

<b>STATE OF NORTH CAROLINA</b>	<b>REQUEST FOR PROPOSALS No. 30-DMA-27996-13</b>
Service/Goods Sought:	Non-Emergency Medicaid Transportation (NCNET)
Contract Type:	Open Market
RFP Issued:	October 15, 2012
Deadline for Questions:	2:00 PM on October 25, 2012
<b>Deadline for Proposal Submittal and Opening Date:</b>	<b>2:00 PM on November 15, 2012</b>
Using Agency:	Department of Health & Human Services (DHHS) Division of Medical Assistance
Issuing Agency:	DHHS, Office of Procurement and Contract Services

This Request for Proposals (RFP) advertises the State's need for the goods or services described herein and solicits competitive proposals offering to sell those goods or services to the State pursuant to the terms and conditions of this RFP. All proposals received by the State shall be treated by the State as offers to contract. The State's acceptance of a proposal shall be demonstrated by the State's execution of the accepted proposal.

**THE UNDERSIGNED HEREBY SUBMITS THE FOLLOWING PROPOSAL AND CERTIFIES THAT:** (1) he or she is authorized to bind the named Vendor; (2) the Vendor hereby offers and agrees to provide the goods or services described herein in the manner and at the costs described in the Contract Documents; (3) this proposal is submitted competitively and without collusion; (4) **this proposal is valid for 120 days after the date the proposal is opened;** (5) none of the Vendor's officers, directors, or owners (if the Vendor is an unincorporated business entity) have been convicted of any violation of Chapter 78A of the North Carolina General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2); (6) the Vendor is not an ineligible Vendor as set forth in G.S. 143-59.1. False certification is a Class I felony.

VENDOR NAME:	E-MAIL ADDRESS:
STREET ADDRESS:	P.O. BOX:                      P.O. Box ZIP:
CITY, STATE & STREET ADDRESS ZIP:	TELEPHONE NUMBER:
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING:	FAX NUMBER:
SIGNATURE:	DATE:

**An Unexecuted Proposal Is Invalid And Shall Not Be Reviewed**

<b>NOTICE OF AWARD:</b> Offer accepted and contract awarded this ____ day of _____, 2012.	
By: _____ Signature of Authorized Person	_____ Printed Name and Title of Authorized Person

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## SECTION 1 PURPOSE AND BACKGROUND

### 1.1 **Purpose:**

The purpose of this Request for Proposals (RFP) is to procure one or more qualified brokers to administer, and improve the efficiency and effectiveness of, the North Carolina Department of Health and Human Services, Division of Medical Assistance (DMA) Non-Emergency Medicaid Transportation Program (NCNET). DMA is seeking to enhance its ability to provide transportation services through innovative and proven business and technical solutions that will ensure that appropriate and high quality non-emergency medical transportation services are provided to eligible Medicaid recipients. The anticipated implementation date is July 1, 2013.

### 1.2 **Business Issue/Problem:**

Each individual county DSS arranges for or provides non-emergency transportation for authorized recipients to receive Medicaid covered services if the recipient is unable to arrange and/or pay for transportation. However, Quality Assurance reviews conducted by DMA revealed inconsistencies among the counties in applying NEMT policy and procedures (See [MA-2910/MA-3550](#), Medicaid Transportation) and keeping clear and concise records.

### 1.3 **Background:**

The NC Non-Emergency Medicaid Transportation Program (NCNET) provides non-emergency transportation services in a cost-effective manner to Medicaid recipients who need access to medical care and/or services. Federal requirements regarding transportation services are found in 42 CFR §431.53 and section 1902(a)(70) of the Social Security Act. Under the authority of G.S. 108A-14(3) & (5), the one hundred (100) county Departments of Social Services (DSS) across the state are responsible for administering the public assistance programs and acting as an agent of the Social Services Commission and DHHS.

In state fiscal year (SFY) 2011, 1,469,243 Medicaid recipients were eligible to receive non-emergency transportation services in any given month. However, approximately 6% of recipients per month actually utilize non-emergency transportation services, and approximately 7% utilize non-emergency ambulance transportation. DMA anticipates that eligibility for non-emergency transportation services will increase approximately 4.5% for the current state fiscal year.

DMA will award a separate contract for each region as defined in Attachment G. A Vendor may submit proposals for one or more regions, but must submit a separate cost and technical proposal for each region for which they are submitting a bid.

### 1.4 **Definitions, Acronyms and Abbreviations:**

- (a) **24 x 7:** A statement of availability of systems, communications, and/or supporting resources every hour (24) of each day (7 days weekly) throughout every year for periods specified herein. Where reasonable downtime is accepted, it will be stated herein. Otherwise, 24x7 implies *no* loss of availability of systems, communications, and/or supporting resources.
- (b) **AMD:** Ambulance Manufacturer's Division of the National Truck Equipment Association
- (c) **Attendant:** One or more persons accompanying another person.
- (d) **Bariatric Patient Transport:** Bariatric patient transport is equipment necessary to transport an obese individual.
- (e) **Center for Medicare and Medicaid Services (CMS):** The agency within the Federal Department of Health and Human Services that has primary responsibility for the overall administration and coordination of the Medicare and Medicaid programs.
- (f) **CFR:** Code of Federal Regulations
- (g) **Chair Stair Stretcher:** A type of stretcher used to transport patients up and down stairs.
- (h) **Vendor:** The Vendor selected by DMA to perform the services described in this RFP. The terms Vendor, and Offeror are used interchangeably in this document
- (i) **Deliverable:** Work product
- (j) **Department:** The North Carolina Department of Health and Human Services (DHHS)
- (k) **Division:** Division of Medical Assistance (DMA)
- (l) **Encounter Data:** Detailed information showing usage of an NCNET services by recipients.
- (m) **Facility Provider:** A hospital, Out-patient Clinic, Dialysis Center, Nursing Home or Rehabilitation Center. Recipients in nursing homes and rehabilitation centers are not entitled to non-emergency Medicaid transportation as this service is included in the Medicaid payment to the facility.

- (n) **FMVSS 302:** Federal Motor Vehicle Safety Standard which regulates the burning rate of materials in the occupant compartments of motor vehicles
- (o) **Goods:** Includes intangibles such as computer software; provided, however that this definition does not modify the definition of “goods” in the context of N.C.G.S. §25-2-105 (UCC definition of goods).
- (p) **GSA:** General Services Administration
- (q) **HIPAA:** Health Insurance Portability and Accountability Act of 1996
- (r) **ITP:** Individual Transportation Providers
- (s) **Key Personnel:** Those individuals identified by the Vendor as key personal in the response to this RFP.
- (t) **MMIS:** Medicaid Management Information Systems. MMIS is an integrated group of procedures and computer processing operations (subsystems) developed for program control, management and reporting.
- (u) **DMA:** Division of Medical Assistance
- (v) **NCNEMT:** North Carolina Non-Emergency Medicaid Transportation.
- (w) **Office of State Controller:** The fiscal guardian of the state.
- (x) **Open Market Contract:** A contract for the purchase of goods or services not covered by a term, technical, or convenience contract.
- (y) **Non-Emergency Medicaid Transportation: (NCNET)** Transportation to receive Medicaid-covered medical services which are not of an emergency nature.
- (z) **Office of Inspector General Exclusions List:** A list of those individuals and entities who are excluded from participation in the Medicare and/or Medicaid programs.
- (aa) **OSHA:** Occupational Safety and Health Administration
- (bb) **PHI:** Protected Health Information
- (cc) **Proposal:** A Vendor’s written response to this request for proposals; a bid. The terms “proposal” and “bid” are used interchangeably in this RFP.
- (dd) **Reasonable, Necessary or Proper:** as used herein shall be interpreted solely by the State of North Carolina.
- (ee) **Recipient:** An individual who is authorized to receive Medicaid.
- (ff) **Reeves Stretcher:** a flexible stretcher primarily used to move a patient through confined spaces or to lift obese patients.
- (gg) **RFP:** Request for Proposal
- (hh) **Scoop Stretcher:** A device used to lift supine patients from the ground, either due to unconsciousness or in order to maintain stability in the case of trauma, especially spinal injury.
- (ii) **SOW:** Statement of Work
- (jj) **The State:** Is the State of North Carolina, and its Agencies.
- (kk) **Sub-vendor:** any person/organization having a contract to perform work or render service to the Vendor as a part of the Vendor’s agreement arising from this solicitation
- (ll) **Title XXI Program:** The State Children’s Health Insurance Program (SCHIP)
- (mm) **Transportation Provider Network:** A network of commercial, non-profit and public transportation providers.
- (nn) **Vendor:** Company, firm, corporation, partnership, individual, etc., submitting a response to a solicitation. Vendors as used herein are the transportation brokers.

**SECTION 2 INSTRUCTIONS TO VENDORS**

- 2.1 Filing Instructions:** Submit (a) two (2) signed originals, (b) four (4) photocopies, and (c) one electronic copy (on CD or DVD) of your proposal to:

If Mailed By U.S. Postal Service	If Delivered By Overnight Express
RFP No. 30-DMA-27996-13 Attn: Sherri Garte Department of Health & Human Services Office of Procurement and Contract Services 2008 Mail Service Center, Raleigh, NC 27699-2008	RFP No. 30-DMA-27996-13 Attention: Sherri Garte Department of Health & Human Services Office of Procurement and Contract Services 801 Ruggles Drive, Hoey Building, Raleigh, NC 27603

Submit your bid in a **sealed envelope** bearing the RFP number and the service being offered, the submission deadline, and the bidder’s name. The CD or DVD files should not be password-protected and should be capable of being copied to other media.

- 2.2 Submission Deadline:** Proposals must be **received** by the Department by 2:00 p.m. on the deadline indicated

on page one, above. **Proposals received after that time and date shall not be reviewed.**

**The Department recommends that Vendors submit proposals via hand delivery or overnight express to the street address listed above to ensure that their proposals are timely received by the Department.**

**2.3 Written Questions:** All questions regarding this RFP must be submitted to Sherri Garte via e-mail at [sherri.garte@dhhs.nc.gov](mailto:sherri.garte@dhhs.nc.gov) by no later than 2:00 pm on October 25, 2012 **The Department will not respond to questions submitted thereafter.** When submitting questions: (1) insert the phrase, "Questions Regarding RFP # 30-DMA- 27996-13 "Non-Emergency Medicaid Transportation (NCNET)" in the subject line of your e-mail; and (2) begin each question by referencing the RFP Section in question; e.g. "We have a question about RFP Section 4.1(a)." A copy of all questions and answers regarding this RFP will be posted on the State's Interactive Purchasing System (IPS) web site at: <http://www.ips.state.nc.us/ips/pubmain.asp>

**2.4 Amendments to RFP:** The requirements of this RFP can only be altered by written addenda. There are two types of written addenda:

- (a) the State's written answers to written Vendor questions; and
- (b) State-initiated changes to the RFP. The State may post state-initiated changes to this RFP on the State's Interactive Purchasing System (IPS) web site at <http://www.ips.state.nc.us/ips/pubmain.asp> at any time before the proposal due date.

Vendors should check the State's IPS website periodically to check for any and all such amendments that may have been posted. If required, Vendor must document that it has seen all addenda to this RFP by downloading, printing and signing each addendum and submitting the signed addenda as attachments to your proposal.

**2.5 Prohibited Communications:** Except for: (1) the written Vendor questions authorized above; (2) any oral presentations, written clarifications, or BAFO's requested by the Department pursuant to this RFP; or (3) inquiries about the status of contract award, no Vendor may have any written or oral communications with any member of the Department or its agents about this RFP, the Vendor's proposal, or any other Vendor's proposal, from the date this RFP is issued until the date the Contract is awarded. Vendors who violate this prohibition shall be disqualified from contract award unless it is determined that the best interest of the Department would not be served by the disqualification.

**2.6 Rights Reserved.** While the State has every intention to award a contract as a result of this RFP, upon determining that any of the following would be in its best interests, the State may:

- (a) waive any formality;
- (b) amend the solicitation;
- (c) cancel or terminate this RFP;
- (d) waive any undesirable, inconsequential, or inconsistent provisions of this document, which would not have significant impact on any proposal;
- (e) waive a requirement if it is determined that it is no longer needed
- (f) if the response to this solicitation demonstrate a lack of competition, negotiate directly with one or more Vendors; or
- (g) if all responses are deficient, determine whether Waiver of Competition criteria may be satisfied, and if so, negotiate with one or more Vendors.

**2.7 Basis For Rejection:** The Department reserves the right to reject any and all offers, in whole or in part, by deeming the offer unsatisfactory as to quality or quantity, delivery, price or service offered; non-compliance with the requirements or intent of this RFP; lack of competitiveness; errors in specifications or indications that revision would be advantageous to the Department; cancellation or other changes in the intended project, limitation or lack of available funds; circumstances that prevent determination of the best offer; or any other determination that rejection would be in the best interest of the Department.

**2.8 Acceptance of RFP Terms & Conditions:** All proposals are subject to the terms and conditions outlined herein. All proposals shall be controlled by such terms and conditions and the submission of other terms and conditions

as part of a Vendor's response shall be waived and have no effect either on this Request for Proposals or on any contract that may be awarded through this solicitation. By submitting an executed proposal, the Vendor specifically agrees to the conditions set forth in this paragraph.

- 2.9 Oral Explanations:** The Department shall not be bound by oral explanations or instructions given by any member, employee, or agent of the Department to any Vendor at any time during the procurement process.
- 2.10 Incorporation by Reference:** Information may not be incorporated into a proposal by reference unless the information is included within, or is attached to, the proposal.
- 2.11 Elaborate Proposals Not Desired:** Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired. The Department prefers that:
- (a) All proposals and copies of proposals are printed with text on both sides of each page;
  - (b) All proposals and copies of proposals are printed on recycled paper with a minimum post-consumer content of 30%;
  - (c) All proposals and copies of proposals are produced without the use of non-recyclable or non re-usable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. (The use of three-ringed binders, glued materials, paper clips, and staples is acceptable); and
  - (d) All proposals are submitted in a format which allows for easy removal and recycling of paper materials. SL2012-142 (Section 10.7)
- 2.12 Proposal Costs:** Vendors shall be responsible for all costs incurred by them in preparing and submitting their proposals. The Department will not reimburse any Vendor for the cost of preparing and submitting a proposal.
- 2.13 Time For Acceptance:** Each proposal must state that it is a firm offer that may be accepted by the Department at any time within 120 days following the deadline for submitting proposals.
- 2.14 Confidentiality Of Proposals:** By executing and submitting a proposal, the Vendor agrees that it will not disclose the contents of its proposal to any person or entity other than the Department until after contract award, except as authorized in writing by the Department. Violators may be disqualified from contract award.
- 2.15 Ownership Of Submitted Materials:** All materials submitted in response to this RFP, including all proposals, reports, charts, displays, schedules, exhibits, samples, and correspondence, shall become the property of the Department when received by the Department.
- 2.16 Historically Underutilized Businesses:** Pursuant to G.S. 143-48 and Executive Order Number 13, the Department invites and encourages participation in this procurement by businesses owned by minorities, women, the disabled, disabled business enterprises, and non-profit work centers for the blind and severely disabled. For more information, go online to: <http://www.doa.state.nc.us/hub/> .
- 2.17 Interpretation of Terms and Phrases:** This Request for Proposal serves two functions: (1) to advise potential Vendors of the parameters of the solution being sought by the Department; and (2) to provide (together with other specified documents) the terms of the Contract resulting from this procurement. As such, all terms in the Request for Proposal shall be enforceable as contract terms in accordance with the General Terms and Conditions. The use of phrases such as "shall," "must," and "requirements" are intended to create enforceable contract conditions. In determining whether proposals should be evaluated or rejected, the Department will take into consideration the degree to which Vendors have proposed or failed to propose solutions that will satisfy the Department's needs as described in the Request for Proposal. Except as specifically stated in the Request for Proposal, no one requirement shall automatically disqualify a Vendor from consideration. However, failure to comply with any single requirement may result in the Department exercising its discretion to reject a proposal in its entirety.

## SECTION 3 SCOPE OF WORK

### 3.1 Introduction

The Vendor's shall provide NCNET brokerage services in accordance with federal and state laws, regulations, policies, and procedures, including but not limited to 42 CFR Part 160 and Parts A & E of 164 (HIPAA) 42 CFR 440.170(a)(4)(ii)(A & B), 42CFR 455.436, 105(b)(2), 104(b)(1), 106, 1902(a)(68) of the Social Security Act (42 U.S.C. 1396a(a)(68)), and applicable DOT regulations

Brokerage services shall include performance of the following:

- (a) Develop and maintain comprehensive policies and procedures;
- (b) Recruit and maintain an adequate transportation provider network;
- (c) Establish an orientation and training program for vendor employees;
- (d) Establish an orientation and training program for transportation providers;
- (e) Develop and implement a complaint tracking and resolution plan;
- (f) Inform and educate recipients and facility providers about the NCNET Program and process;
- (g) Provide administrative oversight;
- (h) Operate a 24 hour, seven day per week telephone call center and develop a call center operations manual;
- (i) Submit management and performance reports;
- (j) Maintain adequate staff and facilities;
- (k) Participate in hearings when issues involve the Vendor, as determined by DMA;
- (l) Process transportation requests from recipients, facilities, and other individuals requesting services on behalf of the recipient; and
- (m) Develop a transition plan for turnover of the contract to another vendor or DMA.

### 3.2 Business Office

- (a) The Vendor shall establish a physical business office within the state of North Carolina, and maintain normal business hours of 8:00am to 5:00 pm Eastern Standard Time, Monday through Friday, observing the same holiday schedule as the DMA state office. The purpose of the business office is for the Vendor to have a physical presence within the state for conducting business with Medicaid recipients, transportation providers and DMA.
- (b) The Vendor shall provide voice mail for use during the periods any of the office(s) are closed. The Vendor shall have the capacity to send and receive facsimiles and e-mail at the business office at all times.
- (c) The Vendor shall provide an administrative telephone number that will enable DMA staff to reach the Project Director and key staff directly without going through the call center. The Vendor shall provide emergency contact numbers for the Project Director and key staff members. At least one key staff member with decision-making authority shall be available for emergencies 24 hours a day, 7 days a week.

### 3.3 Staffing

- (a) Vendor shall ensure that all persons and entities assigned to perform work under the contract:
  - (1) Are employees or authorized subcontractors of the vendor;
  - (2) Reside in the United States;
  - (3) Have the credentials necessary (i.e. licensed and bonded as required) to perform the work required;
  - (4) Are fully qualified, as required in the RFP and specified in the Vendor's proposal, to perform the services required.; and
  - (5) Are not excluded from participation in the Medicare or Medicaid programs (42 CFR 1001-1005) by checking the Office of Inspector General (OIG) exclusions list and the NC Provider Penalty Tracking data base.

- (b) The Vendor shall maintain sufficient levels of supervisory and support staff, including utilization review staff, with appropriate training, work experience, and expertise to perform all contract requirements on an ongoing basis.
- (c) Vendors shall submit a detailed staffing plan that will meet all of the requirements of this RFP and that includes the identification of key staff and their relevant experience. Key Staff shall include:
  - (1) A Project Director with overall responsibility for the Vendor's functions under the contract. This individual shall have demonstrated leadership experience; large project management skills; strong knowledge of health care, transportation, including current transportation encounter data software, and Medicaid. The Project Director shall have the authority to make decisions and resolve problems on behalf of the Vendor. This position shall be at the executive staff level for the Vendor and shall have a work location in North Carolina. This person shall meet with DMA in Raleigh, NC, as required to fulfill the contract requirements.
  - (2) At least one licensed registered nurse with a minimum of four years experience conducting utilization reviews.
  - (3) During implementation, the Vendor shall provide a full time day-to-day Implementation Project Manager dedicated to the project, specifically identified with overall responsibility for the implementation and transition from implementation to operation of this RFP. This position shall be responsible for coordinating implementation activities and for allocating implementation team resources. This position is expected to be available on a daily basis until the implementation has been successfully completed.
  - (4) The Vendor shall provide a full time day-to-day Operations Manager specifically identified with overall responsibility for the operation of the contract. The Operations Manager shall be permanently located at the Vendor's business office. This position will serve as the primary liaison regarding day-to-day operations between the Vendor and DMA for the life of this contract.
- (d) The Vendor shall notify DMA at least fifteen (15) calendar days in advance of key staffing changes and shall submit justification (including proposed substitutions), in sufficient detail to permit evaluation of the impact upon the contract. The Vendor shall replace any of the key staff with a person of equivalent experience, knowledge and talent. Replacements of key personnel listed in the Vendor's proposal shall be approved in writing by DMA prior to their being assigned to this project
- (e) DMA reserves the right to require the removal or reassignment of any Vendor key staff or subcontractor employee that DMA deems unacceptable for documented non-performance or good-cause shown by the Division. In the event DMA exercises this right, the Vendor shall remove or replace that staff person within ten business days of DMA's written request.
- (f) The Vendor shall fully train all employees, agents and contractors performing work under this Contract. The Vendor shall retain documentation of this training in their personnel files. This documentation must be provided to DMA upon request.
- (g) Notwithstanding the above provisions, the parties acknowledge and agree that the Vendor may terminate any of its employees that perform work or services under this contract, as permitted by applicable law.

### **3.4 Implementation**

- (a) The Vendor shall ensure a smooth transition from the incumbent transportation provider(s) that will prevent any lapse in services to recipients. Full implementation must be complete by no later than July 1, 2013. The Vendor shall submit a comprehensive work plan detailing their transition from the incumbent transportation provider(s) to the Vendor. The work plan shall include a narrative overview of the process that will result in an orderly transition of responsibilities and transfer of information and any work in progress from the incumbent vendors/counties.
- (b) Vendors shall submit their implementation plans in their technical proposals. The plans must include the



following:

- (1) Task listing tied to each deliverable of this RFP,
  - (2) Responsibilities of Vendor and DMA (if applicable),
  - (3) Key milestones,
  - (4) Project schedule and timelines,
  - (5) Hiring and training of central office service staff and drivers,
  - (6) Recruitment of transportation providers and execution of transportation provider contracts,
  - (7) Verification procedures to ensure that transportation providers and the vehicles meet all applicable rules, regulations and standards of this RFP,
  - (8) Readiness testing of daily operational requirements to verify that they are all functioning correctly,
  - (9) Staff training plan and installation calendar for the trip scheduling and reservations systems;
  - (10) Plan to receive the transfer of outstanding appointments from the current vendor(s) or perform pre-scheduled trips; and
  - (11) A detailed description of the Vendor's computer hardware, software and telecommunications equipment that shall be used to carry out the functions described in the RFP.
- (c) The Vendor shall submit a written report of program progress to DMA every week during the Implementation phase. The progress report shall specify accomplishments during the report period in a task-by-task format, including personnel hours expended, whether the planning tasks are being performed on schedule and any administrative problems encountered. The report is due by the close of business each Friday.
- (d) Operational Readiness
- (1) DMA requires a fully-operational NCNET brokerage system on the start date, July 1, 2013, and for each day of the resultant contract period thereafter. The Vendor shall participate in a Readiness Review to be conducted by DMA fifteen (15) working days before the operations start date. The Vendor(s) shall be required to pass the Readiness Review as determined by DMA before DMA will allow the Vendor(s) to provide services. The Vendor(s) will have an opportunity to make corrections and will be required to submit proof to DMA that correction was made. Funding will be withheld until the Vendor passes the operational readiness tests. Once operational readiness testing has been completed and approved by DMA, the Vendor shall be allowed to begin taking reservations approximately five (5) business days before transportation services are to begin.
  - (2) The Vendor shall submit an operational readiness plan which addresses the following areas:
    - (a) Business Office operations (this includes sufficient staff, telephone services and computer systems interaction);
    - (b) Capacity to maintain all system files and produce required reports, including ad hoc reports;
    - (c) Provider Network to include level of service requirements by region;
    - (d) Recipient processes for obtaining services;
    - (e) Scheduling and carrier trip notification procedures;
    - (f) After-hours coverage arrangements;
    - (g) Denial process;
    - (h) Complaint process;
    - (i) Quality assurance process and procedures;
    - (j) Model service agreements;
    - (k) Encounter data submission procedure;
    - (l) Reporting procedures;
    - (m) Clear and useable written policies and procedures;
    - (n) Trained customer service representatives; and
    - (o) Business continuity plan

### 3.5 Commencement Meeting

- (a) Within five (5) business days of execution of the Contract resulting from this RFP, the Vendor shall coordinate with the DMA Contract administrator to schedule a meeting at the Division's Raleigh, NC offices in order to:
  - (1) Review the project mission;
  - (2) Finalize the work plan;
  - (3) Finalize acceptance criteria for deliverables;
  - (4) Finalize format and protocol for project status meetings;
  - (5) Finalize acceptable format for project status reports;
  - (6) Set the schedule for meetings between DMA and Vendor to finalize the detailed project plan;
  - (7) Define the lines of communication and reporting relationships; and
  - (8) Identify and resolve high-risk or problem areas of the project.
- (b) The Vendor shall submit a finalized work plan to DMA for review and approval within ten (10) business days of the commencement meeting. Implementation activities shall not commence prior to DMA approval of the work plan.

### 3.6 Operational Requirements

- (a) **Intake Services and Scheduling**: The Vendor will receive recipient phone calls and perform intake services that include verification of the recipient's eligibility, verification that destination is for receipt of a covered service, determination of the appropriate level of service and scheduling transportation services. The Vendor shall perform intake services that include one call scheduling for transportation services.

The Vendor shall educate recipients to call at least 72 hours (3 days) in advance when requesting transportation. If a recipient requests same day service, the Vendor will determine whether there is a need for immediate medical care due to injury or illness. However, even if there is no need for immediate medical care, the Vendor will make every reasonable effort to accommodate the recipient's request for transportation.

The Vendor for each region is responsible for ensuring the provision of transportation services to all NCNET eligible recipients to or from a stated point of origin or to or from a specific Medicaid reimbursable service at the request of the recipient or person acting on behalf of the recipient. Transportation shall be provided without the collection of any co-payment.

The Vendor is not responsible for arranging NCNET services for Medicaid recipients who reside outside the region for which the Vendor holds a valid contract. The Vendor shall refer an eligible recipient to the Vendor covering the recipient's county of residence. The Vendor shall arrange travel into and out of other regions when the Medicaid recipient being transported is a resident of the NCNET region in which the Vendor has a contract.

- (1) **Eligibility Verification**
  - (a) The Vendor shall establish a secure file transfer protocol with the Eligibility Information System (EIS) to receive daily eligibility status files.
  - (b) Vendor shall verify the recipient's eligibility status using a daily data file that will be provided by DMA. When the recipient's eligibility cannot be verified using that file, the Vendor shall contact designated DMA staff to verify eligibility status.
  - (c) Eligibility shall be verified using the address in the eligibility file.
  - (d) Vendor may accept requests from temporary alternative addresses on an exception basis. Acceptable temporary alternative addresses include, but are not limited to:

- (1) Addresses of a family member or friend when the recipient is discharged from a hospital or day surgery and requires recovery assistance;
- (2) Addresses of shelters;
- (3) A nursing home address instead of the actual residence address; or
- (4) Other circumstances approved in advance in writing by DMA.

(2) Covered Service Verification

- (a) The Vendor shall verify that the purpose of the trip is for a Medicaid covered service. A list of covered Medicaid services will be provided to the Vendor.
- (b) DMA will provide Medicaid covered services reference material to the awarded Vendor(s) so that Vendor(s)'s telephone and administrative personnel can familiarize themselves with covered services under Medicaid programs and other recipient eligibility prerequisites for covered transportation services.
- (c) DMA personnel are available during normal business hours of 8:00am to 5:00 pm Eastern Standard Time, Monday through Friday, excluding State Holidays, to answer vendor questions concerning eligibility prerequisites for covered transportation services.
- (d) If the transportation request is for a non-covered service, the Vendor shall deny the request.
- (e) For overnight transportation requests, the Vendor shall obtain prior written approval from DMA.

(3) Level of Service

- (a) The Vendor shall determine the appropriate level of service/mode of transportation needed for the trip.
- (b) When free transportation is not available to the recipient, payment shall be authorized for the least costly means of transportation available, from the following options:
  - (1) City or County public transportation
  - (2) Gas reimbursement program
  - (3) Non-emergency ambulatory transportation
  - (4) Non-emergency wheelchair transportation
  - (5) Non-emergency stretcher transportation
  - (6) Non-emergency Basic Life Support (BLS) ambulance transportation
  - (7) Intrastate public conveyance (bus, train, aircraft)
- (c) Wheelchair Accessible Vehicles: The Vendor shall assure that an adequate number of wheelchair accessible vehicles are available for those who need them. The vendor shall determine if there are any special considerations for wheelchair transportation requests to include accommodations for extra wide chairs and those exceeding maximum weight limits for standard wheelchair lifts. The Vendor shall document the lifting capacity of each wheelchair vehicle in its network in order to route trips to providers with the appropriate lift capacity for recipients.
- (d) Stretcher Vans: A stretcher van shall be used for an individual who 1) needs routine transportation to or from a non-emergency medical appointment or service; and 2) is convalescent or otherwise non-ambulatory and cannot use a wheelchair; and 3) does not require medical monitoring, medical aid, medical care or medical treatment during transport.
  - (1) Self-administered oxygen is permitted as long as the tank is secured.
  - (2) Stretcher vans must be staffed by a driver and an assistant. The driver and assistant must confirm that all restraining straps are fastened properly and that the stretcher, stretcher fasteners and anchorages are properly secured.

- (3) The assistant must be seated in the passenger compartment while the vehicle is in motion and must notify the driver of any sudden change in the passenger's condition.
- (4) The stretcher van vehicle must not be used:
  - (a) For emergency medical transportation; or
  - (b) To transport a passenger who requires basic or advanced life support; or
  - (c) To transport a passenger who has in place any temporary invasive device (including a saline lock) or equipment such as an intravenous administration device or an airway maintenance device; or
  - (d) To transport a passenger who requires close observation or medical monitoring.
- (5) All stretcher vans must meet all of the requirements listed in the DOT regulations as well as all additional or enhanced driver requirements listed in driver requirements section 3.10c.
- (6) All stretcher vans and their equipment must meet the applicable GSA specifications found in KKK-A-1822E.
- (7) If the passenger needs a scoop, Reeves or chair stair stretcher, the provider must supply it.
- (8) Self-administered oxygen must be secured in accordance with AMD Standard 003, "Oxygen Tank Retention System Test."
- (9) The following requirements for sanitary conditions and supplies apply to all stretcher vehicles in accordance with recommendations and standards established by the Centers for Disease Control and Prevention.
  - (a) The interior of the stretcher vehicle, including all storage areas, equipment, and supplies must be kept clean and sanitary.
  - (b) Waterless antiseptic hand wash must be available on the unit.
  - (c) All soiled supplies and used disposable items must be stored or disposed of in plastic bags, covered containers or compartments provided for this purpose. Red or orange bags must be used for regulated waste.
  - (d) Clean stretcher linen or disposable sheets and pillowcases or their equivalent must be available in the vehicle and when used in the transport of a patient, must be changed after each use.
  - (e) Blankets, pillows, mattresses, and rain cloths, used in the vehicle must be intact and kept clean and in good repair.
- (e) Emergency ambulance service is not provided through the NCNET Program. If the request is for emergency ambulance service, the Vendor shall instruct the caller to dial 911.

(4) Authorize Transportation

- (a) The Vendor shall use a script approved by DMA to interview the recipient for the purposes of determining whether the recipient has an available, non-network means of transportation to medical appointments. In the event the Vendor determines that the recipient has made reasonable efforts, and does not have other means of transportation, the Vendor will authorize and arrange for transport.
- (b) The Vendor shall authorize transportation services on a per-trip or recurring basis

(5) Schedule Transportation

- (a) The Vendor shall schedule, group and assign trips individually or as a series of appointments.
- (b) The Vendor shall document whether the transportation provider accepts or declines the assigned trips. The Vendor and transportation provider shall mutually agree upon a method of communicating trip referrals. If the transportation provider refuses the trip, the Vendor shall immediately schedule the trip with another transportation provider, and cancel the first assignment. The Vendor shall notify the recipient of the change in transportation provider. Once the trip is accepted by the transportation provider, the Vendor will not reassign the trip solely for the convenience of the Vendor. If a transportation provider fails to pick up a recipient for a scheduled trip, the Vendor shall cancel the authorization for the trip. The Vendor shall monitor trips assigned to transportation providers to ensure they are not over-booked. Vendors are required to monitor and report to DMA the canceled and rerouted trips.
- (c) The Vendor shall minimize the waiting and riding times for persons with special needs. This special population includes dialysis patients, the severely disabled, and medically fragile children and seniors.
- (d) In the case of a parent or guardian of a child falling under the North Carolina state guidelines for child safety/restraint seating, the Vendor will insure that regular providers have on hand the necessary car seat(s) and ability to secure the same for the safe provision of transport. For all trip requests, the Vendor shall assess the recipient's needs for child safety/restraint seating. DMA will not be responsible for the return or the maintenance of vendor owned property
- (e) If the recipient requires a level of service that is not available, the Vendor must arrange for transportation that will accommodate the recipient's needs, including upgrade to the next level of service.
- (f) Medicaid recipients must be advised of pick-up times when the transportation request is made.
- (g) The Vendor shall use a systematic scheduling method, capable of accommodating both advance reservations and requests for immediate services. Reservations shall be taken up to 30 days in advance. A full description of the system to be used shall be included in the proposal.

(b) **Trip Manifests**

- (1) Forty-eight hours prior to the day of the trip, the Vendor must provide a trip manifest to the transportation provider. The manifests supplied to transportation providers must have all necessary information for them to perform the trip, including but not limited to:
  - (a) A unique trip identifier for billing purposes;
  - (b) Recipient's name, phone number and the pick-up address;
  - (c) Destination address (including the name of facility and phone number);
  - (d) Mode of transport
  - (e) Weight of an individual with their mobility device or other medical equipment where applicable to ensure safe lifting capacities; and
  - (f) Any special needs or instructions regarding the recipient, the pick-up location or other passengers.
- (2) If the Vendor sends a trip manifest to a transportation provider less than 48 hours before the pick-

up time, they must contact the transportation provider in advance by telephone to confirm that the trip will be accepted. Trip manifests must also provide the driver with information regarding whether door-to-door, hand-to-hand or curb to curb service is required. The Vendor shall include provisions regarding these requirements in its service agreements with transportation providers. The Vendor shall provide trip reservation data to transportation providers.

**(c) Escorts and Other Passengers**

- (1) Escorts for recipients under age 18 are required.
- (2) A recipient age 18 or older who requests an escort shall submit a medical certification statement to the Vendor documenting that the recipient has a physical or mental disability that would require assistance, such as the following:
  - (a) Blindness
  - (b) Deafness
  - (c) Mental retardation
  - (d) Mental illness or diminished capacity
  - (e) Physical handicap to a degree that personal assistance is necessary
- (3) Transportation for the recipient and the authorized escort will be documented under the Medicaid number of the individual being transported to receive the Medicaid covered serviced, even if both individuals are Medicaid recipients. Parents or guardians escorting more than one child shall be counted once for the family.
- (4) The Vendor shall assess the needs of the escort to make certain that adequate transportation is arranged; to include the possibility the escort may be non-ambulatory. The Vendor policy and procedure regarding escorts shall address the possibility of a special needs escort.
- (5) The Vendor will advise the transportation provider when additional seating is required for an authorized escort and that the provider may not charge the recipient or anyone else for transporting authorized persons accompanying the recipient.

**(d) Overnight Stays**

- (1) The Vendor shall make travel arrangements for the recipient(s) and an escort if necessary to attend Medicaid covered services requiring an overnight stay. Additional escorts may be allowed based on medical necessity. The Vendor shall make arrangements and pay for (either directly or by reimbursing the recipient) all required travel, including ground transportation, meals, and lodging.
- (2) Any request for an overnight stay shall be initiated by DMA.
- (3) Vendor shall confirm with the provider that prior approval for overnight stays was obtained. If unable to obtain a copy of the approval letter from the provider, the Vendor shall call the DMA Clinical Policy section to verify prior approval. Clinical Policy can be reached by calling (919) 855-4260.
- (4) Reimbursement rates for recipients for meals shall fall within the guidelines established by G.S. § 138-6(a)(3). Reimbursement of recipients for mileage will be limited to travel between the approved medical facility and the place of lodging and for mileage to and from other locations directly related to day to day living such as trips to and from restaurants and drug stores.
- (5) All travel and lodging reservations and payment must be arranged prior to travel by the Vendor. The recipient shall not be required to make payments or reservations for overnight travel.
- (6) The Vendor shall resolve all overnight travel issues for recipients in transit within one (1) hour of the time the recipient calls.

(e) **Service Requests and Denials**

(1) The Vendor shall accept recipients in the order in which they request NCNET without restriction. The Vendor will not discriminate against recipients requesting NCNET on the basis of health status or need for NCNET services, race, ethnicity, color, national origin or religious affiliation and will not use any policy or practice that has the effect of discriminating on the basis of race, color, ethnicity, national origin or religious affiliation.

(2) Service Denials

(a) The reservation process shall include an objective and consistent method of correctly determining whether the request for service is approved or denied. The process shall include call scripts and a list of corresponding codes available to the Customer Service Representative for coding denials appropriately.

(b) The vendor **must** deny requests for transportation only under the following circumstances:

- (1) The request is made for transportation to a non Medicaid covered service;
- (2) The recipient does not meet transportation protocol (i.e., a minor without escort, absence of a required car seat);
- (3) Vendor is unable to confirm medical appointment with provider;
- (4) The recipient/requestor is ineligible for Transportation Services.
- (5) The total cost of the recipient's transportation will be covered by other means;
- (6) The recipient is suspended or terminated from participation in the program by DMA; or
- (7) Prior authorization is not supplied by DMA for overnight stay.

(c) The Vendor **may** deny a request for transportation under the following circumstances:

- (1) The request is not urgent and was made without the required 3-day notice, so long as all reasonable attempts have been made by the Vendor to accommodate the transportation request; or
- (2) The request contained incomplete information regarding the pick-up or the destination, and the Vendor is unable to obtain complete information after exercising reasonable efforts to do so.

(d) All network transportation providers shall specify the reasons (i.e. repeated no shows, disruptive behavior) for which the Vendor may request refusal to provide NCNET to a recipient. The Vendor must demonstrate how the recipient's continued enrollment seriously impairs the transportation provider's ability to furnish NCNET to the particular recipient or other recipients.

(3) Denial of Service Communication

(a) If the request for transportation services is denied, the Vendor's intake process shall include a standardized process for communicating all denials to recipients. The written communication of denial of service shall include the following key elements:

- (1) Notice to the recipient within three (3) working days of the denial of service;
- (2) The specific reason for the denial of service;
- (3) The process for appealing the decision for denial of service; and
- (4) All contact information required for appealing the denial of transportation services.

(b) Appeals of denials

- (1) If the recipient fails to appeal the decision within thirty (30) calendar days, their right to appeal is waived.
  - (2) The Vendor shall defend its decision, if necessary, at the time of any administrative hearing on the matter at no cost to DMA.
- (c) The original notification of denial of service shall be mailed or handed to the recipient and a copy shall be maintained in the vendor's file. If the transportation request is being denied because the recipient does not live in the region covered by the vendor, the vendor is required to give the recipient the correct contact number to request services.
- (d) At the conclusion of the appeals process, the Vendor shall implement any corrective action within ten (10) working days following notification by DMA. Corrective action may result in a change of policy or procedures regarding delivery of services.
- (f) **Suspension or Disenrollment of Recipient From Participation In The NCNET Program**
- (1) DMA will approve or deny any request for an interruption of service and may impose an alternative means to resolve the underlying issue and ensure transport in the appropriate mode to critical medical care. All requests by the Vendor for suspension shall be made in writing to DMA with sufficient documentation outlining the circumstances for the request.
  - (2) All requests for disenrollment or for suspension of service shall be made in writing to DMA accompanied by documentation that outlines the circumstances for the request. No action may be taken by the Vendor or their network service providers unless or until written approval from DMA is given.
- (g) **Retroactive Eligibility for Emergency Ambulance Service:** The Vendor shall establish a process to pay contracted and non-contracted ambulance transportation providers for services rendered to individuals that have eligibility approved retroactively to the time service is rendered (for example, nursing homes that have an ambulance service transport patients who have a medical emergency prior to that patient having his eligibility approved).

### 3.7 Transportation Network

- (a) The Vendor must establish a network of transportation providers to deliver recipients to and from covered medical services. In establishing and maintaining the NCNET network, the Vendor must consider:
- (1) Anticipated Medicaid enrollment;
  - (2) Anticipated utilization of services, including the characteristics and health care needs of the Medicaid populations;
  - (3) Number and types of transportation providers needed to meet the needs of the eligible population;
  - (4) The geographic location of providers and recipients, including distance, travel time and the means of transportation ordinarily used by recipients in that location;
  - (5) Tracking and recording of trip activities; and
  - (6) Ensure (and provide documentation to DMA upon request) that transportation providers are not excluded from participation in the Medicare or Medicaid programs by checking the Office of Inspector General (OIG) exclusions List of Excluded Individuals/entities (LEIE) and the General Services Administration's Excluded Parties List System (EPLC) and the NC Provider Penalty Tracking data base (42 CFR 1001-1005) no less frequently than monthly.
- (b) The Vendor must maintain a network of transportation providers that is supported by signed standard contracts. All contracts for the provision of transportation services must contain those obligations contained in this RFP which are pertinent to providers, including an Executed Business Associate Addendum. The Vendor must submit a copy of its standard contract agreement with the NCNET providers as part of its proposal for DMA approval. Any amendments that are made to that agreement that affect the work described in this RFP shall be submitted to DMA for review and approval prior to their



execution and implementation. The Vendor must provide DMA with copies of all transportation provider contracts when requested.

- (c) The Vendor must demonstrate that the transportation provider network provides adequate access in each city or county in the region, based on the number of recipients and the number of trips provided and include in their proposal the method by which any deficiencies will be addressed.
- (d) The Vendor must have the capability to transport bariatric patients in each region.
- (e) The Vendor shall attempt to negotiate service agreements with public transportation systems wherever possible and cost-effective to utilize public transportation systems whenever possible and appropriate for the recipient.
- (f) The Vendor must require that: 1) All transportation providers obtain and keep on file copies of required permits and licenses from the counties and cities in which they operate; 2) All transportation providers maintain a physical office, address and phone number in North Carolina; and 3) All incorporated transportation providers are registered with the North Carolina Secretary of State.
- (g) The Vendor must provide an accurate list of its provider network to DMA semi-annually with additions and terminations of providers. Detailed information related to any termination and/or change in network must be described when reporting to DMA. The Vendor must also include an up-to-date mailing list for network providers that shall be maintained and updated at least semi-annually.
- (h) The Vendor must establish, and maintain the following records and related information in its files for each provider with which the Vendor has entered into a service agreement:
  - (1) A copy of the Vendor's executed contract with each transportation provider;
  - (2) Vehicle documentation and maintenance records (all vehicles must be maintained in accordance with manufacturer's standards), including insurance certifications, and inspection records; and
  - (3) Driver records, including driver identification including Social Security Number, copy of driver's license, driving record for past three (3) years, training certificates including defensive driver training certification, first aid, CPR, passenger assistance, and blood-borne pathogens, and documentation of any complaints received about the driver and any accidents or moving violations involving the driver.
- (i) The Vendor must preserve, and make available to DMA copies of transportation provider records within three (3) days of a written request. The Vendor must allow a reasonable number of persons, designated by DMA, to inspect, audit or reproduce such records at the location where the Vendor's records are normally maintained, without expense to DMA.
- (j) The Vendor is responsible for all services provided by transportation providers and shall monitor the transportation providers to ensure compliance with the terms of their agreements (vendor-provider contracts) and all requirements of this RFP.
- (k) The Vendor shall ensure adequate oversight of transportation providers and ensure that they comply with all applicable State and Federal laws and regulations.
- (l) The Vendor must require that transportation providers maintain a daily log. That log must be made available by the transportation providers to the Vendor and to DMA upon request. At minimum, the log must contain the following:
  - (1) Date of service
  - (2) Driver's name
  - (3) Driver's signature
  - (4) Recipients name
  - (5) Recipient's signature

- (6) Escort's name (if applicable)
- (7) Escort's signature (if applicable)
- (8) Vehicle ID number (VIN)
- (9) Scheduled and actual pick-up time for each recipient
- (10) Recipient no-show indicators
- (11) Scheduled and actual drop-off times for each recipient
- (12) Service level provided for each trip
- (13) Mileage for each trip

### 3.8 Transportation Service-Level Requirements

- (a) The final plan, forms, inspection sticker and a list of trained inspectors must be submitted by the Vendor to DMA 60 days prior to the commencement of transportation services and must include the names of all employees who are authorized to inspect the vehicles on behalf of the Vendor.
- (b) **Vehicle Requirements:** All vehicles must meet or exceed the requirements of this Section.
  - (1) All vehicles must comply with the Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation vehicles, 49 CFR Part 38, Subparts A and B. The Vendor must supply all transportation providers with a copy of the ADA vehicle requirements and inspect for compliance semi-annually. Upon completion of a successful inspection by the Vendor, a sticker must be affixed to each transportation provider vehicle. The Vendor must secure the sticker of approval on the outside of the passenger side rear window in the lower right corner. The sticker must include the license plate number and vehicle identification number. Records of all inspections must be maintained as described in RFP Section 3.7(h).
  - (2) All vehicles must pass Vendor inspection prior to transporting Medicaid recipients.
  - (3) The provider must maintain a two-way voice communication system linking all vehicles used in delivering the services under this contract with the transportation provider's major place of business.
  - (4) All vehicles must be equipped with adequate and functioning heating and air-conditioning systems.
  - (5) All vehicles must have functioning, clean and accessible seat belts for each passenger seat position and securement belts for each wheelchair position. Seat belts must be stored off the floor when not in use. Each vehicle must have at least two (2) functional seat belt extensions available and must be equipped with at least one seat belt cutter within easy reach of the driver.
  - (6) Each vehicle must comply with all NC Highway Transportation and Safety Department regulations for infant and child safety seats, as appropriate when transporting children under age six.
  - (7) All non-integrated vehicle access assistant devices, not specifically covered by ADA regulations, must meet minimum safety standards set by the Vendor and approved by DMA.
  - (8) All vehicles must have an accurate speedometer and odometer, an interior mirror for monitoring the passenger compartment and two exterior rear view mirrors (one on each side of the vehicle).
  - (9) The exterior of the vehicle must be clean, free of broken mirrors or windows, excessive grime, major dents or paint damage that detract from the overall appearance of the vehicle.
  - (10) The interior of the vehicle must be clean, free from torn upholstery, floor or ceiling covering; free from damaged or broken seats; and free from protruding sharp edges.
  - (11) Vehicles will be free of hazardous debris or unsecured items and will be operated within the manufacturers safe operating standards at all times.

- (12) To comply with HIPAA requirements, the word "Medicaid" may not be displayed on the vehicle or in the name of the business.
- (13) The vehicle license number, the Vendor's toll-free phone number and a local phone number for the vendor must be prominently displayed on the interior of each vehicle. This information and the complaint procedures must be clearly visible and available in written format in each vehicle for distribution to recipients upon request.
- (14) Smoking is prohibited in all vehicles at all times.
- (15) All vehicles must have the following signs posted in all vehicle interiors, easily visible to the passengers:

"NO SMOKING"  
"ALL PASSENGERS MUST USE SEAT BELTS"

- (16) Vehicles must carry an information packet containing vehicle registration, insurance card, a copy of the form used for the latest vendor inspection, and accident procedures and forms.
- (17) Vehicles must be equipped with a first aid kit that adequately serves the maximum number of passengers according to OSHA standards and a "spill kit" including: liquid spill absorbent, latex gloves, hazardous waste disposal bags, scrub brush, disinfectant and deodorizer.
- (18) Vehicles used for the transportation of Medicaid recipients must include GPS systems, which at a minimum, are capable of recalling the location of the vehicle for specific periods of time.
- (19) Non-compliance: Any vehicle or driver found out of compliance with this these contract requirements or any State or Federal regulations may be removed from service immediately by the Vendor. Once the Vendor verifies and documents that the deficiencies have been corrected, the vehicle or driver may be reinstated. Any deficiencies and actions taken must be documented and become a part of the vehicle's and the driver's permanent records.

(c) **Passenger Safety Requirements:** Vendor must require transportation providers to meet the following requirements:

- (1) Passengers must have their seat belts buckled at all times while they are inside the vehicle. The driver must assist passengers who are unable to fasten their own seat belts. The driver must not start the vehicle until all passenger seat belts have been buckled.
- (2) The number of persons in the vehicle, including the driver, must not exceed the vehicle manufacturer's approved seating capacity.
- (3) Upon arrival at the destination, the vehicle should be parked or stopped so that passengers do not have to cross streets to reach the entrance of their destination.
- (4) Drivers must not leave passengers unattended.
- (5) If passenger behavior or other conditions impede the safe operation of the vehicle, the driver must park the vehicle in a safe location out of traffic and notify their dispatcher to request assistance.

(d) **Driver Requirements:** Vendor must require all drivers of vehicles transporting Medicaid recipients to meet or exceed the following:

- (1) Drivers must be at least 18 years of age and have a current valid driver's license to operate the transportation vehicle to which they are assigned.
- (2) Drivers must have no more than two chargeable accidents or moving violations in the last three

years and must not have had a suspension or revocation for a moving traffic violation(s) within the previous five years.

- (3) The transportation provider must secure a criminal background check on each driver through the North Carolina Law Enforcement Division or the National Crime Information Center (NCIC) (if not a resident of North Carolina for at least 5 consecutive years), prior to employment and annually thereafter. For drivers not residing within the state of North Carolina, criminal background checks equivalent to the North Carolina Law Enforcement Division check from the driver's state of residence are required.
- (4) Drivers must not have been convicted of any felony crime and/or misdemeanor for health care fraud (42 CFR 436.610), theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct; child abuse, elder abuse; domestic violence, sexual abuse, patient abuse in connection with the delivery of a health care item or service; unlawful manufacture, distribution, prescription, or dispensing of a controlled substance, or unlawful possession, use, distribution or sale of firearms.
- (5) All transportation providers must implement a verifiable 5-panel drug-testing program for drivers. Pre-employment, post-accident, and random drug screens covering more than 50% of the drivers each year shall be mandatory.
- (6) All drivers must wear and have visible nametag--with picture--that is easily readable and identifies the employee and the employer.
- (7) Drivers must not smoke while in the vehicle, while assisting a recipient or while in the presence of any recipient.
- (8) Drivers must not wear any type of headphones at any time while on duty, with the exception of hands-free headsets for mobile telephones if this is the company communication device.
- (9) Drivers must provide necessary assistance to recipients and confirm that all seat belts are fastened properly and all recipient mobility devices and medical equipment are properly secured.
- (10) Before departing the drop-off point, drivers must confirm that the delivered recipients are safely inside their destination.
- (11) Drivers must not touch any recipient except as appropriate and necessary to assist the recipient into or out of the vehicle, into a seat, to secure the seat belt, or to render first aid or assistance for which the driver has been trained.
- (12) Drivers must not solicit or accept money, goods or additional business from recipients.
- (13) Drivers must follow company and vendor guidelines for HIPAA compliance by keeping all recipient protected health information (PHI) confidential.
- (14) All drivers must complete and maintain the following DMA approved trainings and/or certifications:
  - (a) Cardiopulmonary Resuscitation (CPR)
  - (b) First Aid
  - (c) Defensive Driver
  - (d) Handling Blood-borne pathogens
  - (e) Passenger Assistance – transferring, loading, and unloading
  - (f) HIPAA Compliance
  - (g) Drivers are required to participate in a minimum of twelve (12) hours in-service training on related subjects annually

(e) **Driver Oversight:**

- (1) The Vendor must conduct all driver credential reviews prior to hire and at least annually thereafter.
  - (2) DMA reserves the right to direct the Vendor to terminate any driver when DMA determines it to be in the best interest of the State.
- (f) **Insurance:** The Vendor shall ensure that transportation providers have insurance coverage that is consistent with the requirements state statutes, department of Transportation regulations (see Rule 02-36 at <http://www.ncuc.net/ncrules/chapter02.pdf>) and NC DMA Medicaid Policy requirements (see MA-2910, IX.B.). The Vendor is responsible for ensuring required and adequate coverage is obtained and maintained during the term of contract.
- (g) **Accidents/Injuries/Incidents/Delays**
- (1) The Vendor shall promptly report to DMA any and all accidents, injuries, and incidents that have occurred in conjunction with a scheduled trip if a recipient was present in the vehicle, as follows:
    - (a) Accident/incident with injury – notification within 1 hour
    - (b) Accident/incident without injury – notification within 6 hours
  - (2) The Vendor shall ensure that each transportation provider is responsive to all vehicle breakdowns, problems or delays in delivering service. The Vendor shall ensure that the transportation provider has adequate backup vehicles to recover the trips, and ensure that recipients are not late for their appointments and do not spend excessive time in the vehicles.
  - (3) The Vendor(s) shall develop a trip recovery protocol to ensure that recipients arrive at their appointments on time and are transported home without inordinate delay, as defined in the performance measures in RFP Section 3.8(h), below.
- (h) **Ride Times and On-time Performance**
- (1) Vendor shall ensure that the transportation provider network is adequate to meet the standards defined herein.
  - (2) **On-time Performance**
    - (a) The following define what shall constitute on-time performance:
      - (1) No more than one-quarter of one percent (0.25%) of the trips should be missed (provider no-show) per region per day;
      - (2) No more than ten percent (10%) of trips should be late for recipient pick up per region per day; and
      - (3) No more than five percent (5%) of trips should be late for recipient drop off to their appointment per region per day.
    - (b) Arrival before the scheduled pick-up time is permitted; however, a recipient must not be required to board the vehicle before the scheduled pick-up time.
    - (c) Recipient pick-up more than thirty (30) minutes before the scheduled pick up-time and recipient drop-offs more than forty-five (45) minutes before the scheduled appointment times will be considered outside the on time performance requirement.
    - (d) The transportation provider is not required to wait for the recipient more than ten (10) minutes after the scheduled pick up time.

- (e) Recipients must not be dropped off prior to the facility opening time and must be picked up prior to the facility closing time.

<b>Routine Trip Requests</b>	
1 <sup>st</sup> Leg Pick Up	Within 30 minutes of the scheduled pick up time
1 <sup>st</sup> Leg Drop Off	* Up to 45 minutes prior to the appointment time and no later than the appointment time
2 <sup>nd</sup> Leg Pick Up	** Within 30 minutes of the scheduled pick up time OR within one hour of the call requesting pick up for open return times
2 <sup>nd</sup> Leg Drop Off	Recipients must be dropped off at their home destination as early as possible and within the normal drive time plus one hour
3 <sup>rd</sup> Leg Pick Up (if applicable)	** Within 30 minutes of the scheduled pick up time OR within one hour of the call requesting pick up for open return times
3 <sup>rd</sup> Leg Drop Off (if applicable)	Recipients must be dropped off as early as possible and within the normal drive time plus one hour
<b>Same Day Trip Requests</b>	
1 <sup>st</sup> Leg Pick Up	Within three hours of the call requesting transportation
1 <sup>st</sup> Leg Drop Off	* Up to 45 minutes prior to the appointment time and no later than the appointment time
2 <sup>nd</sup> Leg Pick Up	** Within 30 minutes of the scheduled pick up time OR within one hour of the call requesting pick up for open return times
2 <sup>nd</sup> Leg Drop Off	Recipients must be dropped off as early as possible and within the normal drive time plus one hour
3 <sup>rd</sup> Leg Pick Up (if applicable)	** Within 30 minutes of the scheduled pick up time OR within one hour of the call requesting pick up for open return times
3 <sup>rd</sup> Leg Drop Off (if applicable)	Recipients must be dropped off as early as possible and within the normal drive time plus one hour

\* Recipients must not be dropped off prior to the facility opening time

\*\* Recipients must be picked up prior to the facility closing time

- (f) On-time pick up percentage = Number of pickups where the actual pick up time is within thirty (30) minutes of the scheduled pick-up time divided by the total number of pickups for the time period being measured multiplied by 100 (e.g.  $9/10 = .9 \times 100 = 90\%$ ).
- (g) On time drop off percentage = Number of drop offs where the actual drop off time is less than or equal to the scheduled appointment time and no more than forty-five (45) minutes early divided by the total number of drop offs for the time period being measured multiplied by 100.

(3) Ride Times

- (a) The Vendor may negotiate waiting, pickup and drop-off times with recipients to maximize multi-loading opportunities. The Vendor may authorize the transportation providers to negotiate pick-up time and drop off time to maximize multi-loading opportunities.
- (b) In multi-load situations, the Vendor must ensure that no recipient is forced to remain in the vehicle more than one (1) hour longer than the average travel and level of service loading time for direct transport from point of pick-up to destination.
- (c) The ride time for any recipient will be limited to the normal drive time from the pickup location to the destination location plus loading and unloading time appropriate for the level of service plus one hour. The additional hour is included to allow for multi load

vehicle routing. No more than one percent (1%) of the trips should be outside the ride time requirement per region per day.

- (d) The ride time performance measure calculation is: Within Ride Time = Number of trips with actual ride time equal to or less than the allowable ride time of one (1) hour plus normal drive time divided by the total number of trips for the time period being measured multiplied by 100. The vendor will be required to meet or exceed 99.0% of the total trips within the allowable ride time.
- (4) Recipients must be notified of changes in scheduled pick-up times.
- (5) On those occasions when it is necessary for a recipient to schedule a return trip while at the medical provider's office, the transportation provider's vehicle must arrive within one (1) hour from the time the recipient calls the vendor and no later than the close of the business day for the health care provider.
- (6) Health care providers must be contacted when transportation providers will arrive late for recipient appointments or pickups.
- (i) **Hazardous Weather:** The Vendor shall have a written plan that describes how the Vendor will provide transportation for recipients who need dialysis and other critical medical care during hazardous weather conditions. The Vendor shall ensure that contracted transportation providers maintain a hazardous weather policy consistent with the Vendor's.

**3.9 Communications Plan:** The Vendor shall have a written plan that describes how the Vendor will communicate effectively with recipients, transportation providers, health care providers, and DMA. Each item or step listed in the communication plan shall include a description of the processes and protocols to be used to ensure timely, accurate and verifiable communication throughout the transportation enterprise. The plan shall include escalation procedures for conflict resolution between recipients, transportation providers, health care providers and the broker. The vendor shall notify DMA when escalation occurs.

### 3.10 Call Center Requirements

- (a) The Vendor shall establish and maintain a call center in the State of North Carolina for taking reservation requests from 8:00 AM and 5:00 PM Eastern Time, Monday through Friday.
- (b) The Vendor shall also have a call center to take reservation requests **outside** of normal business hours. The call center for reservations outside of normal business hours may be the same facility as the primary business hour site or another location in or outside of the state of North Carolina, but within the United States, at the Vendor's option. Any secondary location is subject to the same performance requirements as the North Carolina Call center.
- (c) The call center shall utilize and maintain an automatic call distribution system (ACD).
- (d) The Vendor shall have the capacity to handle all telephone calls at all times during the hours of operation; and have the ability to upgrade for handling additional call volume. Any additional staff or equipment needs will be the responsibility of the Vendor. The Vendor is responsible for adequate staffing and equipment to meet address call volume. The Vendor shall also provide adequate toll free and V/TTY telephone lines to accommodate the NC Medicaid population, with acceptable call time to answer, completion, and abandonment rates as specified in the performance standards. The capacity shall be scalable (both increases and decreases).
- (e) The Vendor shall not utilize a system or functionality of the system that blocks calls or sets to a busy signal.
- (f) The Vendor will ensure that there is a back-up telephone system in place that will operate in the event of line trouble or other problems so that access to the toll free-line is not disrupted.

- (g) The Vendor shall provide a telephone system that includes voice mail capability to answer calls received after hours for routine reservations.
- (h) Vendor must include an informative announcement message. This message requires the pre-approval of DMA. Additional educational messages may be provided to callers while they are on hold.
- (i) Call center services must be fully compliant with the Americans with Disabilities Act (ADA), the Health Insurance Portability and Accountability Act (HIPAA) all other applicable federal regulations and Medicaid policies.
- (j) The Vendor shall report to DMA, within two hours, any disruptions with the call monitoring system.
- (k) The Vendor shall record all calls coming into or originating from the call center. Each recording must be saved for at least six months. The Vendor must be able to retrieve calls within twenty-four (24) hours of a request.
- (l) The Vendor is required to maintain the resources required to meet or exceed the following call center performance measures:
  - (1) The reservation system announcement shall be less than 30 seconds. Exceptions for the length of the announcement may be made to provide additional recipient education for special circumstances or changes in NCNET system. All announcement messages shall be approved by DMA prior to use;
  - (2) The average speed to answer calls should be less than 30 seconds. The 30 seconds does not include the initial announcement;
  - (3) The average time on hold, for calls placed on hold, shall not exceed three (3) minutes;
  - (4) The average number of calls abandoned daily shall be less than two (2) percent; and
  - (5) The average time on hold before abandonment shall be less than 90 seconds.

### **3.11 Payment to Transportation Providers**

- (a) Full payment of undisputed invoices for all authorized trips shall be made to the transportation providers within thirty (30) calendar days of the Vendor's receipt of an undisputed invoice.
- (b) Vendor shall validate that all services paid for were properly authorized and actually rendered.
- (c) Vendor shall transmit to DMA encounter data for all trips made by Medicaid recipients in the region. Data shall be transmitted electronically in Excel or other DMA-approved format.
- (d) Vendor shall develop safeguards to prevent and detect fraudulent activity by the transportation service providers and Medicaid recipients. All suspected abuse must be reported to DMA fraud and abuse hotline within twenty-four (24) hours.

**3.12 Encounter Data:** The Vendor shall capture, record, store and transmit encounter data. Vendor shall comply with all applicable security protocols and standards in its data solution.

### **3.13 Provider Operations Manual**

- (a) The Vendor shall draft a provider operations manual detailing all procedures to be used in the scheduling and delivery of transportation services. A draft manual for DMA review is due 30 days from the date of contract execution. DMA will review and submit changes and modifications to the Vendor. The final manual shall be submitted to DMA for final approval by the Vendor 60 days from the date of receipt of DMA feedback.



- (b) Vendor may not begin brokerage services without a DMA-approved transportation provider operations manual. The manual shall be distributed to Vendor staff and transportation providers and shall be incorporated into training programs/orientations for new employees (who are performing services under this Scope of Work) and transportation providers.
- (c) Vendor shall provide DMA with an electronic version of the manual (including any subsequent updated versions).
- (d) Any updates to the DMA-approved manual require the review and written approval of DMA.

**3.14 Vendor Website:** The vendor shall provide an informational website exclusively for North Carolina Medicaid recipients. The web site shall include the procedures required to request NEMT, file complaints and appeals process, as well as contact information. All website content and functionality will require DMA approval.

**3.15 Complaints**

- (a) The Vendor is responsible for receiving and responding to all complaints about NCNET services under this contract, whether oral or written, from recipients, transportation providers, health care providers, facilities, DMA or other sources.
- (b) The Vendor must establish and maintain standardized written procedures for handling all complaints that will include the requirements for maintaining documentation of all activity related to recording, investigating, and resolving the complaints.
- (c) Investigations must obtain enough factual information about the complaint to determine the appropriate response and any corrective action required. Complaints are expected to be resolved and closed within five (5) business days. For complaints requiring additional time to resolve, the Vendor must provide DMA with daily updates until resolved.
- (d) Complaints that are found to be unsubstantiated after the initial review should be reviewed by a supervisor or above to confirm the initial disposition.
- (e) Vendor shall establish escalation procedures for complaints, with distinctions between high, medium and low priority complaints and their associated protocols.
- (f) Vendor must maintain an electronic record of all complaints, oral and written, with documentation of the complaint and the action taken to resolve the complaint.
- (g) In responding to complaints, the Vendor shall:
  - (1) Contact the initiating party within 24 hours and acknowledge receipt of the complaint;
  - (2) Contact the appropriate entities for a response to the complaint;
  - (3) Communicate the disposition of the complaint to the initiating entity (complaints referred to the Vendor by DMA require a written response back to DMA within 3 business days);
  - (4) Communicate the disposition of substantiated complaints to the entity against which the complaint was made; and
  - (5) Verify that corrective action required (based a substantiated complaint) has been implemented.
- (h) Complaints will be closed only after appropriate action is taken to resolve the complaint. The process for closing a complaint must include documented communication to the entity initiating the complaint and the entity the complaint was logged against to include any corrective action taken and the final disposition of the complaint. Complaints that are not closed within 5 business days will require immediate notification to DMA.

- (i) Vendor shall track complaints (as a percentage of total volume) for provider timeliness and provider service quality (including driver behavior and vehicle issues).
- (j) Complaints related to Vendor service quality (call center operator behavior, other Vendor employee behavior) shall be referred to DMA for resolution.

### 3.16 Transportation Network Performance

#### (a) Quality Assurance

(1) The Vendor must develop and maintain an ongoing quality assurance plan to support the provision of high-quality transportation services to the Medicaid recipient community. At a minimum, the quality assurance plan must include the following elements:

- (a) Key indicators of quality related to scheduling and delivery of transportation services;
- (b) Description of how the Vendor will develop, implement, and evaluate corrective actions or modifications to overall operations as necessary to address quality concerns;
- (c) Samples of all reports related to quality assurance and performance monitoring, along with descriptions of their use and who is responsible for reviewing them; and
- (d) Samples of calls and follow up calls to confirm the quality of responses, and caller satisfaction.
- (e) Transportation Network Monitoring: The Vendor shall monitor their transportation network providers. The Monitoring Plan must include strategies for the oversight of the following:

- (1) Accident/incident reporting
- (2) Statistical reporting of trips
- (3) Timeliness of pick-ups and drop offs
- (4) Ride times
- (5) Driver licensure, driving record, experience and training compliance
- (6) Compliance with vehicle requirements
- (7) Recipient safety, assistance and courtesy
- (8) Completion of driver logs
- (9) Driver communication with dispatcher
- (10) Routine vehicle inspections, maintenance, emergency equipment and breakdowns
- (11) Gas reimbursement/voucher program

(2) This quality assurance plan must be submitted to DMA for review and approval at least thirty (30) working days prior to the start of transportation operations. DMA shall review and return their feedback to the Vendor within 10 business days of receipt. The Vendor must make all modifications required by DMA and resubmit the final quality assurance plan at least 30 days prior to the start of transportation services. In no cases will a Vendor be allowed to begin operations without an approved quality assurance plan. Thereafter, the quality assurance plan must be reviewed and re-approved by DMA annually.

(3) **Improvement Plan**: The Vendor must maintain an ongoing performance improvement program for the NCNET services it furnishes to recipients. The Improvement Plan must track and implement increased efficiency in the delivery of services and recipient satisfaction. The Improvement Plan must be tracked against reports and data submitted to DMA.

#### (b) Corrective Actions

- (1) The Vendor shall have written procedures for taking appropriate action if a transportation provider is out of compliance with federal or State laws or regulations. The Vendor shall report to DMA, not less than quarterly, on monitoring activities, monitoring findings, corrective action taken, and improvements by the transportation provider.
  - (2) At the request of DMA, the Vendor must institute a corrective action plan for providers to address substandard performance. If a provider fails to take satisfactory corrective action within a reasonable time period, DMA reserves the right to direct the Vendor to terminate any service agreement with the provider.
  - (3) The Vendor must establish and implement corrective action plans addressing findings resulting from complaints, DMA monitoring activities, audits, or other reviews conducted during the term of the contract. The Vendor must implement corrective action plans in accordance with time frames established by DMA and/or CMS.
- (c) Recipient Satisfaction Surveys
- (1) The Vendor shall conduct recipient satisfaction surveys every six months. The initial six-month period shall be the first six months the Vendor delivers services under this RFP. A draft survey must be submitted to DMA for review and approval by no later than the date on which Vendor begins service delivery. DMA will review and submit feedback to the Vendor within 30 days, and Vendor shall submit a final draft for approval 30 days from receipt of DMA feedback. At a minimum, the survey must include questions related to recipient satisfaction with the following:
    - (a) Reservation process
    - (b) Whether they received confirmation of the scheduled trip
    - (c) Call center wait times
    - (d) Driver and Vendor staff courtesy
    - (e) Driver assistance when required
    - (f) Driver safety and operation of the vehicle
    - (g) Condition, comfort and convenience of the vehicle
    - (h) Punctuality of service; and
    - (i) Complaint resolution
  - (2) The survey results are to be submitted to DMA no later than thirty (30) business days from the end of each six-month period of actual service operation.

### 3.17 Meetings

- (a) The Vendor must meet with DMA representatives at DMA offices in Raleigh, NC at least monthly -- and more frequently upon DMA's request -- to discuss the NCNET program and to answer pertinent inquiries regarding the program, its implementation and its operation.
- (b) The Vendor must establish an Advisory Committee in each region served. The Committee must consist of representatives from an adult day health care facility, dialysis center, hospital, or other medical services provider(s), transportation provider(s) and the recipient community. Members of the Advisory Committee must be appointed to serve for not more than one calendar year. The Advisory Committee must meet once each quarter of the calendar year. The Vendor must notify DMA of the place and time of Advisory Committee meetings, compile minutes of the meetings, and draft an appropriate summary of the issues discussed. The Vendor shall submit the minutes and the summary to DMA within one week after each quarterly meeting. The Committee shall review and include in the minutes and summary a description of the quality of services delivered to recipients by each representative (regional) group, particularly noting patterns or trends.
- (c) The Vendor shall appoint representatives to sit on transportation related committees and boards and participate in meetings scheduled as requested by DMA with reasonable notice given to the Vendor.

### 3.18 Reporting

#### (a) Monthly Reports

- (1) Monthly Reports shall include the following data:
  - (a) Complaints: Complaint Log and a summary report of complaints received on a monthly basis to determine quality of services to recipients and noting patterns or trends of complaints received. The Vendor must send a report to DMA of all complaints received and their resolution, including any corrective action taken.
  - (b) Transportation Summary Report: Summarizing trips by level of service and region of origin, on time performance and ride time performance.
  - (c) The number of unduplicated recipients and the total number of miles, broken out by mode of transportation service provided. Miles reported may represent miles as calculated by the mapping program of the transportation management software or by provider odometer readings.
  - (d) Number of provider "no shows" by region of origin.
  - (e) Number of trips that had late pick-ups and/or drop-offs.
  - (f) Average ride times and the number of trips that had ride times in excess of the standards set herein.
  - (g) Number of trips assigned to each provider, by region of origin.
  - (h) Number of trips canceled, by region of origin and provider.
  - (i) Number of trips re-routed, by region of origin and provider.
  - (j) Vendor Accounts Payable aging report.
  - (k) Provider network capacity to support NEMT, such as number of seats available and number of transports.
  - (l) Call Center Report and ACD Report that includes the following:
    - (1) The number of calls received;
    - (2) The average speed to answer calls, excluding the initial announcement message;
    - (3) The average talk time;
    - (4) The number of calls placed on hold;
    - (5) The average time on hold for calls placed on hold;
    - (6) The abandonment rate;
    - (7) The average time on hold before abandonment;
    - (8) The number of calls in the queue by 15 minute intervals.
  - (m) Detailed log of all denials.
  - (n) Claims payment processing that includes the number of days for claim payment and the number of days between services rendered and the submission of claims to be paid.
- (2) Monthly reports shall be submitted to DMA electronically in a format pre-approved by DMA.

- (3) Monthly reporting is due on or before the last business day of the month for the previous month's activity (for example, March reporting is due on the last business day of April). DMA reserves the right to decrease the frequency of reporting by giving written notice to the Vendor.
- (b) Bi-annual Reports: A Recipient Satisfaction Survey Report summarizing the results of the surveys described in RFP Section 3.16(c) must be submitted to DMA within 30 business days of the end of each six-month period of actual service operation.
- (c) Annual Reports
  - (1) Annual Transportation Report describing the project and contracted services; major problems and issues and how they were addressed and future plans; a statistical summary of services provided and other pertinent information. A draft of the report must be submitted to DMA within sixty (60) calendar days after the close of each year of operation and the final report must be submitted to DMA within thirty (30) calendar days of receipt of DMA comments.
  - (2) An annual state fiscal year report showing the number of trips, number of unduplicated recipients, and the total number of miles, broken out by mode of transportation service provided. This report is due by July 31st each year following the end of the state fiscal year.
  - (3) Annual reports shall be submitted to DMA electronically in a format pre-approved by the Division.
- (d) Ad Hoc Reports: Vendor must submit other reports as requested by DMA with reasonable notice given.

### **3.19 Transition Planning**

- (a) No later than Ninety (90) calendar days after , contract award, the Vendor must submit to DMA a proposed transition plan that will meet DMA's requirements for uninterrupted services for recipients at the end of the contract and the potential transition to a new vendor. The Transition Plan must be a comprehensive document detailing the proposed schedule, activities, milestones, and resource requirements associated with the turnover tasks outlined in the sections below. DMA shall submit feedback, edits and/or requests for clarification to the Vendor within 30 days of receipt. A final draft of the Transition Plan must be submitted to DMA for review and acceptance 30 days from receipt of DMA's feedback, edits, and/or requests for clarification.
- (b) The Transition Plan must include delivery to DMA (or successor Vendor if so directed by DMA) of all relevant data, documentation, files and other pertinent information necessary to prevent a lapse in service, including but not limited to inventories, all denial letters, and documentation of outstanding or pending issues, reservations and claims status and a finalized provider network list. Delivery of these materials must be an electronic format pre-approved by DMA. The Transition Plan must include a detailed transition methodology and a schedule for transition with key milestones.
- (c) Termination of this Contract (with or without cause) shall trigger the implementation of the Transition Plan.
- (d) The Vendor shall submit documentation to DMA upon completion of each milestone in the Transition Plan. DMA will withhold final payment to the Vendor until the completed documentation has been submitted by the Vendor.

### **3.20 DMA Monitoring and Quality Assurance**

- (a) DMA reserves the right to make quality assurance reviews on services under this contract. These reviews may be conducted in an anonymous manner and without advance notice. The vendor shall comply with requests from DMA during unannounced reviews.
- (b) DMA monitoring activities will not interfere with the Vendor's responsibility to provide transportation to recipients. DMA staff may ride on trips to monitor service. All of the transportation provider's vehicles must be made available to DMA for inspection at any time. DMA staff will review reports of complaints

from recipients, providers, or any individual or group who contact the Vendor regarding the delivery of services under this contract.

- (c) At DMA' option, the accuracy of performance results, performance level, and execution of key expectations may be measured by independent audit.
- (d) If the Vendor does not submit to DMA reports as required by the deadlines stated herein, the Division reserves the right to withhold payment until receipt of required reports. In the event that corrective action is required by the Vendor, the Division may withhold payment to the Vendor until the Vendor undertakes such corrective action. Continued non-compliance may result in contract termination.

**3.21 Vendor Demonstrations:** Qualified Vendors shall give demonstrations of their reporting and tracking capabilities at DMA offices in Raleigh, NC.

**SECTION 4 TERM OF CONTRACT; OPTIONS TO EXTEND**

**4.1 Initial Term:** The Contract shall have an initial term of two (2) years, beginning on July 1, 2013 or the date the contract is countersigned by the State (the "Effective Date"). The Vendor shall begin work immediately upon the effective date of the Contract.

**4.2 Option Years:** At the end of contract year two (2), the State shall have the option, in its sole discretion, to extend the Contract for one (1) additional year. The State will give the Vendor written notice of its intent to exercise this option no later than 60 days before the end of contract year two (2).

Similarly, at the end of contract year three (3), the State shall have the option, in its sole discretion, to extend the Contract for one (1) additional and final year. The State will give the Vendor written notice of its intent to exercise this option no later than 60 days before the end of contract year three (3).

**SECTION 5 INVOICING & COMPENSATION**

**5.1 Invoicing:**

- (a) The Vendor must submit one monthly invoice within fifteen (15) days following the end of the month that is the subject of the invoice.
- (b) Invoices must be submitted to one of the following addresses:

Delivery by US Mail Service	Delivery by Overnight Delivery
NC Department of Health & Human Services Division of Medical Assistance Attention: <b>John Alexander</b> 2501 Mail Service Center Raleigh NC 27699	NC Department of Health & Human Services Division of Medical Assistance Attn: <b>John Alexander</b> 1985 Umstead Drive Raleigh NC 27603

- (c) Invoices should bear the correct purchase order number to ensure prompt payment. The Vendor's failure to include the correct purchase order number may cause delay in payment.
- (d) Invoices must itemize the work for which payment is sought.
- (e) Invoices must be documented with itemized accounting of charges and summary reports submitted to the Division along with the invoice.

## 5.2 Compensation:

- (a) The Vendor will be compensated at the rates quoted in the Vendor's Cost Proposal.
- (b) The Vendor will be paid net thirty (30) days after the Vendor's invoice is approved by the State.

## SECTION 6 VENDOR EXPERIENCE & QUALIFICATIONS

- 6.1 Experience and Qualifications: Vendor shall demonstrate a minimum of five (5) years of experience implementing programs of the same or similar scope and size. The purpose of this section is to provide the Division with a basis for determining the Vendor's and Subcontractor's capability for undertaking the project. The State is not interested in a voluminous description of a subcontractors but a concise, thorough description of relevant experience and responsibility is desired.
- 6.2 Proposed Project Staffing: Vendor must demonstrate in its proposal that they have adequate and qualified staff to perform the work proposed in the RFP.

## SECTION 7 THE FORM AND CONTENT OF THE VENDOR'S PROPOSAL

### 7.1 The Form of the Vendor's Proposal

- (a) The Vendor's proposal shall consist of the pages of this RFP and the additional information and attachments specified herein. The proposal should be organized in the manner specified below.
- (b) The first item in the Vendor's proposal shall be a transmittal letter printed on the Vendor's letterhead stationery. The letter should be signed by the same individual who signs the Proposal Execution Page. The subject line of the letter should contain the words "2012 RFP for NCMET NC Department of Health and Human Services". The letter should identify the Vendor that developed the proposal and should also provide the name, title, address and telephone number of a person(s) authorized to bind the Vendor to a contract and to answer questions or provide clarification regarding the Vendor's proposal.
- (c) The transmittal letter shall be followed by the Proposal Execution Page, which is the first page of this RFP. The Proposal Execution Page must be signed by an individual authorized to legally bind the Vendor. If that individual is not the Vendor's president or chief executive officer, submit evidence of the individual's authority to bind the Vendor. **Unsigned proposals shall not be reviewed.**

**The individual who signs the transmittal letter and the Proposal Execution Page must also sign Attachment A, the "Certification of Compliance with G.S. 133-32 & Executive Order 24"; Attachment D, the "Certification of Financial Condition"; Attachment F, the "Federal Certifications and Disclosures"; Attachment E, the Business Associate Agreement"; and Attachment C, the "Cost Proposal".**

- (d) The Proposal Execution Page should be followed by a Table of Contents using the same format that appears on page 2 of this RFP. The Table of Contents should be followed by the Vendor's response to the RFP, which should be followed by the attachments listed in the RFP. If the Vendor submits additional attachments, those attachments should follow the attachments listed in the RFP.
- (e) After the Vendor has finished compiling its proposal, the Vendor should number the pages of the proposal consecutively from the Proposal Execution Page (page 1) through the last page of the last attachment.
- (f) The proposal should be printed on 8.5 inch x 11 inch paper with 0.5 inch margins at the top and bottom and left and right sides.
- (g) The Proposal should be set in Times New Roman 12 point type, provided that the text in tables may be set in 10 point type.

**7.2 The Content of the Vendor's Technical Proposal:** Provide the information requested below:

- (a) Company Information:
  - (1) The company's name and principal place of business;
  - (2) If the company is a corporation or partnership, the state in which the Vendor is incorporated or organized; and
  - (3) The name, postal address, email address, telephone number, and facsimile number of a person in the company who can answer questions about the company's role in the proposal.
- (b) Indicate whether any of the work under this contract will be performed outside the United States and, if so, explain the nature and location of the work.
- (c) The name, postal address, email address, telephone number, and facsimile number of each person who will provide services under the Contract, a description of each person's duties and responsibilities, and a description of the chain of command among those persons.
- (d) The name of the Vendor's Contract Administrator and that person's title, postal address, email address, telephone number, and facsimile number.
- (e) The name, title, postal address, email address, telephone number, and facsimile number of the person who would manage the Contract for the Vendor on a day-to-day basis, if that person is not the Contract Administrator identified in subsection (d), above.
- (f) If any of the persons identified in the responses to subsections (c) through (e), above, must be relocated to North Carolina, how long will it take to relocate them?
- (g) Describe the staffing and operation of your customer help desk.
- (h) Describe your informal dispute resolution process.
- (i) Provide at least three references for whom services of a similar size and scope have been performed within the last five years. Vendor shall include the name of the reference, their position in their organization, phone number and email address.
- (j) State whether any of the directors, partners, proprietors, or officers of the entities identified above or any employee identified above are related to any DHHS employee. If so, identify the persons involved and describe the relationship between them.
- (k) The details of:
  - (1) Any **criminal convictions** of any of the Vendors or any of their officers, directors, employees, agents or subcontractors of which the Vendors have knowledge **or a statement that there are none**;
  - (2) Any **criminal investigations** pending against of any of the Vendors or any of their officers, directors, employees, agents or subcontractors of which the Vendors have knowledge **or a statement that there are none**;
  - (3) Any **regulatory sanctions** levied against any of the Vendors or any of their officers, directors, employees, agents or subcontractors by any state or federal regulatory agencies **within the past three years** of which the Vendors have knowledge **or a statement that there are none**. As used herein, the term "regulatory sanctions" includes the revocation or suspension of any license or certification, the levying of any monetary penalties or fines, and the issuance of any written warnings.



- (4) Any **regulatory investigations** pending against of any of the Vendors or any of their officers, directors, employees, agents or subcontractors by any state or federal regulatory agencies of which the Vendors have knowledge **or a statement that there are none.**

**The Committee may reject a proposal solely on the basis of this information.**

- (l) A description of the Vendor's experience providing the same or similar services within the last 5 years, including:
- (1) The beginning and ending dates of the contracts with the employers;
  - (2) The types of services provided under those contracts;
  - (3) The total number of Vendor employees assigned to service each contract;
  - (4) Whether any of those contracts were extended or renewed at the end of their initial terms;
  - (5) Whether any of those contracts were terminated early for cause by either party to the contract;
  - (6) The "lessons learned" from each of those contracts; and
  - (7) The name, address, and telephone number of at least one manager in each client organization who is personally familiar with the Vendor's performance under the contract.
- (m) A full description of how the Vendor intends to meet all of the requirements in this RFP.
- (n) A full description of the scheduling methodology and system.
- (o) A copy of the Hazardous Weather plan.
- (p) Vendor shall include a detailed description of ACD functions and the information that it will records in its technical proposal.
- (q) Vendor must include a provider Monitoring Plan in their proposal, including a description of how the Vendor will collect and verify the accuracy of performance data obtained from the NCNET providers.
- (r) Experience/Qualifications must be included for the Vendor and for each Subcontractor (if applicable) when the Subcontractor performs ten (10) percent or more of the total work effort in hours.
- (o) Attachments
- (1) The following Attachments should be placed at the end of the Technical Proposal:  

Attachment A	Certification of Compliance With G.S. § 133-32 and Executive Order 24
Attachment B	Federal Employer Identification Number
Attachment D	Certification of Financial Condition
Attachment E	Business Associate Addendum
Attachment F	Federal Certifications and Disclosures
  - (2) Additional Attachments may be placed after the mandatory attachments listed in (1), above. The first such attachment should be identified as Attachment H and the remaining attachments should be lettered sequentially thereafter.
- (p) **Do not enter any cost information in the Technical Proposal.**

### **7.3 The Vendor's Cost Proposal**

The Vendor's Cost Proposal must be submitted in the tabular format provided in RFP Attachment C (Cost Proposal). The Agency may reject a proposal solely on the ground that the Vendor's Cost Proposal was not submitted in the prescribed format. **Do not submit any technical information in the Cost Proposal.**

## SECTION 8 EVALUATION OF PROPOSALS

### 8.1 Introduction

The State will conduct a comprehensive, fair, and impartial evaluation of the proposals received in response to this request. All proposals will be evaluated using a one-step method. As provided by statute, award will be based on the lowest and best proposal (most advantageous to the State). Cost is important but is not an overriding consideration. The award of a contract to one Vendor does not mean that the other Vendors' proposals lack merit. The State reserves the right to reject any or all proposals.

At their option, the evaluators may request oral presentations or discussion with any or all Vendors for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, Vendors are cautioned that the evaluators are not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the Vendor.

Proposals will be evaluated according to completeness, content, experience with similar projects, ability of the Vendor and its staff, and cost.

The evaluators will randomly select at least three of Vendor's references, but the evaluators' reserve the right to contact all the references listed, if information from the three references contacted warrant further inquiry. The failure of the Vendor to list all similar contracts in the specified period may result in the rejection of the Vendor's proposal. The evaluators may check all public sources to determine whether Vendor has listed all contracts for similar work within the designated period. If the evaluators determine that references for other public contracts for similar contracts were not listed, the evaluators may contact the public entities to make inquiry into Vendor's performance of those contracts and the information obtained may be considered in evaluating Vendor's proposal. Award of a contract to one Vendor does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed most advantageous to the State.

In addition to any other evaluation criteria identified in the State agency's solicitation document, the agency shall, for purposes of evaluating proposed or actual contract performance outside of the United States, consider the following factors to ensure that any award will be in the best interest of the State:

- (a) Total cost to the State
- (b) Level of quality provided by the vendor
- (c) Process capability across multiple jurisdictions
- (d) Protection of the State's information and intellectual property
- (e) Availability of pertinent skills
- (f) Ability to understand the State's business requirements and internal operational culture
- (g) Risk factors such as the security of the State's information technology
- (h) Relations with citizens and employees
- (i) Contract enforcement jurisdictional issues

Vendors are cautioned that this is a request for offers, not a request to contract, and the State reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the State.

### 8.2 Evaluation Committee

An Evaluation Committee will read the proposals, conduct corporate and personal reference checks, score the proposals, and make a written recommendation to the DHHS Office of Procurement and Contract Services. The State may change the size or composition of the committee during the review in response to exigent circumstances.

### 8.3 Scoring

The Evaluation Committee will score the proposals using the scoring system shown in Table 8.3, below. The highest score that can be awarded to any proposal is 1000 points.

**Table 8.3 – Scoring System**

	Evaluation Factor	Highest Possible Score	Subtotals
Technical Proposal	Technical Approach to RFP (Understanding SOW)	150	
	Staff Qualifications and Staffing Plan	100	
	Vendor Experience with Similar Projects	100	
	References	100	
	Vendor Demonstrations	150	
	Maximum Possible Technical Proposal Score		
Maximum Possible Cost Proposal Score			400
Maximum Possible Combined Technical and Cost Score			1000

**8.4 Evaluation Phases**

**(a) Phase 1: Evaluation of Technical Proposals**

- (1) Phase 1, Part 1: Staff will summarily review each proposal to determine whether the proposal was properly executed and timely submitted. All timely submitted proposals for which signed execution pages have been received as provided above will be forwarded to the Evaluation Committee for review. Proposals that are not forwarded to the Evaluation Committee are ineligible for contract award.
- (2) Phase 1, Part 2: Each member of the Evaluation Committee will read each technical proposal that has been forwarded to the Committee. The members of the Evaluation Committee will meet together and score each technical proposal, by consensus, on each of the technical evaluation factors shown in Table 8.3, above.

**(b) Phase 2: Evaluation of Cost Proposals**

The State will evaluate each Cost Proposal for completeness and reasonableness. The State may reject a proposal if the Cost Proposal is incomplete or if it contains significant inconsistencies or inaccuracies. The State will determine low cost by normalizing the scores as follows:

The proposal with the lowest cost will receive a score of 400. All other competing proposals will be assigned a portion of the maximum score using the following formula:

$$400 \quad \times \quad \frac{\text{the cost of the lowest-cost Cost Proposal}}{\text{the cost of the Cost Proposal being evaluated}} \quad = \quad \text{Cost Score}$$

**(c) Phase 3: Determination of Successful Proposal**

- (1) The Vendor whose proposal is determined to be in the best interest of the State will be recommended as the successful Vendor. The Evaluation Committee will forward this Vendor's name to the DHHS Office of Procurement and Contract Services with documentation to justify the Committee's recommendation.
- (2) The DHHS Office of Procurement and Contract Services will review the Committee's

recommendation for compliance with Purchasing Rules and Policies and forward it (with a copy of the Technical and Cost Proposals) to the North Carolina Department of Administration, Division of Purchase and Contract for approval.

- (3) When the final approval is received, the State will notify the selected Vendor. If the State rejects all proposals, it will notify all Vendors. The State will post the award on the State website at [www.ips.state.nc.us](http://www.ips.state.nc.us). The award will be posted under the applicable RFP number.
- (4) The Contract between DHHS and the selected Vendor shall be effective as of the date on which the Division's authorized agent signs the Vendor's proposal. The selected Vendor shall perform no work for the Division before that date.

## **8.5 Best and Final Offers (BAFOs)**

If negotiations or subsequent offers are solicited, the Vendors shall provide BAFOs in response. Failure to deliver a BAFO when requested shall disqualify the non-responsive Vendor from further consideration. The State may establish a competitive range based upon evaluations of proposals, and request BAFOs from the Vendors within this range; e.g. "Finalist Vendors". The State will evaluate BAFOs and add any additional points to the Vendors' respective scores. Points awarded from oral presentations and product demonstrations during negotiations, if any, will be added to the previously assigned points to attain final scores.

## **8.6 Oral Presentations & Clarifications**

- (a) During its evaluation of the competing proposals, the Evaluation Committee may ask the Vendors to make oral presentations to the Committee regarding the contents of their Technical Proposals. These oral presentations will be scheduled and conducted solely for the purpose of clarifying the information in the proposals. The Vendors may not use these presentations to submit new information that was not submitted in the proposals under review.
- (b) DHHS may contact a Vendor during the evaluation period to obtain clarification regarding the Vendor's proposal.
- (c) Contract award notices are sent only to those actually awarded a contract, and not to every Vendor responding to this solicitation. Contract status and award notices are posted on the Internet at <http://www.ips.state.nc.us/ips/pubmain.asp>.

**SECTION 9 GENERAL TERMS & CONDITIONS**

**9.1 Contract Documents:**

- (a) The Contract that is awarded as a consequence of this RFP shall consist of the following documents:
  - (1) The Addenda to this RFP, if any;
  - (2) This RFP; and
  - (3) The Vendor's Proposal.
- (b) In the event of a conflict between or among the terms of the Contract Documents, the term in the Contract Document with the highest precedence shall prevail. The Addenda to the RFP (if any) shall have the highest precedence, the RFP shall have the second highest precedence, and the Vendor's proposal shall have the third highest precedence. These documents shall constitute the entire agreement between the parties and supersede all other prior oral or written statements or agreements.

**9.2 Contract Administrators:** The Contract Administrators are the persons to whom all required notices shall be given and to whom all matters relating to the administration or interpretation of this Contract shall be addressed. The Vendor shall designate a single Contract Administrator, who shall be the Vendor's primary contact with the Division for all issues regarding this Contract. The Vendor shall identify its initial Contract Administrator in its proposal and shall confirm the name, title, address, telephone number, facsimile number, and email address of its Contractor Administrator within 5 business days after the Effective Date of the Contract. The Vendor's Contract Administrator shall be available by phone, facsimile, or e-mail, upon 24 hours notice. The Division's contract administrators are named below.

**Division Contract Administrators**

For All Day-To-Day Activities Described In Section 3	For All Other Contract Issues
Name: Bill Appel Title: Policy Consultant Division of Medical Assistance 801 Ruggles Drive, Raleigh NC 27603 2501 Mail Service Center Raleigh NC 27699 Telephone: 919-855-4005 Facsimile: 919-715-0801 E-mail: <a href="mailto:William.appel@dhhs.nc.gov">William.appel@dhhs.nc.gov</a>	Name: Lauren Wides Title: Section Chief, Contracts & Monitoring Division: Division of Medical Assistance Street Address: 1985 Umstead Drive, Raleigh NC 27603 MSC Address: 2501 Mail Service Center, Raleigh NC 27699 Telephone: 919-855-4150 Facsimile: 919-715-8468 E-mail: <a href="mailto:lauren.wides@dhhs.nc.gov">lauren.wides@dhhs.nc.gov</a>

Either party may change the identity of its Contract Administrator or change the contact information for its Contract Administrator by giving timely written notice of the change to the other party.

**Relationship of the Parties**

- 9.3 Independent Contractor:** The Vendor is and shall be deemed to be an independent contractor in the performance of this contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Vendor represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the Division.
- 9.4 Subcontracting:** The Vendor shall not subcontract any of the work contemplated under this contract without prior written approval from the Division. Any approved subcontract shall be subject to all conditions of this contract. Only the subcontractors specified in the contract documents are to be considered approved upon award of the contract. The Division shall not be obligated to pay for any work performed by any unapproved subcontractor. The Vendor shall be responsible for the performance of all of its subcontractors.
- 9.5 Assignment:** No assignment of the Vendor's obligations or the Vendor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:

- (a) Forward the Vendor's payment check(s) directly to any person or entity designated by the Vendor; or
- (b) Include any person or entity designated by Vendor as a joint payee on the Vendor's payment check(s).

In no event shall such approval and action obligate the State to anyone other than the Vendor and the Vendor shall remain responsible for fulfillment of all contract obligations.

- 9.6 Beneficiaries:** Except as herein specifically provided otherwise, this contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this contract, and all rights of action relating to such enforcement, shall be strictly reserved to the Division and the named Vendor. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Division and Vendor that any such person or entity, other than the Division or the Vendor, receiving services or benefits under this contract shall be deemed an incidental beneficiary only.

### **Professional and Institutional Standards and Licenses**

- 9.7 Service Standards:** During the term of the Agreement the Vendor and its employees, agents, and subcontractors shall provide high quality professional services consistent with the standards of practice in the geographic area and with all applicable federal, state, and local laws, rules and regulations, all applicable ethical standards, and standards established by applicable accrediting agencies. The Vendor and its employees, agents and subcontractors shall exercise independent professional judgment in the treatment and care of patients.

- 9.8 Records:** During the term of this Agreement, the Vendor and its employees, agents, and subcontractors shall maintain complete and professionally adequate medical records consistent with the standards of practice in the geographic area and their respective health care professions. The Vendor and its employees, agents, and subcontractors shall prepare all reports, notes, forms, claims and correspondence that are necessary and appropriate to their professional services.

- 9.9 Licenses:** During the term of this Agreement, the Vendor and its employees, agents, and subcontractors shall hold, current facility and occupational licenses and certifications at the levels required to practice their professions and to provide the contracted services in the State of North Carolina.

### **Indemnification and Insurance**

- 9.10 Indemnification:** The Vendor agrees to indemnify and hold harmless the Division, the State of North Carolina, and any of their officers, agents and employees, from any claims of third parties arising out or any act or omission of the Vendor in connection with the performance of this contract.

**9.11 Insurance**

- (a) During the term of the contract, the Vendor shall provide, at its sole cost and expense, commercial insurance of such types and with such terms and limits as may be reasonably associated with the contract. At a minimum, the Vendor shall provide and maintain the following coverage and limits:
  - (1) **Worker's Compensation Insurance:** The Vendor shall provide and maintain worker's compensation insurance, as required by the laws of the states in which its employees work, covering all of the Vendor's employees who are engaged in any work under the contract.
  - (2) **Employer's Liability Insurance:** The Vendor shall provide employer's liability insurance, with minimum limits of \$500,000.00, covering all of the Vendor's employees who are engaged in any work under the contract.
  - (3) **Commercial General Liability Insurance:** The Vendor shall provide commercial general liability insurance on a comprehensive broad form on an occurrence basis with a minimum combined single limit of \$1,000,000.00 for each occurrence.
  - (4) **Professional Liability Insurance:** The Vendor shall ensure that the Vendor's employees, agents, and subcontractors each maintain through an insurance company -- or through a program

of self-funded insurance -- professional liability insurance with limits of at least \$1,000,000 per occurrence and at least \$3,000,000 in the aggregate.

(5) **Automobile Liability Insurance:** The Vendor shall provide automobile liability insurance with a combined single limit of \$500,000.00 for bodily injury and property damage; a limit of \$500,000.00 for uninsured/under insured motorist coverage; and a limit of \$2,000.00 for medical payment coverage. The Vendor shall provide this insurance for all automobiles that are:

- (a) owned by the Vendor and used in the performance of this contract;
- (b) hired by the Vendor and used in the performance of this contract; and
- (c) owned by Vendor's employees and used in performance of this contract ("non-owned vehicle insurance"). Non-owned vehicle insurance protects employers when employees use their personal vehicles for work purposes. Non-owned vehicle insurance supplements, but does not replace, the car-owner's liability insurance.

The Vendor is not required to provide and maintain automobile liability insurance on any vehicle -- owned, hired, or non-owned -- unless the vehicle is used in the performance of this contract.

- (b) The insurance coverage minimums specified in subparagraph (a) are exclusive of defense costs.
- (c) The Vendor understands and agrees that the insurance coverage minimums specified in subparagraph (a) are not limits, or caps, on the Vendor's liability or obligations under this contract.
- (d) The Vendor may obtain a waiver of any one or more of the requirements in subparagraph (a) by demonstrating that it has insurance that provides protection that is equal to or greater than the coverage and limits specified in subparagraph (a). The Division shall be the sole judge of whether such a waiver should be granted.
- (e) The Vendor may obtain a waiver of any one or more of the requirements in paragraph (a) by demonstrating that it is self-insured and that its self-insurance provides protection that is equal to or greater than the coverage and limits specified in subparagraph (a). The Division shall be the sole judge of whether such a waiver should be granted.
- (f) Providing and maintaining the types and amounts of insurance or self-insurance specified in this paragraph is a material obligation of the Vendor and is of the essence of this contract.
- (g) The Vendor shall only obtain insurance from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in the State of North Carolina. All such insurance shall meet all laws of the State of North Carolina.
- (h) The Vendor shall comply at all times with all lawful terms and conditions of its insurance policies and all lawful requirements of its insurer.
- (i) The Vendor shall require its subcontractors to comply with the requirements of this paragraph.
- (j) The Vendor shall demonstrate its compliance with the requirements of this paragraph by submitting certificates of insurance to the Division before the Vendor begins work under this contract.

**9.12 Liability Claims Against The Vendor:** Neither the State of North Carolina, nor its employees shall be responsible for any liability claims against the Vendor.

#### **Default and Termination**

**9.13 Termination Without Cause:** The Division may terminate this contract without cause by giving **30 days written notice** to the Vendor. In that event, all finished or unfinished deliverable items prepared by the Vendor under this contract shall, at the option of the Division, become its property and the Vendor shall be entitled to receive just

and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made.

- 9.14 Termination for Cause:** If, through any cause, the Vendor shall fail to fulfill its obligations under this contract in a timely and proper manner, the Division shall have the right to terminate this contract by giving written notice to the Vendor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items prepared by the Vendor under this contract shall, at the option of the Division, become its property and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made. Notwithstanding the foregoing provision, the Vendor shall not be relieved of liability to the Division for damages sustained by the Division by virtue of the Vendor's breach of this agreement, and the Division may withhold any payment due the Vendor for the purpose of setoff until such time as the exact amount of damages due the Division from such breach can be determined. In case of default by the Vendor, without limiting any other remedies for breach available to it, the Division may procure the contract services from other sources and hold the Vendor responsible for any excess cost occasioned thereby. The filing of a petition for bankruptcy by the Vendor shall be an act of default under this contract.
- 9.15 Waiver of Default:** Waiver by the Division of any default or breach in compliance with the terms of this contract by the Vendor shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this contract unless stated to be such in writing, signed by an authorized representative of the Department and the Vendor and attached to the contract.
- 9.16 Availability of Funds:** The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Division.
- 9.17 Force Majeure:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.
- 9.18 Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

#### **Compliance with Applicable Laws**

- 9.19 Compliance with Laws:** The Vendor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.
- 9.20 Equal Employment Opportunity:** The Vendor shall comply with all federal and State laws relating to equal employment opportunity.
- 9.21 Health Insurance Portability and Accountability Act (HIPAA):** The Vendor agrees that, if the Division determines that some or all of the activities within the scope of this contract are subject to the Health Insurance Portability and Accountability Act of 1996, P.L. 104-91, as amended ("HIPAA"), or its implementing regulations, it will comply with the HIPAA requirements and will execute such agreements and practices as the Division may require to ensure compliance.

#### **Confidentiality**

- 9.22 Confidentiality Generally:** The Vendor shall maintain the confidentiality of all information, data, instruments, documents, studies or reports given to or prepared or assembled by the Vendor under this agreement and shall not disclose such information, data, instruments, documents, studies or reports to any third party without the prior written approval of the Division, except as otherwise expressly authorized by this contract.
- 9.23 Confidentiality of Patient Records:** The Vendor shall comply with all State and federal statutes, rules, and regulations governing the confidentiality of patient records.
- 9.24 Vendor Trade Secrets:**



- (a) If a Vendor discloses one or more of its trade secrets to the Division in response to an RFP or in connection with the Vendor's performance of a public contract, the Division can protect the trade secret from public disclosure to the extent permitted by G.S. § 132-1.2 and 9 NCAC 6B .1001 if the Vendor takes one or more of the following steps before disclosing the trade secret to the Division. If the Vendor determines that all of the information on any given page of a proposal or contract deliverable constitutes a trade secret, as that term is defined in G.S. § 66-152(3), the Vendor may designate the entire page as confidential by marking the top and bottom of the page with the word "**CONFIDENTIAL**" in upper-case bold-face type. If the Vendor determines that any given page of a proposal or contract deliverable contains a mixture of trade secrets and non-confidential information, the Vendor may highlight the trade secrets and indicate in the margins that the highlighted text constitutes a confidential trade secret. By so marking any page, the Vendor warrants that it has formed a good faith opinion, upon advice of counsel or other knowledgeable advisors, that the items marked confidential meet the requirements of G.S. §§ 66-152(3) and 132-1.2(1). Note that 9 NCAC 6B .1001 specifies that *price information may not be designated as confidential*.
- (b) The State may serve as the custodian of the Vendor's trade secrets but not as an arbiter of claims against the Vendor's assertion of confidentiality. If an action is brought pursuant to G.S. § 132-9 to compel the State to disclose information marked confidential, the Vendor agrees that it will intervene in the action through counsel and participate in defending the State and its officials and employees against the action. The Vendor agrees that it shall hold the State and its officials and employees harmless from any and all damages, costs, and attorneys' fees awarded against the State in the action. The State agrees to give the Vendor prompt written notice of any action seeking to compel the disclosure of Vendor's trade secrets. The State shall have the right, at its option and expense, to participate in the defense of the action through its counsel. The State shall have no liability to Vendor with respect to the disclosure of Vendor's trade secrets pursuant to an order issued by a court of competent jurisdiction pursuant to G.S. §132-9 or any other applicable law.

### **Intellectual Property Rights**

- 9.25 Copyrights and Ownership of Deliverables:** All deliverable items produced pursuant to this contract are the exclusive property of the Division. The Vendor shall not assert a claim of copyright or other property interest in such deliverables.
- 9.26 Federal Intellectual Property Bankruptcy Protection Act:** The Parties agree that the Division shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365 (n), and any amendments thereto.

### **Oversight**

- 9.27 Access to Persons and Records:** Pursuant to G.S. §§ 143-49(9) and 147-64.7, the State Auditor and the Department's internal auditors shall have access to persons, facilities, and records as a result of all contracts or grants entered into by the Division to verify accounts and data affecting fees or performance. The Vendor shall give the North Carolina State Auditor, the N.C. Department of Health and Human Services, the Division, and their employees and agents, access to all persons, books, records, and accounts necessary to enable those agencies to audit the Vendor's performance under this Contract.

**9.28 Record Retention:**

- (a) The Department of Health and Human Services' basic records retention policy requires all records to be retained for a minimum of three years following completion or termination of the contract. If the contract is subject to Federal policy and regulations, record retention will normally be longer than three years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this contract has been started before expiration of the three year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three year period described above, whichever is later. Therefore, records shall not be destroyed, purged or disposed of without the express written consent of the Division.

- (b) Upon contract termination, the Vendor shall turn all patient records over to the State or to the Vendor's successor, as directed by the State.

### **Warranties and Certifications**

- 9.29 Date and Time Warranty:** The Vendor warrants that the product(s) and service(s) furnished pursuant to this contract ("product" includes, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) that perform any date and/or time data recognition function, calculation, or sequencing will support a four digit year format and will provide accurate date/time data and leap year calculations. This warranty shall survive the termination or expiration of this contract.
- 9.30 Certification Regarding Collection of Taxes:** G.S. § 143-59.1 bars the Secretary of Administration from entering into contracts with Vendors that meet one of the conditions of G.S. § 105-164.8(b) and yet refuse to collect use taxes on sales of tangible personal property to purchasers in North Carolina. The conditions include: (a) maintenance of a retail establishment or office; (b) presence of representatives in the State that solicit sales or transact business on behalf of the Vendor; and (c) systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. The Vendor certifies that it and all of its affiliates (if any) collect all required taxes.

### **Miscellaneous**

- 9.31 Choice of Law:** The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties to this contract, are governed by the laws of North Carolina. The Vendor, by signing this contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.
- 9.32 Amendment:** This contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Division and the Vendor. The Purchase and Contract Divisions of the NC Department of Administration and the NC Department of Health and Human Services shall give prior approval to any amendment to a contract awarded through those offices.
- 9.33 Severability:** In the event that a court of competent jurisdiction holds that a provision or requirement of this contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this contract shall remain in full force and effect.
- 9.34 Headings:** The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.
- 9.35 Time of the Essence:** Time is of the essence in the performance of this contract.
- 9.36 Key Personnel:** The Vendor shall not replace any of the key personnel assigned to the performance of this contract without the prior written approval of the Division. The term "key personnel" includes any and all persons identified as such in the contract documents and any other persons subsequently identified as key personnel by the written agreement of the parties.
- 9.37 Care of Property:** The Vendor agrees that it shall be responsible for the proper custody and care of any property furnished to it for use in connection with the performance of this contract and will reimburse the Division for loss of, or damage to, such property. At the termination of this contract, the Vendor shall contact the Division for instructions as to the disposition of such property and shall comply with these instructions.
- 9.38 Travel Expenses:** The Vendor shall be responsible for all travel expenses arising out of the Vendor's performance of its duties under this Contract; the Division shall not reimburse the Vendor for any international travel expenses.

- 9.39 Sales/Use Tax Refunds:** If eligible, the Vendor and all subcontractors shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this contract, pursuant to G.S. § 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.
- 9.40 Advertising:** The Vendor shall not use the award of this contract as a part of any news release or commercial advertising.

**[Remainder of Page Intentionally Left Blank]**

**ATTACHMENT A**

**Certification of Compliance With G.S. 133-32 and Executive Order 24**

**Background**

- A. N.C. Gen. Stat. § 133-32 makes it unlawful for any vendor, Vendor, subcontractor, or supplier who: (1) has a contract with a governmental agency; or (2) has performed under such a contract within the past year; or (3) anticipates bidding on such a contract in the future; to make gifts or to give favors to any governmental officer or employee who is charged with the duty of: (1) preparing plans, specifications, or estimates for public contract; or (2) awarding or administering public contracts; or (3) inspecting or supervising construction.
- B. By means of Executive Order 24, signed on October 1, 2009, Governor Perdue expanded the prohibitions in N.C. Gen. Stat. § 133-32 to ban the giving of gifts and favors to *any* employee of the Cabinet agencies -- the Departments of Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, and Transportation and the Office of the Governor -- regardless of the nature of their official duties.
- C. Executive Order 24 can be viewed online at:  
<http://www.governor.state.nc.us/NewsItems/ExecutiveOrderDetail.aspx?newsItemID=665>
- D. N.C. Gen. Stat. § 133-32 can be viewed online at:  
<http://www.ncga.state.nc.us/gascripts/Statutes/StatutesTOC.pl>

**Certifications**

- 1. I certify that I understand that N.C. Gen. Stat. § 133-32 prohibits my organization, as a bidder on a public contract, from giving any gifts or favors to any governmental officer or employee who is charged with the duty of: (1) preparing plans, specifications, or estimates for public contract; or (2) awarding or administering public contracts; or (3) inspecting or supervising construction.
- 2. I certify that I understand that Executive Order 24 prohibits my organization, as a bidder on a public contract, from giving any gifts or favors to **any** employee of Cabinet agencies and the Office of the Governor.
- 3. I certify, on behalf of my organization and its employees and agents, that I have made reasonable inquiries and have found no evidence that any such prohibited gifts or favors have been offered or promised by any of my organization's employees or agents to any covered State officers or employees.
- 4. I certify that the language of this certification shall be included in all subcontracts at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subcontractors shall certify and disclose accordingly.
- 5. I understand that this certification is a material representation of fact; that the North Carolina Department of Health and Human Services will rely upon this certification if it decides to award a contract to my organization; and that submission of this certification is a prerequisite for State review of the attached proposal.

VENDOR NAME	E-MAIL ADDRESS
AUTHORIZED SIGNATURE	DATE
TYPED OR PRINTED NAME OF PERSON SIGNING	TYPED OR PRINTED TITLE OF PERSON SIGNING

**[This Certification Must Be Signed By The Same Individual Who Signed The Proposal Execution Page]**

**ATTACHMENT B**

**Federal Employer Identification Number**

**Vendor Name:** \_\_\_\_\_

**Vendor EIN or SSN:** \_\_\_\_\_

**ATTENTION**

Your Federal Employer Identification Number or Social Security Number will be used for internal processing. Pursuant to G.S. § 132-1.10(b), this page will be removed and shredded, or otherwise kept confidential, prior to the procurement file being made available for public inspection.

**THIS PAGE MUST BE FILLED OUT AND RETURNED WITH YOUR PROPOSAL**

**ATTACHMENT C**

**Cost Proposal**

Vendor Name: \_\_\_\_\_

The above-named Vendor hereby offers to provide all of the services described in the above-named RFP and in the Vendor's Technical Proposal, pursuant to the General Terms and Conditions specified in RFP Section 9, for the costs quoted in the attached Cost Tables 1 through 3.

\_\_\_\_\_  
Signature Date

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

[The Cost Proposal Must Be Signed By The Same Individual Who Signed The Proposal Execution Page]

**Instructions**

- (1) Use the following Cost Tables 1 through 3 to create your Cost Proposal.
- (2) Do not use any other tables or forms.
- (3) The costs to the State quoted in your Cost Proposal must cover all of your costs. No other payments will be made by the State for the services you render.
- (4) All costs quoted in your Cost Proposal must be firm and fixed for the duration of the contract, which could last as long as four years if the State exercises two one-year options.
- (5) The State may ask for clarification during the evaluation period but it is not required to do so. Cost Proposals that are incomplete or that contain significant inconsistencies may be rejected by the State without any request for clarification.
- (6) Unsigned Cost Proposals will be rejected by the State.

[Cost Proposal Continued on Next Page]

**COST PROPOSAL TABLES  
30-DMA-27996-13**

Name of Vendor:

---

The above-named Vendor hereby offers to provide all of the services described in the above-named RFP, pursuant to the terms and conditions specified in that RFP, for the costs quoted in the following Cost Tables.

**Cost Proposal Table 1: Implementation**

Implementation Costs (Include a description of each cost)	COST
	\$
	\$
	\$
	\$
	\$
TOTAL IMPLEMENTATION	\$

**Cost Proposal Table 2 – Per Member Per Month (PMPM)**

Estimated Number of Eligible Beneficiaries (based on SFY 2011)	PMPM Rate	(x 24 months) = TOTAL CONTRACT COST
1,469,243	\$	\$

**Cost Proposal Table 3 – TOTAL**

Cost Table 1 Total	Cost Table 2 Total	TOTAL
\$	\$	\$

- (1) Submit your Cost Proposal on the forms above by entering your cost figures in the indicated cells of the Cost Table. Do not use any other form.
- (2) The cost to the State quoted above must cover all of your costs. No other payments will be made by the State for the services rendered.
- (3) All costs quoted in the Cost Table shall be firm and fixed for the full term of the contract.

- (4) The Division has provided the Multipliers in Cost Table 2 for evaluation purposes only. The multipliers are not a guarantee of actual business volume.



**ATTACHMENT D**

**RFP No. 30-27996**

---

**Certification of Financial Condition**

Name of Vendor: \_\_\_\_\_

The undersigned hereby certifies that: [check all applicable boxes]

The Vendor is in sound financial condition and received an unqualified audit opinion for the latest audit of its financial statements.

Date of latest audit: \_\_\_\_\_

The Vendor has no outstanding liabilities to the Internal Revenue Service or other government entities.

The Vendor is not the subject of any current litigation or findings of noncompliance under federal or state law.

The Vendor has not been the subject of any past litigation or findings of any past litigation or findings of noncompliance under federal or state law.

He or she is authorized to make the foregoing statements on behalf of the Vendor.

**If any one or more of the foregoing boxes is NOT checked, please explain the reason in your proposal.**

---

Signature

Date

Printed Name

Title

**[This Certification Must Be Signed By The Same Individual Who Signed The Proposal Execution Page]**

## ATTACHMENT E

### NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES BUSINESS ASSOCIATE ADDENDUM TO STANDARD CONTRACT

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

#### 1. BACKGROUND

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

#### 2. DEFINITIONS

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

- a. “Electronic Protected Health Information” shall have the same meaning as the term “electronic protected health information” in 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- b. “HIPAA” means the Administrative Simplification Provisions, Sections 261 through 264, of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- c. “Individual” shall have the same meaning as the term “individual” in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
- d. “Privacy and Security Rules” shall mean the Standards for Privacy of Individually Identifiable Health Information and the Security Standards for the Protection of Electronic Protected Health Information set out in 45 CFR part 160 and part 164, subparts A and E.
- e. “Protected Health Information” shall have the same meaning as the term “protected health information” in 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- f. “Required By Law” shall have the same meaning as the term “required by law” in 45 CFR 164.103.

- g. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his designee.
- h. "Security Incident" shall have the same meaning as the term "security incident" in 45 CFR 164.304.
- i. Unless otherwise defined in this Agreement, terms used herein shall have the same meaning as those terms have in the Privacy and Security Rules.

### **3. OBLIGATIONS OF BUSINESS ASSOCIATE**

- a. Business Associate agrees to not use or disclose electronic protected health information or other protected health information other than as permitted or required by this Agreement or as required by law.
- b. Business Associate agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information and other protected health information that it creates, receives, maintains, or transmits on behalf of Covered Entity, as required by the Privacy and Security Rules.
- c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of electronic protected health information or other protected health information by Business Associate in violation of the requirements of this Agreement.
- d. Business Associate agrees to report to Covered Entity (i) any use or disclosure of electronic protected health information or other protected health information not provided for by this Agreement of which it becomes aware and (ii) any security incident of which it becomes aware.
- e. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides electronic protected health information and/or other protected health information received from, or created or received by Business Associate on behalf of Covered Entity (i) agrees to be bound by the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information, and (ii) agrees to implement reasonable and appropriate safeguards to protect such information.
- f. Business Associate agrees to provide access, at the request of Covered Entity, to electronic protected health information and other protected health information 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 CFR 164.524.
- g. Business Associate agrees, at the request of Covered Entity, to make any amendment(s) to electronic protected health information and other protected health information in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR 164.526.
- h. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records, including policies and procedures concerning electronic protected health information and other protected health information, relating to the use and disclosure of electronic protected health information and other protected health information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy and Security Rules.
- i. Business Associate agrees to document such disclosures of electronic protected health information and other protected health 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 electronic protected health information and other protected health information in accordance with 45 CFR 164.528, and to provide this information to Covered Entity or an individual to permit such a response.

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

- a. Except as otherwise limited in this Agreement or by other applicable law or agreement, if the Contract permits, Business Associate may use or disclose electronic protected health information and other protected health information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Contract, provided that such use or disclosure:
  - 1) would not violate the Privacy and Security Rules if done by Covered Entity; or

- 2) would not violate the minimum necessary policies and procedures of the Covered Entity.
- b. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Contract permits, Business Associate may use electronic protected health information and other protected health information as necessary for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- c. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Contract permits, Business Associate may disclose electronic protected health information and other protected health information for the proper management and administration of the Business Associate, provided that:
  - 1) disclosures are required by law; or
  - 2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- d. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Contract permits, Business Associate may use electronic protected health information and other protected health information to provide data aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B).
- e. Notwithstanding the foregoing provisions, Business Associate may not use or disclose electronic protected health information or other protected health information if the use or disclosure would violate any term of the Contract or other applicable law or agreements.

## 5. TERM AND TERMINATION

- a. Term. This Agreement shall be effective as of the effective date stated above and shall terminate when the Contract terminates.
- b. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
  - 1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and services provided by Business Associate, to the extent permissible by law, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
  - 2) Immediately terminate this Agreement and services provided by Business Associate, to the extent permissible by law; or
  - 3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy and Security Rules.
- c. Effect of Termination.
  - 1) Except as provided in paragraph (2) of this section or in the Contract or by other applicable law or agreements, upon termination of this Agreement and services provided by Business Associate, for any reason, Business Associate shall return or destroy all electronic protected health information and other protected health information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to electronic protected health information and other protected health information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the electronic protected health information or other protected health information..
- (1) In the event that Business Associate determines that returning or destroying the electronic protected health information or other protected health information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this Agreement to such electronic protected health information and other protected health information and limit further uses and disclosures of such electronic protected health information and other protected health information to those purposes that make the return or destruction infeasible, for so long as

Business Associate maintains such electronic protected health information and other protected health information.

**6. GENERAL TERMS AND CONDITIONS**

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

North Carolina Department of Health and Human Services,  
Division of Medical Assistance

Business Associate:

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT F**

**Federal Certifications And Disclosures**

**The undersigned states that:**

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

**[Signatures Follow on Next Page]**

Contractor's Name	
Signature of Contractor's Authorized Agent	Date
Printed Name of Authorized Agent	Title
Signature of Witness	Date
Printed Name of Witness	Witnesses Title

**[This Agreement Must Be Signed By The Same Individual Who Signed The Proposal Execution Page]**

The witness should be present when the Contractor's Authorized Agent signs this certification and should sign and date this document immediately thereafter.

**I. Certification Regarding Nondiscrimination**

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

**II. Certification Regarding Drug-Free Workplace Requirements**

- (1) **The Contractor certifies** that it will provide a drug-free workplace by:
  - (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

- (b) Establishing a drug-free awareness program to inform employees about:
  - (1) The dangers of drug abuse in the workplace;
  - (2) The Contractor's policy of maintaining a drug-free workplace;
  - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee be engaged in the performance of the agreement be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the agreement, the employee will:
  - (1) Abide by the terms of the statement; and
  - (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- (e) Notifying the Department within ten days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction;
- (f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
  - (1) taking appropriate personnel action against such an employee, up to and including termination; or
  - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

(2) The sites for the performance of work done in connection with the specific agreement are listed below (list all sites; add additional lines if necessary):

Street Address No. 1: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Street Address No. 2: \_\_\_\_\_



City, State, Zip Code: \_\_\_\_\_

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

### **III. Certification Regarding Environmental Tobacco Smoke**

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

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

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

#### **Instructions**

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

- (1) By signing and submitting this document, the prospective lower tier participant is providing the certification set out below.
- (2) The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originate may pursue available remedies, including suspension and/or debarment.
- (3) The prospective lower tier participant will provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (4) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered

transaction,” “participant,” “person,” “primary covered transaction,” “principal,” “proposal,” and “voluntarily excluded,” as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549, 45 CFR Part 76. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.

- (5) The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.
- (6) The prospective lower tier participant further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-- Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (7) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
- (8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (9) Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

### **Certification**

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

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

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

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

## **VI. Disclosure Of Lobbying Activities**

### **Instructions**

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

- (1) Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
- (2) Identify the status of the covered Federal action.
- (3) Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

- (4) Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Sub awards include but are not limited to subcontracts, subgrants and contract awards under grants.
- (5) If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
- (6) Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
- (7) Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
- (8) Enter the most appropriate Federal Identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
- (9) For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
- (10)
  - (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.
  - (b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).
- (11) Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
- (12) Check the appropriate boxes. Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
- (13) Check the appropriate boxes. Check all boxes that apply. If other, specify nature.
- (14) Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.

(15) Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.

(16) The certifying official shall sign and date the form, print his/her name, title, and telephone number.

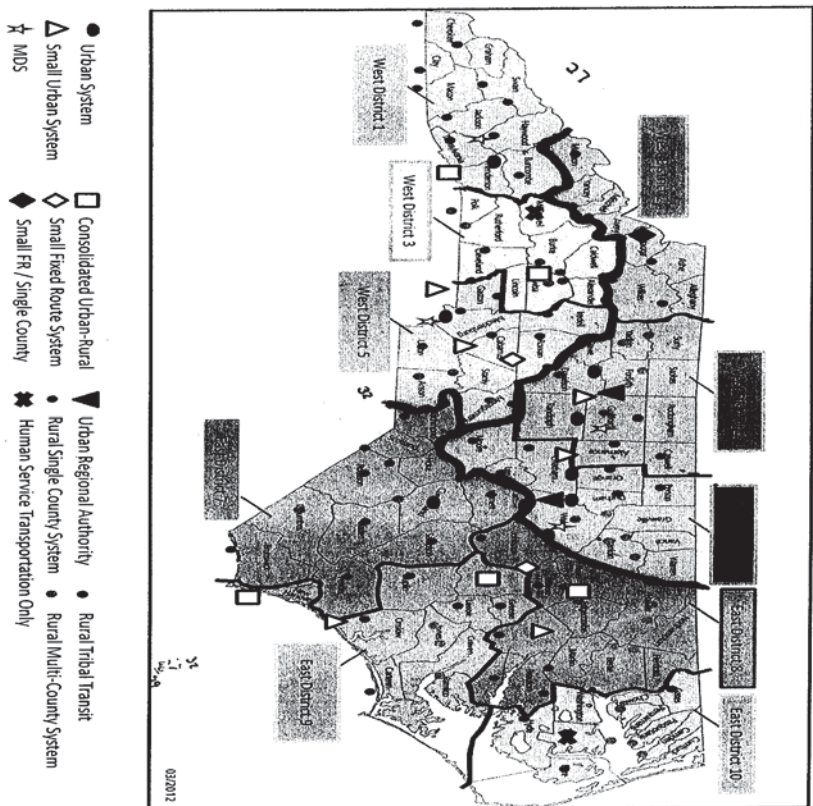
Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments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

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

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

Below is a map of the brokerage regions and a listing of the counties contained in each region



	<b>REGION I</b>	<b>REGION II</b>	<b>Region III</b>
1	Beaufort	Alamance	Alexander
2	Bertie	Alleghany	Anson
3	Bladen	Ashe	Buncombe
4	Brunswick	Avery	Burke
5	Camden	Chatham	Cabarrus
6	Carteret	Caswell	Caldwell
7	Chowan	Davidson	Catawba
8	Columbus	Davie	Clay
9	Craven	Durham	Cleveland
10	Cumberland	Forsyth	Cherokee
11	Currituck	Franklin	Gaston
12	Dare	Granville	Graham
13	Duplin	Guilford	Haywood
14	Edgecombe	Lee	Henderson
15	Gates	Madison	Iredell
16	Greene	Mitchell	Jackson
17	Halifax	Moore	Lincoln
18	Harnett	Orange	Macon
19	Hertford	Person	McDowell
20	Hoke	Randolph	Mecklenburg
21	Hyde	Rockingham	Montgomery
22	Johnston	Stokes	Polk
23	Jones	Surry	Rowan
24	Lenoir	Vance	Rutherford
25	Halifax	Wake	Stanley
26	Martin	Warren	Swain
27	Nash	Watauga	Union
28	New Hanover	Wilkes	
29	Northampton	Yadkin	
30	Onslow	Yancey	
31	Pamlico		
32	Pasquotank		
33	Pender		
34	Perquimans		
35	Pitt		
36	Richmond		
37	Robeson		
38	Sampson		
39	Scotland		
40	Tyrell		
41	Washington		
42	Wayne		
43	Wilson		