access their

on-line eligibility system, and if a member does not appear as eligible, the Call Center will access the Department's automated eligibility system to determine if the client is newly granted. In addition, if this trip is for a Pending Medicaid client who is residing in a nursing home the call center staff will contact the Department to determine if the client is eligible for NEMT service.

The measure of the Call Center Staff to utilize all of the above means to establish eligibility will be based on complaints regarding member eligibility the Department is made aware of in a given quarter. The Department will research the issue and if it is determined that the Contractor failed to utilize one of the eligibility verifications as described above, it will count as 1 occurrence.

<b>Quarterly Withhold Contractor</b>	<b>Withhold Amount paid to the Contractor</b>
Below 7 occurrences	100%
Between 7 – 10 occurrences	75%
Between 10 –13 occurrences	50%
Between 13-16 occurrences	25%
Over 16 occurrences	0%

## **2. Service and Satisfaction**

The Service and Satisfaction performance standard category is composed of two distinct subcategories.

### **Complaints---1/8 of the Total Withhold**

The first subcategory will focus on the Contractor acknowledging the receipt of the complaint, and the timely response to the complaint. The second satisfaction performance standard category will be based on the Contractor submitting all required reports that have been defined and agreed upon between the Department and the Contractor.

When the Department receives a complaint that requires a response from LogistiCare, the Department will contact the Program Manager and anyone else that the Contractor would like to have added to this distribution list. The complaint will be rated by the Department as High Priority, Intermediate Priority or Low Priority. This will be noted in the subject line of the email.

Upon receipt of the issue, the Contractor will acknowledge to the Department receipt of the complaint and will respond according to the level of priority as stated below:

- High Priority will be acknowledged by the Contractor within 2 hours of receiving the complaint and will submit a detailed response within one business day.
- Intermediate Priority will be acknowledged by the Contractor by the end of the business day and submit a detailed response within two business days.
- Low Priority will be acknowledged by the Contractor with-in 24 hours of receipt of the complaint and submit a detailed response within three business days

If the Contractor later on determines the need for additional time to resolve the complaint, the Contractor will inform the Department prior to the due date of the complaint response and will provide an updated target date for completion.

Failure to acknowledge receipt of the complaint timely or failure to respond to the complaint by the agreed upon due date will result in an occurrence. The withhold will be based on the number of occurrences in a quarter based on the following performance:

<b>Quarterly basis</b>	<b>Withhold paid to contractor</b>
Below 2 occurrences	100%
Between 2 – 3 occurrences	75%
Between 4 - 5 occurrences	50%
Between 5 - 6 occurrences	25%
Over 7 occurrences	0%

#### **Reports--- 1/8 of the Total Withhold**

The second subcategory of service and satisfaction will be based on Reports. The Department will meet with the Contractor to mutually define and agree to the



format of all reports. Once the reports are finalized, the Contractor will be responsible for (a) submitting the reports on time and (b) for the accuracy of the reports. Failure to submit a report on time or failure to submit an accurate report will result in an occurrence. The withhold will be based on the number of occurrences in a quarter based on the following performance:

<b>Quarterly basis</b>	<b>Withhold paid to contractor</b>
Below 2 occurrences	100%
Between 2 –3 occurrences	75%
Between 4 –5 occurrences	50%
Between 6 - 7 occurrences	25%
Over 7 occurrences	0%

### **3. Network Management**

The Network Management performance standard is composed of two subcategories. The first subcategory shall be assessed based on the number of encounter claims submitted to HP for a provider that is not enrolled as a Medicaid provider. The number of occurrences will be based on the monthly invoice Logistic are submits to the Department for payment. The second subcategory shall be assessed based on a transportation provider's excessive no-shows and / or late pickups. Please refer to the chart below.

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#### **Inappropriate Payments--- 1/8 of the Total Withhold**

When the Department determines that an in-state NEMT Transportation provider who is not enrolled in CTDSSMAP has received payment from the Contractor for the provision of NEMT service to a Connecticut Medicaid client (without Department approval), that trip will count as one occurrence.

<b>Number of occurrences of a Provider who is not enrolled and was paid for an NEMT service</b>	<b>Withhold Amount Paid to Contractor (50% of Network Management)</b>
---	---

without Department approval	withhold amount)
under 1	100%
1 – 2	75%
3 – 4	50%
5 - 6	25%
above 6	0%

**No Shows/Late Pick Ups--- 1/8 of the Total Withhold**

When a valid complaint is received due to a transportation provider no show or late pick up in a given month the withhold will be given as stated below. Trips per 1000 will be based upon the total net authorized trip in the month or quarter. :

Number of valid provider late or no show complaints per 1000 net authorized trips in a given month	Withhold Amount Paid to Contractor (50% of no shows/late pick ups withhold amount)
2 or less per 1000 trips	100%
>2 to 2.5 per 1000 trips	75%
>2.5 to 3 per 1000 trips	50%
>3 to 3.5 per 1000 trips	25%
>3.5 per 1000 trips	0%

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**4. Claims**

The Claims are composed of two (2) areas or subcategories, each of which will account for 1/2 of the withhold amount for the full category. The two areas or subcategories are (1) timely payment of Provider Claims (2) Encounter Claims File.

**Provider claims processing--- 1/8 of the Total Withhold**

The Contractor will process and pay all NEMT claims (except ambulance for Medicaid clients) in a timely manner. The Contractor will be responsible for ensuring the provider is appropriately credentialed and enrolled for the date of service. There may be exceptions that will require the Contractor to utilize a non enrolled provider to provide NEMT for a Medicaid client. In this instance, the Contractor must obtain approval from the Department prior to providing the service. The Contractor will ensure the client is eligible for the date of service, and ensure all appropriate claims processing edits are in place to process a claim such as service prior authorized, correct mode of transport is paid, correct mileage is paid, check for duplicate claims, client eligibility, etc.. The Contractor will invoice the Department on a monthly basis and include the detailed costs for the month. This will include the Contractor's administrative fee plus a listing of all claims paid for that month. A Claims cycle should be run no less than twice per month on a two week cycle and all clean claims must be paid within the clean claims standard of promptness. The Contractor will invoice the Department on a monthly basis for reimbursement.

Average time to adjudicate and pay claims data	Withhold Amount Paid to Contractor
Pay the clean claim under 45 days	100%
45 – 47 days	75%
48 – 50 days	50%
51 – 53 days	25%
Over 53 days	0%

**Encounter Claims File Timeliness--- 1/8 of the Total Withhold**

When the Contractor invoices the Department on a monthly basis, the Contractor will then be responsible for creating encounter claims for each paid claim on that invoice and submit the encounter claims to HP in a HIPAA compliant format (or other agreed upon format within 1 week of invoicing the Department for payment. The Contractor will transmit the encounter claims to HP for every claim the Contractor has paid and invoiced the Department for payment.

The Contractor must submit encounter claims for each detail on the monthly invoice within 1 week of invoicing the Department. The Contractor must match 95% of the claims submissions within one week of the monthly submission, with an additional 15 days to submit additional /corrected claims to equal 100% substantiation of the monthly invoice.

Failure for the Contractor to meet this will result in a 100% withhold.

## Exhibit B- NEMT Provider Enrollment Data Requirements (HP)

The following list indicates the data that is required in order for HP to add update or inactivate a provider on the provider database. <b>Field Name</b>	<b>Field Description</b>	<b>Field Type</b>	<b>Field Length</b>	<b>Required/Situational/Optional</b>
Action (Add/Update/ Inactivate) Indicator	This field indicates whether the network provider is to be added to or inactivated from the Brokers network, or if there is an update to the provider on file. The valid values for this field are A = Add, U = Update, I = Inactivate. There should only be 1 add record per provider id and type and specialty. Subsequent changes should be sent as an update transaction.	Character	1	R
Medicaid ID of Broker	This field indicates the 9 digit Medicaid ID of the Broker.	Character	9	R
Network Provider NPI	The field contains the National Provider Identifier (NPI) of the network provider. This may be spaces only when the provider is atypical and the Atypical Provider Indicator is Y.	Character	15	S
Atypical Provider Indicator	This field indicates if the provider is an atypical provider (i.e. they do not have an NPI). The valid values for this field are Y = provider is atypical, or N = provider is NOT atypical (provider has an NPI)	Character	1	R

Billing/ Rendering Provider Indicator	This field indicates if the network provider is a billing (group) provider, rendering provider (member of a group) or an individual provider. The valid values for this field are B = Billing, R = Rendering Provider, or Blank = Individual provider.	Character	1	R
Participating/ Non-participating Provider Indicator	This field indicates if the network provider is a participating or a non-participating provider. The valid values are P = Participating or N = Non-participating.	Character	1	R
Primary Taxonomy	This field indicates the primary taxonomy for the type and specialty of the network provider. A provider can only have 1 primary taxonomy per type and specialty. This may be spaces only when an atypical provider (atypical provider indicator must be Y).	Character	10	S
Additional Taxonomy 1	This field indicates any additional taxonomies for the type and specialty of the network provider. This field is not required and may be left blank. Note: Send only 1 row with all applicable taxonomies.	Character	10	O
Additional Taxonomy 2	This field indicates any additional taxonomy for the type and specialty of the network provider. This field is not	Character	10	O

## **Exhibit C Review Topics**

The Contractor will be required to successfully complete a bifurcated review process that includes a "Readiness Review" prior to go live and a "Post Implementation Review" within 90 days of the go live date.

The Department will notify the Contractor in writing of the results of the Review. If the Department determines that the Contractor has failed either portion of the Review and Contractor is unable to remedy issues timely, the Department may take additional steps as necessary, and as detailed in this contract, to correct the situation for the benefit of its clients.

The bifurcated Review will examine the following functional competencies:

### **1. Key Personnel and Staff Resources**

The Contractor will be required to demonstrate that it has employed sufficient and suitable personnel to accomplish the tasks as outlined in this RFP including Key Personnel to manage the following functions:

- a. Project Manager;
- b. Call Center;
- c. Operations - Network Maintenance; transportation provider enrollment management;
- d. Staff training;
- e. Prior Authorization, Claims Management, and Client Status Management;
- f. Quality Management, Utilization Review and Audit;
- g. Data Systems;
- h. Medical Review: Minimum qualifications shall include the ability to professionally converse with other medical personnel to establish the medical necessity for particular modes of transportation.

### **2. Task Related Policies and Procedures**

The Contractor will be required to supply a complete set of policies and procedures (manual) applicable to the service contemplated herein.

### **3. Client Status - Eligibility for Non-Emergency Medical Transportation Services**

The Contractor will be required to successfully demonstrate its ability to accept data transfers and maintain client history.

### **4. Call Center - Automated Call Distribution (ACD) system - Call Management**

The Contractor will be required to successfully demonstrate its automated call distribution system, menu structure, recording capability after hours, weekend and emergency backup capabilities and ease of access for clients.

#### **5. Network Development/Subcontracts**

The Contractor will be required to produce signed contracts with the livery and ambulance companies and shall produce evidence of HP enrollment of the providers.

#### **6. Livery and Ambulance Prior Authorization and Claims Authorization Processes**

The Contractor will be required to demonstrate its livery and ambulance prior authorization and claims authorization processes. These processes shall include a review of the prior authorization protocol, turn-around time and authorization of an alternative mode of transportation in the event of an ambulance denial, livery and ambulance PA data management system: The readiness test will include a demonstration of the Contractor's interactive PA process with each livery and ambulance company with which it has a contract on the Department's behalf. Furthermore, the review will include an examination of the Contractor's ability to screen claims and transmit HIPAA Compliant data to HP and the ability of the Contractor to read HP "error" reports.

#### **7. Transportation Request Approval and Verification Process**

The Contractor will be required to successfully demonstrate its ability its NEMT client verification and trip approval process.

#### **8. Ride Assignment and Dispatching**

The Contractor will be required to successfully demonstrate its livery transportation electronic authorization/acceptance process.

#### **9. Staffing**

The Contractor will be required to demonstrate that it has "sufficient qualified staff" 45 days prior to February 1, 2013 that are fully trained. The demonstration will include the department's evaluation of key personnel.

#### **10. Payments to Subcontractors**

The Contractor will be required to successfully demonstrate that it has procedures and capacity to make timely payments to its subcontractors for services provided to clients who are pending.

#### **11. Staff and Transportation Provider Training and Procedures**

The Contractor will be required to successfully demonstrate and produce its in-service training program including operational procedures, manuals, forms and any other material used to train its staff for smooth operation of the NEMT responsibilities

**12. Quality Management – Utilization Review**

The Contractor will be required to provide its proposed QM Program and Implementation Plan that describes the QM program structure and outlines the QM objectives and planned projects.

**13. Complaint Resolution and Grievance Procedures**

The Contractor will be required to successfully demonstrate its practices to resolve client and provider complaints, and formal grievances and its method to respond to significant incidents and its computerized system to record all data associated with complaints, grievances and incidents. The organization will also discuss its analytical capability to examine data and outline corrective action for complaints, grievances and incidents.

**14. NEMT Database and Data Interactivity with the Department's Eligibility System, Systems Design and Architecture, Information System Functionality**

The Contractor will be required to demonstrate its system design, architecture, system functionality and NEMT database and interactive capability with the Department for all functions.

**15. Reporting Requirements**

The Contractor will be required to successfully demonstrate its reporting capabilities.

**16. Project Implementation Timetable**

The Contractor will be required to provide a project timetable considering any outstanding implementation issues.

**17. Performance Bond**

The Contractor will be required to produce a Performance Bond or Statutory Deposit in the amount of \$2,000,000.



## **Exhibit D Reporting**

1. Issue Tracking Report: An interval status report (weekly) of various management and service issues addressed bi-laterally between the Department and the Broker
2. Business Continuity Report: A periodic (annual and occurrence) report of
  - a. technological failures related to data management and their recovery, and
  - b. violations of security or confidentiality and their resolution
3. Call Center Report: A quarterly report of telephone call center performance including:
  - a. Number of incoming calls during regular business hours and after hours;
  - b. Number of answered calls by Broker staff by ACD line;
  - c. Average number of calls answered by Broker staff;
  - d. Average call wait time;
  - e. Average talk time by ACD line;
  - f. Percent of routine services calls answered by staff less than sixty seconds after the selection of a menu option;
  - g. Number of calls placed on hold and length of time on hold by ACD line;
  - h. Number and percent of abandoned calls;
  - i. Volume of out-going call volume by functional area, (Example: ride assignment, coordination/outreach, quality, etc.);
  - j. Proposed staffing adjustments when the call volume reaches thresholds proposed by the Proposer;
  - k. Description of its seamless responses to service needs in the event of local power failures or other emergencies; and
  - l. Call volume exceeding call performance targets.
4. Prior Authorization Report: Monthly report of
  - a. All trips prior authorized by mode;
  - b. Trips over/under 20 miles,
  - c. Trips by client type and mode, etc);
  - d. NEMT Request Processing for eligible and pending clients;
  - d. Prior authorization and utilization by mode
  - e. Other factors based on quality program design and performance targets
5. Claims - Encounter Data Report: A monthly report of
  - a. All claims submitted with resultant adjudication including clean claims forwarded to HP and encounter data submitted to the Department's Data Warehouse, including:
  - b. All clean claim trip/payment authorizations by mode to HP,
  - c. All denied claims from Broker or from HP by various factors (Example, Provider, reason)
  - d. All resubmitted claims and action on those claims
  - e. All other payment requests and adjudication decisions;

- f. Claim Verification detail
  - g. Broker Payments and Interest – to providers
    - 1). In-state and out-of-state payment not covered by HP including ambulance, livery, taxi, bus, train, plane and personal reimbursement payments;
    - 2. Overall and provider specific payments authorizations for ambulance and livery to HP; and reconciliation information to identify payment discrepancies and potential problems.
  - h. Other factors based on quality program design and performance targets
6. Complaint Report: A monthly report of
    - a. Complaints received by the Broker,
    - b. action taken,
    - c. analysis of complaints and
    - d. recommendations for service improvement.
  7. Expenditure Report: a monthly report of operational expenditures against the Broker's contracted budget.
  8. Lost Eligibility/Transportation Notification Report: A monthly report of individuals who have lost their eligibility, but have prescheduled trips to regular and on-going treatment such as dialysis, for whom the Broker has advised to contact their eligibility worker and or re-apply. The Broker will continue to provide trips for the first week of the effective month of lost eligibility unless the client regains eligibility during that week.
  9. Network Providers - Adds, Deletes: A quarterly list of
    - a. providers who have subcontracts with the Broker and are enrolled with HP including changes in the network (adds, deletes);
    - b. disenrollment recommendations (provider);
    - c. out-of-state transportation providers,
    - d. alternative transportation agreements executed;
    - e. number and identification of subcontractors reviewed for compliance; and
    - f. results of review.
  10. Network - Vehicle Capacity: An annual list of
    - a. Network vehicle capacity (number, condition and mileage of each vehicle by type);
    - b. Plate number;
    - c. Vehicles that are appropriately licensed, certified, permitted or insured;
    - d. Random or select inspection report of vehicles
  11. Network - Driver Capacity: A quarterly list of
    - a. drivers who are appropriately licensed and trained and have had background checks performed;
    - b. individuals who have left the providers or are suspended from driving or are sanctioned from transporting Medicaid-NEMT clients and reasons for their suspensions.

12. Performance Improvement Project Report: A Monthly report of performance and quality indicators measurement
13. Personnel Discharge Report: A monthly report of changes in the Broker's staffing complement.
14. Procedure Notification: a report on as needed basis that notifies the Department of proposed new or revised policies or procedures.
15. Provider Performance Report: Monthly report by provider and cumulatively:
  - a. Waiting time for pickup or delivery shall not exceed fifteen minutes;
  - b. Pick up clients and drop off within 15 minutes from scheduled appointment;
  - c. Pick up for return rides within forty-five minutes from the time the return trip call;
  - d. Missed pickups and client "no-shows;";
  - e. Provider sanctions; and
  - f. Other factors based on quality program design and performance targets.
16. Quality Committee Report: a quarterly summary report of the committee activities.
17. Quality Management Program Evaluation and Report: A quarterly and annual summary report of quality measures and performance including:
  - a. comprehensive and cost effective QM Program plan. complaint summary information and analysis with recommendations
  - b. QM Program and Implementation Plan and related quality reports
  - c. Satisfaction survey report; and
  - d. Other factors based on quality program design and performance targets
18. Service Coordination Report: a quarterly report on:
  - a. Comprehensive NEMT outreach and educational plan to collaborate with hospitals, nursing homes, dialysis centers and methadone treatment facilities to achieve NEMT efficiencies by identifying individuals who have lost their eligibility but have on-going transportation needs and facilitating appropriate utilization of ambulance service;
  - b. Network capacity data - plan to identify and address transportation provider issues and concerns;
  - c. Plan to evaluate subcontracting with volunteers and non-governmental organizations and from organizations that do not provide transportation as their primary function; and
  - d. Plan for coordinating problem issues, assessment and intervention
19. Significant Incident Report/Summary/Analysis: Reports and analysis of specific incidents and recommendations for corrective action and quarterly summary analysis reports.
20. Small, minority, business report

21. Staff/Provider Training Report: A quarterly report focused on in-service training plan/ provider training plan and the identification of individuals who have been trained and who have received re-training
22. Transportation Safety Program Report: A quarterly report of various safety issues including:
  - a. Number of trips and individuals who require escort(s) or attendant(s) to accompany clients
  - b. Summary of plan activities to identify and address transportation provider issues and concerns; plan to assist drivers to recognize and report potential client abuse; a plan to assure safe transportation for all clients with emphasis on children and elders
  - c. Licensure and Certification and background checks
23. Unplanned Absence/Coverage Report: a report as needed to inform the Department of the Broker's plan to cover key personnel unplanned absences longer than seven days;

24. Utilization Reports Mode

(air, train, bus, livery, taxi, wheelchair van, ambulance, stretcher, etc.);

Ambulance: All requests for NEMT ambulance including the broker's decision; Ambulance trips by type (BLS/ALS), including, trip mileage;

Personal reimbursement: verification of actual personal reimbursements where the individual attended the appointment; reimbursement for individuals who have been erroneously billed for NEMT transportation by livery or ambulance provider;

Bus: bus ticket/pass data including client specific and bus pass specific data; bus ticket/pass purchases and distribution comparison report; Bus passes returned due to undelivered mail; Refund – unused tickets, tickets by denomination; and verified appointments;

Origin and Destination;

urgent;

In-state and out-of-state;

Number of trips per client;

multi-loading;

Client Status;

mileage;

Cost

**Exhibit E**  
**Budget**

**Connecticut Non-emergency Medical Transportation Budget/Invoice Template**

Indicate Calendar Year Budget Use:

X 2012 Start-Up     2013     2014     2015     2016

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Administration</b>						
Project Manager						
Other Management (specify)						
Other Administration Staff						
Fringe Benefits						
Bonuses and Commissions paid to Administration			\$ -			-
<b>Subtotal Administration</b>	\$ -	\$ -	\$ -	-	-	-

<b>Call Center/Client Services</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to Call Center/Client Services Staff			\$ -			-
<b>Subtotal Call Center</b>	\$ -	\$ -	\$ -	-	-	-

<b>Operations: Provider Services; Network Maint.; Trip Assignment</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to Operations Staff			\$ -			-
<b>Subtotal Operations</b>	\$ -	\$ -	\$ -	-	-	-

<b>Quality Management / Data Reporting</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to QM/DR Staff			\$ -			-
<b>Subtotal Quality Mgmt/Data Reporting</b>	\$ -	\$ -	\$ -	-	-	-

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Staff Training</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to Training Staff			\$ -			-
<b>Subtotal Staff Training</b>	\$ -	\$ -	\$ -	-	-	-

<b>Data systems / IT Support</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to Data/IT Support Staff			\$ -			-
<b>Subtotal Data/IT Support</b>	\$ -	\$ -	\$ -	-	-	-

<b>Authorization; Client Status Management</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to Auth/CSM Staff			\$ -			-
<b>Subtotal Auth/CSM</b>	\$ -	\$ -	\$ -	-	-	-

<b>Claims Management</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to Claims Management Staff			\$ -			-
<b>Subtotal Claims Management</b>	\$ -	\$ -	\$ -	-	-	-

<b>Other Personnel (Other)</b>						
Management (specify type)						
Staff (specify type)						
Fringe Benefits						
Bonuses and Commissions paid to Other Personnel			\$ -			-
<b>Subtotal Other Personnel</b>	\$ -	\$ -	\$ -	-	-	-

Total Personnel						
Management	\$	-	\$	-	\$	-
Staff	\$	-	\$	-	\$	-
Fringe Benefits	\$	-	\$	-	\$	-
Bonuses and Commissions paid to Personnel						
Fringe Benefits % of Salaries						

Other Direct Costs			
Connecticut Occupancy Cost			
Lease or Rental			
Facility			
Fixtures and Furniture (depreciable assets)			
Utility - included in rent			
Maintenance and Repair			
Janitorial			
Subtotal Occupancy Expenses	\$	-	\$ -

Office Support Expenses			
Office Supplies			
Office Equipment			
Printing	\$	7,648	
Postage/Freight			
Other: Adjustment for Office			
Subtotal Office Support	\$	7,648	\$ -

Processing Expenses			
Telephone/Telecommunications	\$	-	\$ -
Consulting Fees	\$	-	\$ -
Accounting Services	\$	-	\$ -
Offsite Tape Vaulting	\$	-	\$ -
Other	\$	-	\$ -
Subtotal Processing	\$	-	\$ -

Equipment			
Computer/IT Equipment (depreciable assets)			
Computer/IT Equip. Repair/Main.			
Copy Equipment			
Copy Equip. Repair/Main.			
Telecom Equipment (depreciable assets)			
Telecom Usage			
Telecom Repair/Main.			
Other Equipment (specify)			
Other Equip. Repair/Main.			
Equipment Rental			
Subtotal Equipment	\$	-	\$ -

Software Expenses			
Software Expenses	\$	-	\$ -
Software Maintenance	\$	-	\$ -
Subtotal Software	\$	-	\$ -

Administrative Expenses			
Management Fees			
Travel and Related Costs			
Business Meetings			
Staff Training			
Professional Fees			
Consulting and Outside Services			
Legal			
Audit/Accounting			
Advertising			
Insurance			
Taxes			
Licenses			
Other - Startup Expense	\$	23,875	
Subtotal Administrative	\$	23,875	\$ -

Total Other Direct Expense	\$	31,523	\$ -	\$ 31,523
Total Personnel and Other Direct Expenses	\$	31,523	\$ -	\$ 31,523
Corporate Allocation (additional allocation not otherwise reflected above)			\$	-

Profit 7.5%				
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<b>Grand Total Expenses</b>	\$ 31,523	\$ -	\$ 31,523			
Note: Grand Total does not include Profit						
<b>Annual Overall Change</b>	Year 2	Year 3	Year 4	Year 5		
<b>Total Cost</b>						
<b>% + (-)</b>						
<b>\$ increase/(decrease)</b>						



**Connecticut Non-emergency Medical Transportation Budget/Invoice Template**

Indicate Calendar Year Budget Use:

2012 Start-Up  2013  2014  2015  2016

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Administration</b>						
Project Manager	\$ 88,995		\$ 88,995	0.8		0.8
Other Management (specify)	\$ 99,990	\$ 75,485	\$ 175,475	1.0	0.7	1.7
Other Administration Staff	\$ 31,673		\$ 31,673	1.0		1.0
Fringe Benefits	\$ 68,314	\$ 12,698	\$ 81,012			-
			\$ -			-
<b>Subtotal Administration</b>	\$ 288,972	\$ 88,182	\$ 377,154	2.8	0.7	3.5

<b>Call Center/Client Services</b>						
Management (specify type)	\$ 81,251	\$ 6,826	\$ 88,076	1.0	0.2	1.2
Staff (specify type)	\$ 1,038,881		\$ 1,038,881	41.0		41.0
Fringe Benefits	\$ 346,786	\$ 1,148	\$ 347,934			-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)		\$ (123,334)			-
<b>Subtotal Call Center</b>	\$ 1,343,584	\$ 7,974	\$ 1,351,558	42.0	0.2	42.2

<b>Operations: Provider Services; Network Maint.; Trip Assignment</b>						
Management (specify type)	\$ 50,329	\$ 8,274	\$ 58,603	1.0	0.2	1.2
Staff (specify type)	\$ 972,773		\$ 972,773	35.8		35.8
Fringe Benefits	\$ 316,746	\$ 1,392	\$ 318,138			-
			\$ -			-
<b>Subtotal Operations</b>	\$ 1,339,847	\$ 9,666	\$ 1,349,513	36.8	0.2	37.0

<b>Quality Management / Data Reporting</b>						
Management (specify type)	\$ 122,864	\$ 4,958	\$ 127,822	2.0	0.1	2.1
Staff (specify type)	\$ 183,692		\$ 183,692	6.0		6.0
Fringe Benefits	\$ 94,908	\$ 834	\$ 95,742			-
			\$ -			-
<b>Subtotal Quality Mgmt/Data Reporting</b>	\$ 401,464	\$ 5,792	\$ 407,256	8.0	0.1	8.1

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Staff Training</b>						
Management (specify type)	\$ -	\$ 8,000	\$ 8,000	-	0.1	0.1
Staff (specify type)	\$ 33,784		\$ 33,784	1.0		1.0
Fringe Benefits	\$ 10,459	\$ 1,346	\$ 11,805			-
			\$ -			-
<b>Subtotal Staff Training</b>	\$ 44,243	\$ 9,346	\$ 53,589	1.0	0.1	1.1

<b>Data systems / IT Support</b>						
Management (specify type)	\$ -	\$ 43,445	\$ 43,445	-	0.8	0.8
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 7,308	\$ 7,308			-
			\$ -			-

<b>Subtotal Data/IT Support</b>	\$ -	\$ 50,753	\$ 50,753	-	0.8	0.8
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<b>Authorization; Client Status Management</b>						
Management (specify type)	\$ 76,859	\$ -	\$ 76,859	1.0	-	1.0
Staff (specify type)	\$ 96,183		\$ 96,183	3.0		3.0
Fringe Benefits	\$ 53,573	\$ -	\$ 53,573			-
			\$ -			-
<b>Subtotal Auth/CSM</b>	\$ 226,614	\$ -	\$ 226,614	4.0	-	4.0

<b>Claims Management</b>						
Management (specify type)	\$ -	\$ 11,524	\$ 11,524	-	0.2	0.2
Staff (specify type)	\$ 280,270		\$ 280,270	11.0		11.0
Fringe Benefits	\$ 86,770	\$ 1,939	\$ 88,709			-
			\$ -			-
<b>Subtotal Claims Management</b>	\$ 367,040	\$ 13,463	\$ 380,503	11.0	0.2	11.2

<b>Other Personnel (Other)</b>						
Management (specify type)	\$ -	\$ 29,868	\$ 29,868	-	0.2	0.2
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 5,024	\$ 5,024			-
			\$ -			-
<b>Subtotal Other Personnel</b>	\$ -	\$ 34,892	\$ 34,892	-	0.2	0.2

<b>Total Personnel</b>						
Management	\$ 520,287	\$ 188,379	\$ 708,666	6.8	2.6	9.4
Staff	\$ 2,637,256	\$ -	\$ 2,637,256	98.8	-	98.8
Fringe Benefits	\$ 977,556	\$ 31,689	\$ 1,009,245	-	-	-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)					
Fringe Benefits % of Salaries	31.0%	16.8%	30.2%			

<b>Other Direct Costs</b>			
<b>Connecticut Occupancy Cost</b>			
Lease or Rental	\$ 398,882	\$ 12,869	\$ 411,751
Facility	\$ 9,888	\$ 257	\$ 10,145
Fixtures and Furniture (depreciable assets)	\$ 8,544	\$ 1,098	\$ 9,642
Utility - included in rent	\$ -	\$ 1,848	\$ 1,848
Maintenance and Repair	\$ 18,001	\$ 2,022	\$ 20,024
Janitorial	\$ -	\$ 830	\$ 830
<b>Subtotal Occupancy Expenses</b>	\$ 435,315	\$ 18,925	\$ 454,240

<b>Office Support Expenses</b>			
Office Supplies	\$ 69,782	\$ 6,842	\$ 76,624
Office Equipment	\$ -	\$ -	\$ -
Printing	\$ -	\$ -	\$ -
Postage/Freight	\$ 114,530	\$ -	\$ 114,530
Other: Adjustment for Office	\$ -	\$ -	\$ -
<b>Subtotal Office Support</b>	\$ 184,312	\$ 6,842	\$ 191,154

<b>Processing Expenses</b>			
Telephone/Telecommunications	\$ -	\$ -	\$ -
Consulting Fees	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -

Offsite Tape Vaulting	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -
<b>Subtotal Processing</b>	\$ -	\$ -	\$ -

<b>Equipment</b>			
Computer/IT Equipment (depreciable assets)	\$ 59,192	\$ 7,610	\$ 66,801
Computer/IT Equip. Repair/Main.	\$ -	\$ 15,567	\$ 15,567
Copy Equipment	\$ 52,981	\$ 2,938	\$ 55,919
Copy Equip. Repair/Main.	\$ -	\$ -	\$ -
Telecom Equipment (depreciable assets)	\$ 13,440	\$ 1,728	\$ 15,168
Telecom Usage	\$ 347,122	\$ 6,540	\$ 353,662
Telecom Repair/Main.	\$ -	\$ 486	\$ 486
Other Equipment (specify)	\$ 19,931	\$ 443	\$ 20,374
Other Equip. Repair/Main.	\$ -	\$ -	\$ -
Equipment Rental	\$ -	\$ -	\$ -
<b>Subtotal Equipment</b>	\$ 492,664	\$ 35,312	\$ 527,977

<b>Software Expenses</b>			
Software Expenses	\$ -	\$ -	\$ -
Software Maintenance	\$ -	\$ -	\$ -
<b>Subtotal Software</b>	\$ -	\$ -	\$ -

<b>Administrative Expenses</b>			
Reduction due to reduction of 4 FTEs	\$ (26,073)	\$ -	\$ (26,073)
Travel and Related Costs	\$ 30,177	\$ 24,753	\$ 54,930
Business Meetings	\$ -	\$ -	\$ -
Staff Training	\$ 7,675	\$ 9,286	\$ 16,961
Professional Fees	\$ -	\$ -	\$ -
Consulting and Outside Services	\$ -	\$ 25,642	\$ 25,642
Legal	\$ 116,087	\$ 13,128	\$ 129,215
Audit/Accounting	\$ 41,200	\$ 5,877	\$ 47,077
Advertising	\$ -	\$ 1,142	\$ 1,142
Insurance	\$ 7,210	\$ 18,941	\$ 26,151
Taxes	\$ 3,408	\$ 1,268	\$ 4,676
Licenses	\$ 43	\$ 51	\$ 94
Other (specify)	\$ 102,988	\$ 3,104	\$ 106,092
<b>Subtotal Administrative</b>	\$ 282,714	\$ 103,192	\$ 385,906

<b>Total Other Direct Expense</b>	\$ 1,395,006	\$ 164,271	\$ 1,559,277
<b>Total Personnel and Other Direct Expenses</b>	\$ 5,406,770	\$ 384,340	\$ 5,791,110
<b>Corporate Allocation</b> (additional allocation not otherwise reflected above)			\$ -

<b>Profit 7.5%</b>					
<b>Grand Total Expenses</b>	\$ 5,406,770	\$ 384,340	\$ 5,791,110		
Note: Grand Total does not include Profit					
<b>Annual Overall Change</b>	Year 2	Year 3	Year 4	Year 5	
<b>Total Cost</b>	\$ 5,791,110	\$ 6,043,481	\$ 6,331,817	\$ 6,630,424	
<b>% + (-)</b>		4.4%	4.8%	4.7%	
<b>\$ increase/(decrease)</b>		\$ 252,371	\$ 288,336	\$ 298,607	

### Connecticut Non-emergency Medical Transportation Budget/Invoice Template

Indicate Calendar Year Budget Use:

2012 Start-Up  2013  2014  2015  2016

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Administration</b>						
Project Manager	\$ 91,665		\$ 91,665	0.8		0.8
Other Management (specify)	\$ 102,990	\$ 77,749	\$ 180,739	1.0	0.7	1.7
Other Administration Staff	\$ 32,623		\$ 32,623	1.0		1.0
Fringe Benefits	\$ 70,364	\$ 13,079	\$ 83,442			-
			\$ -			-
<b>Subtotal Administration</b>	\$ 297,641	\$ 90,828	\$ 388,469	2.8	0.7	3.5

<b>Call Center/Client Services</b>						
Management (specify type)	\$ 83,688	\$ 7,030	\$ 90,718	1.0	0.2	1.2
Staff (specify type)	\$ 1,121,031		\$ 1,121,031	43.0		43.0
Fringe Benefits	\$ 372,974	\$ 1,183	\$ 374,156			-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)		\$ (123,334)			-
<b>Subtotal Call Center</b>	\$ 1,454,359	\$ 8,213	\$ 1,462,572	44.0	0.2	44.2

<b>Operations: Provider Services; Network Maint.; Trip Assignment</b>						
Management (specify type)	\$ 51,839	\$ 8,522	\$ 60,361	1.0	0.2	1.2
Staff (specify type)	\$ 1,001,956		\$ 1,001,956	35.8		35.8
Fringe Benefits	\$ 326,248	\$ 1,434	\$ 327,682			-
			\$ -			-
<b>Subtotal Operations</b>	\$ 1,380,043	\$ 9,956	\$ 1,389,999	36.8	0.2	37.0

<b>Quality Management / Data Reporting</b>						
Management (specify type)	\$ 126,550	\$ 5,107	\$ 131,657	2.0	0.1	2.1
Staff (specify type)	\$ 189,203		\$ 189,203	6.0		6.0
Fringe Benefits	\$ 97,755	\$ 859	\$ 98,614			-
			\$ -			-
<b>Subtotal Quality Mgmt/Data Reporting</b>	\$ 413,508	\$ 5,966	\$ 419,474	8.0	0.1	8.1

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Staff Training</b>						
Management (specify type)	\$ -	\$ 8,240	\$ 8,240	-	0.1	0.1
Staff (specify type)	\$ 34,798		\$ 34,798	1.0		1.0
Fringe Benefits	\$ 10,773	\$ 1,386	\$ 12,159			-
			\$ -			-
<b>Subtotal Staff Training</b>	\$ 45,571	\$ 9,626	\$ 55,197	1.0	0.1	1.1

<b>Data systems / IT Support</b>						
Management (specify type)	\$ -	\$ 44,748	\$ 44,748	-	0.8	0.8
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 7,527	\$ 7,527			-
			\$ -			-
<b>Subtotal Data/IT Support</b>	\$ -	\$ 52,276	\$ 52,276	-	0.8	0.8

<b>Authorization; Client Status Management</b>						
Management (specify type)	\$ 79,164	\$ -		1.0	-	
Staff (specify type)	\$ 99,069		\$ 99,069	3.0		3.0
Fringe Benefits	\$ 55,180	\$ -	\$ 55,180			-
			\$ -			-
<b>Subtotal Auth/CSM</b>	\$ 233,413				-	

<b>Claims Management</b>						
Management (specify type)	\$ -	\$ 11,870	\$ 11,870	-	0.2	0.2
Staff (specify type)	\$ 288,678		\$ 288,678	11.0		11.0
Fringe Benefits	\$ 89,373	\$ 1,997	\$ 91,370			-
			\$ -			-
<b>Subtotal Claims Management</b>	\$ 378,052	\$ 13,867	\$ 391,918	11.0	0.2	11.2

<b>Other Personnel (Other)</b>						
Management (specify type)	\$ -	\$ 30,764	\$ 30,764	-	0.2	0.2
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 5,175	\$ 5,175			-
			\$ -			-
<b>Subtotal Other Personnel</b>	\$ -	\$ 35,939	\$ 35,939	-	0.2	0.2

<b>Total Personnel</b>						
Management	\$ 535,895	\$ 194,031	\$ 650,762	6.8	2.6	8.4
Staff	\$ 2,767,357	\$ -	\$ 2,767,357	100.8	-	100.8
Fringe Benefits	\$ 1,022,667	\$ 32,640	\$ 1,055,306	-	-	-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)					
Fringe Benefits % of Salaries	31.0%	16.8%	30.9%			

<b>Other Direct Costs</b>			
<b>Connecticut Occupancy Cost</b>			
Lease or Rental	\$ 420,671	\$ 13,255	\$ 433,926
Facility	\$ 10,185	\$ 265	\$ 10,450
Fixtures and Furniture (depreciable assets)	\$ 8,544	\$ 1,131	\$ 9,675
Utility - included in rent	\$ -	\$ 1,904	\$ 1,904
Maintenance and Repair	\$ 18,541	\$ 2,083	\$ 20,625
Janitorial	\$ -	\$ 854	\$ 854
<b>Subtotal Occupancy Expenses</b>	\$ 457,942	\$ 19,493	\$ 477,434

<b>Office Support Expenses</b>			
Office Supplies	\$ 71,875	\$ 7,047	\$ 78,922
Office Equipment	\$ -	\$ -	\$ -
Printing	\$ -	\$ -	\$ -
Postage/Freight	\$ 117,966	\$ -	\$ 117,966
Other: Adjustment for Office	\$ -	\$ -	\$ -
<b>Subtotal Office Support</b>	\$ 189,841	\$ 7,047	\$ 196,889

<b>Processing Expenses</b>			
Telephone/Telecommunications	\$ -	\$ -	\$ -
Consulting Fees	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -
Offsite Tape Vaulting	\$ -	\$ -	\$ -

Other	\$ -	\$ -	\$ -
<b>Subtotal Processing</b>	\$ -	\$ -	\$ -

<b>Equipment</b>			
Computer/IT Equipment (depreciable assets)	\$ 59,192	\$ 7,838	\$ 67,030
Computer/IT Equip. Repair/Main.	\$ -	\$ 16,034	\$ 16,034
Copy Equipment	\$ 54,570	\$ 3,026	\$ 57,596
Copy Equip. Repair/Main.	\$ -	\$ -	\$ -
Telecom Equipment (depreciable assets)	\$ 13,440	\$ 1,780	\$ 15,220
Telecom Usage	\$ 357,535	\$ 6,736	\$ 364,271
Telecom Repair/Main.	\$ -	\$ 501	\$ 501
Other Equipment (specify)	\$ 20,528	\$ 457	\$ 20,985
Other Equip. Repair/Main.	\$ -	\$ -	\$ -
Equipment Rental	\$ -	\$ -	\$ -
<b>Subtotal Equipment</b>	\$ 505,265	\$ 36,371	\$ 541,637

<b>Software Expenses</b>			
Software Expenses	\$ -	\$ -	\$ -
Software Maintenance	\$ -	\$ -	\$ -
<b>Subtotal Software</b>	\$ -	\$ -	\$ -

<b>Administrative Expenses</b>			
Reduction due to reduction of 4 FTEs	\$ (26,073)	\$ -	\$ (26,073)
Travel and Related Costs	\$ 31,082	\$ 25,495	\$ 56,578
Business Meetings	\$ -	\$ -	\$ -
Staff Training	\$ 7,905	\$ 9,564	\$ 17,470
Professional Fees	\$ -	\$ -	\$ -
Consulting and Outside Services	\$ -	\$ 26,412	\$ 26,412
Legal	\$ 119,569	\$ 13,522	\$ 133,092
Audit/Accounting	\$ 42,436	\$ 6,053	\$ 48,489
Advertising	\$ -	\$ 1,176	\$ 1,176
Insurance	\$ 7,426	\$ 19,509	\$ 26,935
Taxes	\$ 3,510	\$ 1,306	\$ 4,816
Licenses	\$ 44	\$ 52	\$ 96
Other (specify)	\$ 106,078	\$ 3,197	\$ 109,275
<b>Subtotal Administrative</b>	\$ 291,978	\$ 106,288	\$ 398,266

<b>Total Other Direct Expense</b>	\$ 1,445,026	\$ 169,199	\$ 1,614,225
<b>Total Personnel and Other Direct Expenses</b>	\$ 5,647,611	\$ 395,870	\$ 6,043,481
<b>Corporate Allocation</b> (additional allocation not otherwise reflected above)			\$ -

<b>Profit 7.5%</b>					
<b>Grand Total Expenses</b>	\$ 5,647,611	\$ 395,870	\$ 6,043,481		
Note: Grand Total does not include Profit					
<b>Annual Overall Change</b>	Year 2	Year 3	Year 4	Year 5	
<b>Total Cost</b>	\$ 5,791,110	\$ 6,043,481	\$ 6,331,817	\$ 6,630,424	
<b>% + (-)</b>		4.4%	4.8%	4.7%	
<b>\$ increase/(decrease)</b>		\$ 252,371	\$ 288,336	\$ 298,607	

### Connecticut Non-emergency Medical Transportation Budget/Invoice Template

Indicate Calendar Year Budget Use:

2012 Start-Up  2013  2014 x 2015  2016

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Administration</b>						
Project Manager	\$ 94,415		\$ 94,415	0.8		0.8
Other Management (specify)	\$ 106,079	\$ 80,082	\$ 186,161	1.0	0.7	1.7
Other Administration Staff	\$ 33,601		\$ 33,601	1.0		1.0
Fringe Benefits	\$ 72,474	\$ 13,471	\$ 85,946			-
			\$ -			-
<b>Subtotal Administration</b>	\$ 306,570	\$ 93,553	\$ 400,123	2.8	0.7	3.5

<b>Call Center/Client Services</b>						
Management (specify type)	\$ 86,199	\$ 7,241	\$ 93,440	1.0	0.2	1.2
Staff (specify type)	\$ 1,180,859		\$ 1,180,859	44.0		44.0
Fringe Benefits	\$ 392,273	\$ 1,218	\$ 393,491			-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)		\$ (123,334)			-
<b>Subtotal Call Center</b>	\$ 1,535,997	\$ 8,459	\$ 1,544,456	45.0	0.2	45.2

<b>Operations: Provider Services; Network Maint.; Trip Assignment</b>						
Management (specify type)	\$ 53,394	\$ 8,778	\$ 62,172	1.0	0.2	1.2
Staff (specify type)	\$ 1,085,651		\$ 1,085,651	37.8		37.8
Fringe Benefits	\$ 352,641	\$ 1,477	\$ 354,118			-
			\$ -			-
<b>Subtotal Operations</b>	\$ 1,491,686	\$ 10,255	\$ 1,501,941	38.8	0.2	39.0

<b>Quality Management / Data Reporting</b>						
Management (specify type)	\$ 130,346	\$ 5,260	\$ 135,606	2.0	0.1	2.1
Staff (specify type)	\$ 194,879		\$ 194,879	6.0		6.0
Fringe Benefits	\$ 100,688	\$ 885	\$ 101,573			-
			\$ -			-
<b>Subtotal Quality Mgmt/Data Reporting</b>	\$ 425,913	\$ 6,145	\$ 432,058	8.0	0.1	8.1

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Staff Training</b>						
Management (specify type)	\$ -	\$ 8,487	\$ 8,487	-	0.1	0.1
Staff (specify type)	\$ 35,841		\$ 35,841	1.0		1.0
Fringe Benefits	\$ 11,096	\$ 1,428	\$ 12,524			-
			\$ -			-
<b>Subtotal Staff Training</b>	\$ 46,938	\$ 9,915	\$ 56,853	1.0	0.1	1.1

<b>Data systems / IT Support</b>						
Management (specify type)	\$ -	\$ 46,091	\$ 46,091	-	0.8	0.8
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 7,753	\$ 7,753			-
			\$ -			-
<b>Subtotal Data/IT Support</b>	\$ -	\$ 53,844	\$ 53,844	-	0.8	0.8

<b>Authorization; Client Status Management</b>						
Management (specify type)	\$ 81,539	\$ -		1.0	-	
Staff (specify type)	\$ 102,041		\$ 102,041	3.0		3.0
Fringe Benefits	\$ 56,835	\$ -	\$ 56,835			-
			\$ -			-
<b>Subtotal Auth/CSM</b>	\$ 240,415	\$ -	\$ 158,876	4.0	-	3.0

<b>Claims Management</b>						
Management (specify type)	\$ -	\$ 12,226	\$ 12,226	-	0.2	0.2
Staff (specify type)	\$ 297,339		\$ 297,339	11.0		11.0
Fringe Benefits	\$ 92,054	\$ 2,057	\$ 94,111			-
			\$ -			-
<b>Subtotal Claims Management</b>	\$ 389,393	\$ 14,283	\$ 403,676	11.0	0.2	11.2

<b>Other Personnel (Other)</b>						
Management (specify type)	\$ -	\$ 31,687	\$ 31,687	-	0.2	0.2
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 5,330	\$ 5,330			-
			\$ -			-
<b>Subtotal Other Personnel</b>	\$ -	\$ 37,017	\$ 37,017	-	0.2	0.2

<b>Total Personnel</b>						
Management	\$ 551,972	\$ 199,852	\$ 670,284	6.8	2.6	8.4
Staff	\$ 2,930,211	\$ -	\$ 2,930,211	103.8	-	103.8
Fringe Benefits	\$ 1,078,062	\$ 33,619	\$ 1,111,681	-	-	-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)					
Fringe Benefits % of Salaries	31.0%	16.8%	30.9%			

<b>Other Direct Costs</b>			
<b>Connecticut Occupancy Cost</b>			
Lease or Rental	\$ 433,728	\$ 13,653	\$ 447,380
Facility	\$ 10,490	\$ 273	\$ 10,763
Fixtures and Furniture (depreciable assets)	\$ 8,544	\$ 1,165	\$ 9,709
Utility - included in rent	\$ -	\$ 1,961	\$ 1,961
Maintenance and Repair	\$ 19,098	\$ 2,146	\$ 21,243
Janitorial	\$ -	\$ 880	\$ 880
<b>Subtotal Occupancy Expenses</b>	\$ 471,860	\$ 20,078	\$ 491,937

<b>Office Support Expenses</b>			
Office Supplies	\$ 74,031	\$ 7,259	\$ 81,290
Office Equipment	\$ -	\$ -	\$ -
Printing	\$ -	\$ -	\$ -
Postage/Freight	\$ 121,505	\$ -	\$ 121,505
Other: Adjustment for Office	\$ -	\$ -	\$ -
<b>Subtotal Office Support</b>	\$ 195,536	\$ 7,259	\$ 202,795

<b>Processing Expenses</b>			
Telephone/Telecommunications	\$ -	\$ -	\$ -
Consulting Fees	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -
Offsite Tape Vaulting	\$ -	\$ -	\$ -



Other	\$ -	\$ -	\$ -
<b>Subtotal Processing</b>	\$ -	\$ -	\$ -

<b>Equipment</b>			
Computer/IT Equipment (depreciable assets)	\$ 59,192	\$ 8,073	\$ 67,265
Computer/IT Equip. Repair/Main.	\$ -	\$ 16,515	\$ 16,515
Copy Equipment	\$ 56,207	\$ 3,117	\$ 59,324
Copy Equip. Repair/Main.	\$ -	\$ -	\$ -
Telecom Equipment (depreciable assets)	\$ 13,440	\$ 1,833	\$ 15,273
Telecom Usage	\$ 368,261	\$ 6,938	\$ 375,200
Telecom Repair/Main.	\$ -	\$ 516	\$ 516
Other Equipment (specify)	\$ 21,144	\$ 470	\$ 21,615
Other Equip. Repair/Main.	\$ -	\$ -	\$ -
Equipment Rental	\$ -	\$ -	\$ -
<b>Subtotal Equipment</b>	\$ 518,244	\$ 37,463	\$ 555,707

<b>Software Expenses</b>			
Software Expenses	\$ -	\$ -	\$ -
Software Maintenance	\$ -	\$ -	\$ -
<b>Subtotal Software</b>	\$ -	\$ -	\$ -

<b>Administrative Expenses</b>			
Reduction due to reduction of 4 FTEs	\$ (26,073)	\$ -	\$ (26,073)
Travel and Related Costs	\$ 32,015	\$ 26,260	\$ 58,275
Business Meetings	\$ -	\$ -	\$ -
Staff Training	\$ 8,142	\$ 9,851	\$ 17,994
Professional Fees	\$ -	\$ -	\$ -
Consulting and Outside Services	\$ -	\$ 27,204	\$ 27,204
Legal	\$ 123,156	\$ 13,928	\$ 137,084
Audit/Accounting	\$ 43,709	\$ 6,235	\$ 49,944
Advertising	\$ -	\$ 1,212	\$ 1,212
Insurance	\$ 7,649	\$ 20,094	\$ 27,743
Taxes	\$ 3,615	\$ 1,346	\$ 4,961
Licenses	\$ 46	\$ 54	\$ 99
Other (specify)	\$ 109,260	\$ 3,293	\$ 112,553
<b>Subtotal Administrative</b>	\$ 301,519	\$ 109,477	\$ 410,996

<b>Total Other Direct Expense</b>	\$ 1,487,160	\$ 174,275	\$ 1,661,435
<b>Total Personnel and Other Direct Expenses</b>	\$ 5,924,072	\$ 407,746	\$ 6,331,817
<b>Corporate Allocation</b> (additional allocation not otherwise reflected above)			\$ -

<b>Profit 7.5%</b>					
<b>Grand Total Expenses</b>	\$ 5,924,072	\$ 407,746	\$ 6,331,817		
Note: Grand Total does not include Profit					
<b>Annual Overall Change</b>	Year 2	Year 3	Year 4	Year 5	
<b>Total Cost</b>	\$ 5,791,110	\$ 6,043,481	\$ 6,331,817	\$ 6,630,424	
<b>% + (-)</b>		4.4%	4.8%	4.7%	
<b>\$ increase/(decrease)</b>		\$ 252,371	\$ 288,336	\$ 298,607	

### Connecticut Non-emergency Medical Transportation Budget/Invoice Template

Indicate Calendar Year Budget Use:

2011 Start-Up  2012  2013  2014  2015  2016

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Administration</b>						
Project Manager	\$ 97,247		\$ 97,247	0.8		0.8
Other Management (specify)	\$ 109,262	\$ 82,484	\$ 191,746	1.0	0.7	1.7
Other Administration Staff	\$ 34,609		\$ 34,609	1.0		1.0
Fringe Benefits	\$ 74,649	\$ 13,875	\$ 88,524			-
			\$ -			-
<b>Subtotal Administration</b>	\$ 315,767	\$ 96,359	\$ 412,126	2.8	0.7	3.5

<b>Call Center/Client Services</b>						
Management (specify type)	\$ 88,785	\$ 7,459	\$ 96,243	1.0	0.2	1.2
Staff (specify type)	\$ 1,270,088		\$ 1,270,088	46.0		46.0
Fringe Benefits	\$ 420,699	\$ 1,255	\$ 421,953			-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)		\$ (123,334)			-
<b>Subtotal Call Center</b>	\$ 1,656,237	\$ 8,713	\$ 1,664,950	47.0	0.2	47.2

<b>Operations: Provider Services; Network Maint.; Trip Assignment</b>						
Management (specify type)	\$ 54,995	\$ 9,041	\$ 64,037	1.0	0.2	1.2
Staff (specify type)	\$ 1,118,220		\$ 1,118,220	37.8		37.8
Fringe Benefits	\$ 363,220	\$ 1,521	\$ 364,741			-
			\$ -			-
<b>Subtotal Operations</b>	\$ 1,536,436	\$ 10,562	\$ 1,546,999	38.8	0.2	39.0

<b>Quality Management / Data Reporting</b>						
Management (specify type)	\$ 134,257	\$ 5,418	\$ 139,675	2.0	0.1	2.1
Staff (specify type)	\$ 200,725		\$ 200,725	6.0		6.0
Fringe Benefits	\$ 103,708	\$ 911	\$ 104,620			-
			\$ -			-
<b>Subtotal Quality Mgmt/Data Reporting</b>	\$ 438,690	\$ 6,329	\$ 445,020	8.0	0.1	8.1

Personnel Expenses Scope of Work Category	CT Operations Direct Project Cost \$	Corporate Allocation \$	Total Cost	CT Operations FTE	Corporate FTE	Total FTE
<b>Staff Training</b>						
Management (specify type)	\$ -	\$ 8,742	\$ 8,742	-	0.1	0.1
Staff (specify type)	\$ 36,917		\$ 36,917	1.0		1.0
Fringe Benefits	\$ 11,429	\$ 1,471	\$ 12,900			-
			\$ -			-
<b>Subtotal Staff Training</b>	\$ 48,346	\$ 10,213	\$ 58,558	1.0	0.1	1.1

<b>Data systems / IT Support</b>						
Management (specify type)	\$ -	\$ 47,473	\$ 47,473	-	0.8	0.8
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 7,986	\$ 7,986			-
			\$ -			-
<b>Subtotal Data/IT Support</b>	\$ -	\$ 55,459	\$ 55,459	-	0.8	0.8

<b>Authorization; Client Status Management</b>						
Management (specify type)	\$ 83,985	\$ -		1.0	-	
Staff (specify type)	\$ 105,102		\$ 105,102	3.0		3.0
Fringe Benefits	\$ 58,540	\$ -	\$ 58,540			-
			\$ -			-
<b>Subtotal Auth/CSM</b>	<b>\$ 247,628</b>	<b>\$ -</b>	<b>\$ 163,642</b>			

<b>Claims Management</b>						
Management (specify type)	\$ -	\$ .12,593	\$ 12,593	-	0.2	0.2
Staff (specify type)	\$ 334,124		\$ 334,124	12.0		12.0
Fringe Benefits	\$ 103,443	\$ 2,118	\$ 105,561			-
			\$ -			-
<b>Subtotal Claims Management</b>	<b>\$ 437,566</b>	<b>\$ 14,711</b>	<b>\$ 452,278</b>	<b>12.0</b>	<b>0.2</b>	<b>12.2</b>

<b>Other Personnel (Other)</b>						
Management (specify type)	\$ -	\$ 32,637	\$ 32,637	-	0.2	0.2
Staff (specify type)	\$ -		\$ -	-		-
Fringe Benefits	\$ -	\$ 5,490	\$ 5,490			-
			\$ -			-
<b>Subtotal Other Personnel</b>	<b>\$ -</b>	<b>\$ 38,128</b>	<b>\$ 38,128</b>	<b>-</b>	<b>0.2</b>	<b>0.2</b>

<b>Total Personnel</b>						
Management	\$ 568,531	\$ 205,847	\$ 690,393	6.8	2.6	8.4
Staff	\$ 3,099,785	\$ -	\$ 3,099,785	106.8	-	106.8
Fringe Benefits	\$ 1,135,688	\$ 34,627	\$ 1,170,316	-	-	-
FTE Reduction Salary and Benefits - 2 ATC, 1-UR Specialist, 1-Claims Processor	\$ (123,334)					
Fringe Benefits % of Salaries	31.0%	16.8%	30.9%			

<b>Other Direct Costs</b>			
<b>Connecticut Occupancy Cost</b>			
Lease or Rental	\$ 446,393	\$ 14,062	\$ 460,456
Facility	\$ 10,805	\$ 281	\$ 11,086
Fixtures and Furniture (depreciable assets)	\$ 8,544	\$ 1,200	\$ 9,744
Utility - included in rent	\$ -	\$ 2,020	\$ 2,020
Maintenance and Repair	\$ 19,671	\$ 2,210	\$ 21,881
Janitorial	\$ -	\$ 907	\$ 907
<b>Subtotal Occupancy Expenses</b>	<b>\$ 485,413</b>	<b>\$ 20,680</b>	<b>\$ 506,093</b>

<b>Office Support Expenses</b>			
Office Supplies	\$ 76,252	\$ 7,477	\$ 83,729
Office Equipment	\$ -	\$ -	\$ -
Printing	\$ -	\$ -	\$ -
Postage/Freight	\$ 125,150	\$ -	\$ 125,150
Other: Adjustment for Office	\$ -	\$ -	\$ -
<b>Subtotal Office Support</b>	<b>\$ 201,402</b>	<b>\$ 7,477</b>	<b>\$ 208,879</b>

<b>Processing Expenses</b>			
Telephone/Telecommunications	\$ -	\$ -	\$ -
Consulting Fees	\$ -	\$ -	\$ -
Accounting Services	\$ -	\$ -	\$ -
Offsite Tape Vaulting	\$ -	\$ -	\$ -

Other	\$ -	\$ -	\$ -
<b>Subtotal Processing</b>	\$ -	\$ -	\$ -

<b>Equipment</b>			
Computer/IT Equipment (depreciable assets)	\$ 59,192	\$ 8,315	\$ 67,507
Computer/IT Equip. Repair/Main.	\$ -	\$ 17,011	\$ 17,011
Copy Equipment	\$ 57,893	\$ 3,210	\$ 61,104
Copy Equip. Repair/Main.	\$ -	\$ -	\$ -
Telecom Equipment (depreciable assets)	\$ 13,440	\$ 1,888	\$ 15,328
Telecom Usage	\$ 379,309	\$ 7,146	\$ 386,455
Telecom Repair/Main.	\$ -	\$ 531	\$ 531
Other Equipment (specify)	\$ 21,779	\$ 485	\$ 22,263
Other Equip. Repair/Main.	\$ -	\$ -	\$ -
Equipment Rental	\$ -	\$ -	\$ -
<b>Subtotal Equipment</b>	\$ 531,613	\$ 38,586	\$ 570,199

<b>Software Expenses</b>			
Software Expenses	\$ -	\$ -	\$ -
Software Maintenance	\$ -	\$ -	\$ -
<b>Subtotal Software</b>	\$ -	\$ -	\$ -

<b>Administrative Expenses</b>			
Reduction due to reduction of 4 FTEs	\$ (26,073)	\$ -	\$ (26,073)
Travel and Related Costs	\$ 32,975	\$ 27,048	\$ 60,023
Business Meetings	\$ -	\$ -	\$ -
Staff Training	\$ 8,387	\$ 10,147	\$ 18,534
Professional Fees	\$ -	\$ -	\$ -
Consulting and Outside Services	\$ -	\$ 28,020	\$ 28,020
Legal	\$ 126,851	\$ 14,346	\$ 141,197
Audit/Accounting	\$ 45,020	\$ 6,422	\$ 51,442
Advertising	\$ -	\$ 1,248	\$ 1,248
Insurance	\$ 7,879	\$ 20,697	\$ 28,575
Taxes	\$ 3,724	\$ 1,386	\$ 5,110
Licenses	\$ 47	\$ 55	\$ 102
Other (specify)	\$ 112,538	\$ 3,392	\$ 115,930
<b>Subtotal Administrative</b>	\$ 311,347	\$ 112,761	\$ 424,108

<b>Total Other Direct Expense</b>	\$ 1,529,775	\$ 179,504	\$ 1,709,279
<b>Total Personnel and Other Direct Expenses</b>	\$ 6,210,446	\$ 419,978	\$ 6,630,424
<b>Corporate Allocation</b> (additional allocation not otherwise reflected above)			\$ -

<b>Profit 7.5%</b>					
<b>Grand Total Expenses</b>	\$ 6,210,446	\$ 419,978	\$ 6,630,424		
Note: Grand Total does not include Profit					
<b>Annual Overall Change</b>	Year 2	Year 3	Year 4	Year 5	
<b>Total Cost</b>	\$ 5,791,110	\$ 6,043,481	\$ 6,331,817	\$ 6,630,424	
<b>% + (-)</b>		4.4%	4.8%	4.7%	
<b>\$ increase/(decrease)</b>		\$ 252,371	\$ 288,336	\$ 298,607	

**EXHIBIT F**  
**BUSINESS ASSOCIATE AGREEMENT**  
**BY AND BETWEEN**  
**CONNECTICUT DEPARTMENT OF SOCIAL SERVICES AND**  
**LOGISTICARE SOLUTIONS, LLC**

**Health Insurance Portability and Accountability Act of 1996.**

- (a) If the Contactor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract (“Agency”) is a “covered entity” as that term is defined in 45 C.F.R. § 160.103; and
- (d) The Contractor, on behalf of the Agency, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor is a “business associate” of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (f) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), (Pub. L. 111-5, §§ 13400 to 13423)<sup>1</sup>, and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
  - (1) “Breach” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(1)).

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<sup>1</sup> The effective date of the HITECH Act is February 17, 2010.

- (2) "Business Associate" shall mean the Contractor.
- (3) "Covered Entity" shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
- (4) "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.
- (5) "Electronic Health Record" shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(5)).
- (6) "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
- (7) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
- (8) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
- (9) "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
- (10) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
- (11) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
- (12) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
- (13) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
- (14) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
- (15) "Unsecured protected health information" shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HITECH. Act. (42 U.S.C. §17932(h)(1)(A)).

- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
  - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
  - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
  - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
  - (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
  - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
  - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
  - (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
  - (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the

parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

- (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with subsection (h)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(c), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
  - (A) restrict disclosures of PHI;
  - (B) provide an accounting of disclosures of the individual's PHI; or
  - (C) provide a copy of the individual's PHI in an electronic health record, the Business Associate agrees to notify the covered entity, in writing, within two business days of the request.
- (15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without
  - (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and



(B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations

(16) Obligations in the Event of a Breach.

(A) The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. 17932(b) and this Section of the Contract.

(B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402(g) of HITECH (42 U.S.C. 17932(g)). A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.

(C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:

1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
3. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.

4. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
5. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.

(D) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site and a postal address. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.

(E) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.

(i) Permitted Uses and Disclosure by Business Associate.

(1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

(2) Specific Use and Disclosure Provisions

- (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
  - (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
  - (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- (j) Obligations of Covered Entity.
- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
  - (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
  - (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (l) Term and Termination.

- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (h)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
- (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
  - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
  - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
  - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- (3) Effect of Termination.
  - (A) Except as provided in (1)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (h)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
  - (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those

purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Sections.

- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
- (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
- (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
- (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
- (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
- (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any

statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.