GOVERNMENT OF PUERTO RICO

Department of Health
Medicaid Program

Puerto Rico Medicaid Enterprise System

Medicaid Management Information System

Phase III Request for Proposal (RFP)

2021-PRMP-MES-MMIS-P3-001

August 27, 2021

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Section One: Executive Summary

1.1 Purpose of the RFP

The Puerto Rico Department of Health (PRDoH) Puerto Rico Medicaid Program (PRMP) issues this RFP to define minimum contract requirements; solicit responses; detail response requirements; and outline PRMP's process for evaluating responses and selecting a vendor to provide needed goods and/or services in support of its Medicaid Management Information System (MMIS) Phase III effort.

Through this RFP, PRMP seeks to procure necessary goods and/or services at the most favorable and competitive prices to give all qualified vendors an opportunity to do business with PRMP as contractors, subcontractors, or suppliers.

The purpose of this RFP is to competitively procure a solution for the PRMP Medicaid Enterprise Solution (MES) to support the establishment of a financial management module for PRMP's MMIS Phase III effort. The financial management module should be initially and primarily focused on those business processes necessary to support the calculation, production, and distribution of capitation payments to carriers; whereas, future solicitations will be focused on maturing other financial management business processes. This solution should improve core operational financial management functions, and improve the processing time and integration of financial data into a centralized location within the MES. The successful vendor should be prepared to support the implementation, maintenance, and operation of the solution.

1.2 Location

The PRMP central office is located at 268 Luis Muñoz Rivera Avenue Suite 501 in the World Plaza Building in San Juan, Puerto Rico.

1.3 RFP Schedule of Events

The schedule for the RFP process is given below. PRMP may change this schedule at any time. If PRMP changes the schedule before the Technical Bid Opening, it will do so through an announcement on the website [Procurement | Departamento de Salud de Puerto Rico](#) or via email from the Solicitation Coordinator. The announcement will be followed by an amendment to this RFP, also available through the website [Procurement | Departamento de Salud de Puerto Rico](#) or via email from the Solicitation Coordinator. It is each prospective vendor's responsibility to check the website for current information regarding this RFP and its schedule of events through award of the contract.

Table 1: Schedule of Events

RFP Released to Public.. 7/15/2021

Notice of Intent to Respond 7/23/2021

Vendor's Written Questions Submission Deadline (#1) 7/28/2021

Amendment #1 Issued 8/13/2021

Vendor's Written Questions Submission Deadline (#2) 8/20/2021

Amendment #2 Issued 8/27/2021

Proposal Submission Due Date 9/20/2021

Technical Bid Opening.. 9/21/2021

Technical Evaluation Begins 9/21/2021

Oral Presentations (If Requested) 10/18/2021

Cost Bid Opening 10/19/2021

Cost Evaluation Begins... 10/19/2021

Notice of Intent to Award 10/21/2021

Responses Open for Review 10/22/2021

Contract Award Made 11/19/2021

Contract Signature and Distribution 1/17/2021

There are references in this RFP to a myriad of dates and times. Unless it is clearly provided to the contrary in this RFP, any such reference means the date and time relative to the Commonwealth of Puerto Rico local time.

Section Two: Structure of the RFP

2.1 Organization

This RFP is organized into six (6) sections, eleven (11) attachments, and seven (7) appendices. The sections, attachments, and appendices are listed below. *There also may be one or more supplements to this RFP.*

2.2 Sections

Section 1	Executive Summary
Section 2	Structure of the RFP
Section 3	General Instructions
Section 4	Evaluation of Proposals
Section 5	Award of the Contract
Section 6	Attachments

2.3 Attachments

Attachment A	Cost Proposal
Attachment B	Title Page, Executive Summary, Subcontractor Letters, and Table of Contents
Attachment C	Vendor Qualifications and Experience
Attachment D	Project Organization and Staffing
Attachment E	Initial Project Schedule
Attachment F	Mandatory Requirements
Attachment G	Business Requirements Approach
Attachment H	Technical Requirements Approach
Attachment I	Implementation Requirements Approach
Attachment J	Maintenance and Operations Requirements Approach
Attachment K	Terms and Conditions Response

2.4 Appendices

Appendix 1	Deliverables Dictionary
Appendix 2	Staff Qualifications, Experience, and Responsibilities
Appendix 3	Service Level Agreements (SLAs) and Performance Standards
Appendix 4	Procurement Library
Appendix 5	Acronyms, Abbreviations, and Terms Glossary
Appendix 6	IT Terms and Conditions
Appendix 7	Proforma Contract Draft

Section Three: General Instructions

This section will provide general instructions on the scope of service, contract period, and required terms and conditions. The term "must," stipulates and identifies required terms and conditions, and mandatory requirements.

3.1 Scope of Service, Contract Period, & Required Terms and Conditions

The MMIS Phase III solution contract is for two (2) years with three (3) optional two-year extensions (potential for eight (8) years total). Contract award is contingent upon CMS and PRDoH approval of the contract and associated funding for the existing federal fiscal year (FFY) as well as two subsequent FFYs. PRMP anticipates the need to execute contract amendments up through the close of the eight-year contract or up through the time the contract is terminated (whichever is sooner). Each contract amendment would will be reflective solely of those costs detailed within the proposal response unless otherwise approved by PRDoH.

A draft contract is provided in **Appendix 7: Proforma Contract Draft**, and it details PRMP's non-negotiable terms and conditions:

➢ Scope of Service

➢ Contract Period

➢ Payment Terms

➢ Standard Terms and Conditions, including tax requirements with which the selected vendor must comply in Puerto Rico

The Proforma contract represents an example of the contract document that the successful vendor must sign. A copy of a draft Business Associate Agreement (BAA) is also included within **Appendix 7: Proforma Contract Draft**.

3.2 Nondiscrimination

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the vendor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or local (Puerto Rico) laws. The vendor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination

3.3 RFP Communications

PRMP has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

2021-PRMP-MES-MMIS-P3-001

Unauthorized contact about this RFP with employees or officials of Puerto Rico except as detailed below may result in disqualification from consideration under this procurement process.

Vendors must direct communications concerning this RFP to the following person designated as the Solicitation Coordinator and the email address for all solicitation communications:

Lourdes Arroyo Lopez, Lourdes.arroyo@salud.pr.gov

Only PRMP's official, written responses and communications with vendors are binding with regards to this RFP. Oral communications between a PRMP official and one or more vendors are unofficial and non-binding.

Vendors must ensure that PRMP receives all questions and comments via email, including questions and requests for clarification, no later than the questions submission deadline detailed in *Section One: Executive Summary, Section 1.3: RFP Schedule of Events*.

Vendors must assume the risk of the method of dispatching any communication or response to PRMP. PRMP assumes no responsibility for delays or delivery failures resulting from the vendor's method of dispatch. Actual or digital "postmarking" of a communication or response to PRMP by a specified deadline is not a substitute for PRMP's actual receipt of a communication or response.

PRMP will convey all official responses and communications related to this RFP to the vendors from whom PRMP has received a Notice of Intent to Respond.

PRMP reserves the right to determine, at its sole discretion, the method of conveying official, written responses and communications related to this RFP. Such written communications may be transmitted by mail, hand-delivery, facsimile, electronic mail, internet posting, or any other means deemed reasonable by PRMP.

PRMP reserves the right to determine, at its sole discretion, the appropriateness and adequacy of responses to written comments, questions, and requests related to this RFP. PRMP's official, written responses will constitute an amendment of this RFP.

Any data or factual information provided by PRMP (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. PRMP will make reasonable efforts to help ensure the accuracy of such data or information; however, the vendor is obliged to independently verify any data or information provided by PRMP. PRMP expressly disclaims the accuracy of any information or data that it provides to vendors.

Vendors with a handicap or disability may receive accommodations relating to the communication of this RFP and participation in the RFP process. Vendors may contact the Solicitation Coordinator to request such reasonable accommodation.

3.4 Vendors Required Review and Waiver of Objections

Each vendor should carefully review this RFP, including but not limited to, attachments, appendices, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called "questions and comments").

Any vendor having questions and comments concerning this RFP must provide them in writing to PRMP no later than the Questions Submission Deadline detailed in *Section One: Executive Summary, Section 1.3: RFP Schedule of Events*.

Challenges based on any objection to the RFP shall be considered waived and invalid if the objection has not been brought to the attention of PRMP, in writing, in the period established in *Section One: Executive Summary, Section 1.3: RFP Schedule of Events*.

3.5 Notice of Intent to Respond

Vendors should submit to the Solicitation Coordinator a Notice of Intent to Respond (in the form of a simple email or other written communication). Such notice should include the following information:

- ➢ The business or individual's name (as appropriate)
- ➢ A contact person's name and title
- ➢ The contact person's mailing address, telephone number, facsimile number, and email address

A Notice of Intent to Respond creates no obligation and is not a prerequisite for submitting a response; however, it is necessary to help ensure receipt of any RFP amendments or other notices and communications relating to this RFP.

3.6 Proposal Submission

A vendor must ensure that PRMP receives a response no later than the submission deadline time and date detailed in *Section One: Executive Summary, Section 1.3 RFP Schedule of Events*. PRMP will not accept late responses, and a vendor's failure to submit a response before the deadline will result in disqualification of the response. It is the responsibility of the vendor to ascertain any additional security requirements with respect to packaging and delivery to PRMP. Vendors should be mindful of any potential delays due to security screening, weather, mail delays, pandemic restrictions, and orders of stay or other filing delays whether foreseeable or unforeseeable.

3.7 Amendments to the RFP

PRMP, at its sole discretion, may amend this RFP in writing at any time prior to contract award. However, prior, to any such amendment, PRMP will consider whether it would negatively impact the ability of potential vendors to meet the submission deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, PRMP will convey it to vendors who submitted a Notice of Intent to Respond. A response must address the final RFP (including its attachments) as amended.

3.8 RFP Cancellation

PRMP reserves the right, at its sole discretion, to cancel the RFP or to cancel and reissue this RFP in accordance with applicable laws and regulations at any given time.

3.9 PRMP Right of Rejection

Subject to applicable laws and regulations, PRMP reserves the right to reject, at its sole discretion, any and all responses.

PRMP may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, PRMP reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If PRMP waives variances in a response, such waiver shall not modify the RFP requirements or excuse the vendor from full compliance, and PRMP may hold any resulting vendor to strict compliance with this RFP.

3.10 Proposal Submittal and Instructions

3.10.1 Economy of Preparation

Proposals should be prepared simply and economically providing a concise description of the items requested within this RFP. Emphasis should be placed on completeness and clarity of the content.

3.10.2 Incurring Cost

Neither PRMP nor any of its employees or officers shall be held liable for any expenses incurred by any vendor responding to this RFP, including but not limited to preparation, delivery, or travel.

3.10.3 Proposal Format

These instructions describe the required format for a vendor's bid proposal. The vendor may include any additional information it believes is relevant. The vendor should leverage the format, contents, and structure in the RFP attachments. Moreover, the structure of each attachment provides the vendor with a template for an in-line response to the RFP. At times, the use of Microsoft Excel® will be necessary in order to respond. An identifiable tab sheet should precede each section of the proposal, and each proposal should follow the format outlined below. All pages, except preprinted technical inserts, should be sequentially numbered.

To ensure that each proposal addresses the required sections of the RFP, vendors should identify and address each RFP requirement using the associated requirement identification number and language. The vendor should provide its proposed solution or response to the requirements in-line. Please note that vendors are expected to provide a 'one-to-one' response; in other words, each requirement should be easily identifiable with a corresponding response.

Figure 1: Example of Expected RFP Response Format provides an example of the expected format for responding to the RFP requirements within each category and subcategory. The example provided is for the *Attachment G: Business Requirements Approach* and list two (2) of the subcategories with an example of a requirement within the category.

Figure 1: Example of Expected RFP Response Format

Attachment G: Business Requirements Approach

Instructions: The vendor should provide a narrative overview of how the proposed system will meet the business requirements. Use the response sections to provide specific details of the proposed approach to meeting the business requirements in each subcategory. Responses should reference requirements and relevant mandatory requirements using the appropriate IDs from *Supplement Two: Detailed Requirements* and *Attachment F: Mandatory Requirements*. PRMP also expects the vendor to propose its approach for meeting any narrative included in *Supplement One: Project Requirements, Section 3: Scope of Work* of this RFP. Responses in this section should be highly focused on the business processes, technology, and requirements and not simply provide generic or marketing descriptions of solution capabilities.

If the vendor is proposing a phased implementation, the vendor should indicate how that approach will affect functionality. PRMP is interested in the vendor proposing a phased implementation approach that allows for early deployment of solution functionality. Additionally, the vendor should indicate exception handling processes where appropriate and any dependencies on existing systems or components of the new system to provide the specified functionality.

Accounts Payable Information and Disbursement

Refer to the relevant business requirements located in *Supplement Two: Detailed Requirements* and pertinent narrative in *Supplement One: Project Requirements, Section 3 Scope of Work* in this RFP to cover solution capabilities in this area. The vendor should describe its approach towards fulfilling the business and functional requirements below. The narrative response for this category should be organized using the appropriate subcategory as per *Supplement Two: Detailed Requirements*.

BF-001

The solution should provide the capability to access individual beneficiary claims and/or encounter histories to extract data needed to produce annual reports to Centers for Medicare & Medicaid Services (CMS) on services amount.

<Response>

Beneficiary Data

Refer to the relevant business requirements located in *Supplement Two: Detailed Requirements* and pertinent narrative in *Supplement One: Project Requirements, Section 3 Scope of Work* in this RFP to cover solution capabilities in this area. The vendor should describe its approach towards fulfilling the business and functional requirements below. The narrative response for this category should be organized using the appropriate subcategory as per *Supplement Two: Detailed Requirements*.

BF-010

The solution should support a beneficiary data set that contains data elements, including, but not limited to: a. Premium payment calculation b. Premium payments

The vendor should include the following information in the attachments:

➢ A response to any applicable section of the RFP narrative located in *Section 3.0: Scope of Work*

➢ A response to requirements in *Supplement Two: Detailed Requirements*

> ➢ Applicable references and responses to any mandatory requirements provided in ***Attachment F: Mandatory Requirements***

> ➢ A response to any content requested within the attachments/response templates

Each proposal should include a response to every request for information in this RFP whether the request requires a simple "yes" or "no" or requires a detailed explanation. When a detailed response is required, simply repeating the RFP's requirement and agreeing to comply may not be an acceptable response and may cause the proposal to be disqualified.

As detailed in ***Attachment F: Mandatory Requirements*** and ***Section 4.6.2 Failure to Meet Mandatory Requirements***, the mandatory requirements must be met by the vendor as a part of the submitted proposal. Failure on the part of the vendor to meet any of the mandatory requirements may result in disqualification of the proposal, at the sole discretion of PRMP. Mandatory requirements are not scored, but are reviewed on a "pass" or "fail" basis.

Vendors are advised to limit marketing statements and positioning to the area(s) of the RFP applicable to those statement(s) and not include duplicative or otherwise repetitive statements throughout its response. The vendor's in-line responses, inclusive of the text of PRMP's specifications, should not exceed 550 total pages. Vendors must choose a similarly sized typeface (generally 11 point for text and 9 point for tables) for PRMP's requirements and not utilize smaller than 9 point fonts to work within this page limit restriction. The page limit counts front and back of each sheet as separate pages. This page limit will not apply to following RFP components:

> ➢ ***Attachment C: Vendor Qualifications & Experience***, the following sections only:

> > ✓ Section 4: Business Disputes

> > ✓ Section 6: Financial Stability

> ➢ ***Attachment D: Project Organization and Staffing***, the following section only:

> > ✓ Section 3: "Resumes and References"

> ➢ ***Attachment E: Initial Project Schedule***

> ➢ ***Attachment K: Terms and Conditions Template***

> ➢ Sample Reports

Each proposal should contain the following tabbed sections outlined below in the in-line response. In general, where assumptions are noted, vendors are permitted to add a section to the attachments templates that allow for assumptions to be noted. Assumptions should not be provided in lieu of exceptions.

Vendor responses should be sure to address both sections noted below in Table 2 as well as those sections' related subsections noted in the RFP.

Table 2: Expected Proposal Sections and Content Structure

Proposal Section	Response Template/Contents
Cost Proposal	**Attachment A: Cost Proposal**
Contents:	▪ Microsoft Excel® workbook: Attachment A

Proposal Section	Response Template/Contents
Technical Proposal	**Attachment B: Title Page, Executive Summary, Subcontractor Letters and Table of Contents**
Contents:	▪ Title Page ▪ Vendor Information ▪ Executive Summary ▪ Subcontractor Letters ▪ Table of Contents ▪ Disclosure of Response Contents
Technical Proposal	**Attachment C: Vendor Qualifications and Experience**
Contents:	▪ Organization Overview ▪ Mandatory Qualifications ▪ Existing Business Relationships with Puerto Rico ▪ Business Disputes ▪ References ▪ Financial Stability
Technical Proposal	**Attachment D: Project Organization and Staffing**
Contents:	▪ Initial Staffing Plan ▪ Use of PRMP Staff ▪ Key Staff, Resumes, and References
Technical Proposal	**Attachment E: Initial Project Schedule**
Contents:	▪ Initial Project Schedule
Technical Proposal	**Attachment F: Mandatory Requirements**
Contents:	▪ Proposed Solution ▪ Assumptions (if applicable)
Technical Proposal	**Attachment G: Business Requirements Approach**
Contents:	▪ Proposed Solution ▪ Assumptions (if applicable)
Technical Proposal	**Attachment H: Technical Requirements Approach**
Contents:	▪ Proposed Solution ▪ Assumptions (if applicable)
Technical Proposal	**Attachment I: Implementation Requirements Approach**
Contents:	▪ Proposed Solution ▪ Assumptions (if applicable)
Technical Proposal	**Attachment J: Maintenance and Operations Requirements Approach**
Contents:	▪ Proposed Solution ▪ Assumptions (if applicable)

Proposal Section	Response Template/Contents
Technical Proposal	**Attachment K: Terms and Conditions Response**
Contents	▪ RFP Terms and Conditions ▪ Customary Terms and Conditions ▪ Mandatory Requirements and Terms ▪ Commercial Materials ▪ Exceptions (if applicable)
Technical Proposal	▪ **Appendix F: Mandatory Requirements**
Contents:	Microsoft Excel® workbook: Appendix F
Technical Proposal	▪ **Supplement Two: Detailed Requirements**
Contents:	Microsoft Excel® workbook: Supplement Two

3.10.4 Two-Part Submission

Vendors should submit proposals in two distinct parts: technical and cost. Technical proposals should not contain any cost information relating to the project. Cost proposal should contain all cost information and should be sealed in a separate envelope from the technical proposal to facilitate a secondary cost proposal opening. In addition to printed copies of the technical and cost proposals, the vendor should submit two (2) electronic copies of their technical proposal (PDF and Microsoft Excel®, as appropriate) and cost proposal (Microsoft Excel®). Please submit separate USBs or other electronic media for both the technical and cost proposals for a total of four USBs (two technical proposals and two cost proposals). Please submit ten printed copies of both the technical and cost proposals, and be sure the technical and cost proposals are packaged separately.

Proposals should be submitted to the below mailing address:

> Puerto Rico Department of Health
> Medicaid Program, ATTN: Lourdes Arroyo-Lopez
> 268 Luis Muñoz Riveria Ave.
> World Plaza – 12th Floor (Suite 12)
> San Juan, Puerto Rico 00918

3.10.5 Response Reference

The vendor's response should clearly reference how the information provided applies to the RFP request. For example, listing the RFP number and restating the RFP request as a header in the proposal would be considered a clear reference.

3.11 Changes to Proposals

A vendor is responsible for any, and all response errors and/or omissions. A vendor is not allowed to alter or revise response documents after the submission deadline date and time detailed in *Section One: Executive Summary, Section 1.3: RFP Schedule of Events*.

3.12 Withdrawal of Proposals

A vendor may withdraw a submitted response at any time before the submission deadline date and time detailed in *Section One: Executive Summary, Section: 1.3 RFP Schedule of Events* by submitting a written request signed by an authorized vendor representative. After withdrawing a response, a vendor may submit another response at any time before the submission deadline. After the submission deadline, a vendor may only withdraw all or a portion of a response where the enforcement of the response would impose an unconscionable hardship on the vendor.

3.13 Multiple Proposals

A vendor must not submit multiple responses in different forms, as principal or subcontractor.

Section Four: Evaluation of Proposals

The following section provides information on the process for evaluation of proposals, proposal rejections, proposal disqualifications, evaluation criteria, technical bid opening, cost bid opening reference checks and the process for requests for additional information and oral presentations (if requested)

4.1 Rejection of Proposals

Subject to applicable laws and regulations, PRMP reserves the right to reject, at its sole discretion, any and all responses.

PRMP may deem as non-responsive and reject any response that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, PRMP reserves the right to waive, at its sole discretion, minor variances from full compliance with this RFP. If PRMP waives variances in a response, such waiver shall not modify the RFP requirements or excuse the vendor from full compliance, and PRMP may hold any resulting vendor to strict compliance with this RFP.

4.2 Evaluation Process

Proposals will be evaluated in two (2) parts by a committee of three (3) or more individuals. The first evaluation will be of the technical proposal and the second is an evaluation of the cost proposal. The vendor who demonstrates that it meets all of the mandatory requirements, attains the minimum acceptable score, and attains the highest overall point score of all vendors shall be awarded the Contract.

4.3 Evaluation Criteria

Proposals will be evaluated based on criteria set forth in the solicitation and information contained in the proposals submitted in response to the solicitation. Proposals passing the Initial Review will be evaluated and scored across five (5) global criteria, with each receiving a percentage of the overall total (1000) points if oral presentations are requested, as seen in the image below. The technical evaluation will be based upon the point allocations designated below for a total of 700 of the 1000 points. Cost represents 300 of the 1000 total points.

If oral presentations are not requested the technical evaluation will be based upon the point allocations designated below for a total of 685 of 985 total points and cost represents 300 of 985 total points.

Figure 2: Evaluation Review Criteria and Point Structure provides the Evaluation Review Criteria and Point Structure, and ***Table 3: Scoring Allocation*** provides the scoring allocations.

Figure 2: Evaluation Review Criteria and Point Structure
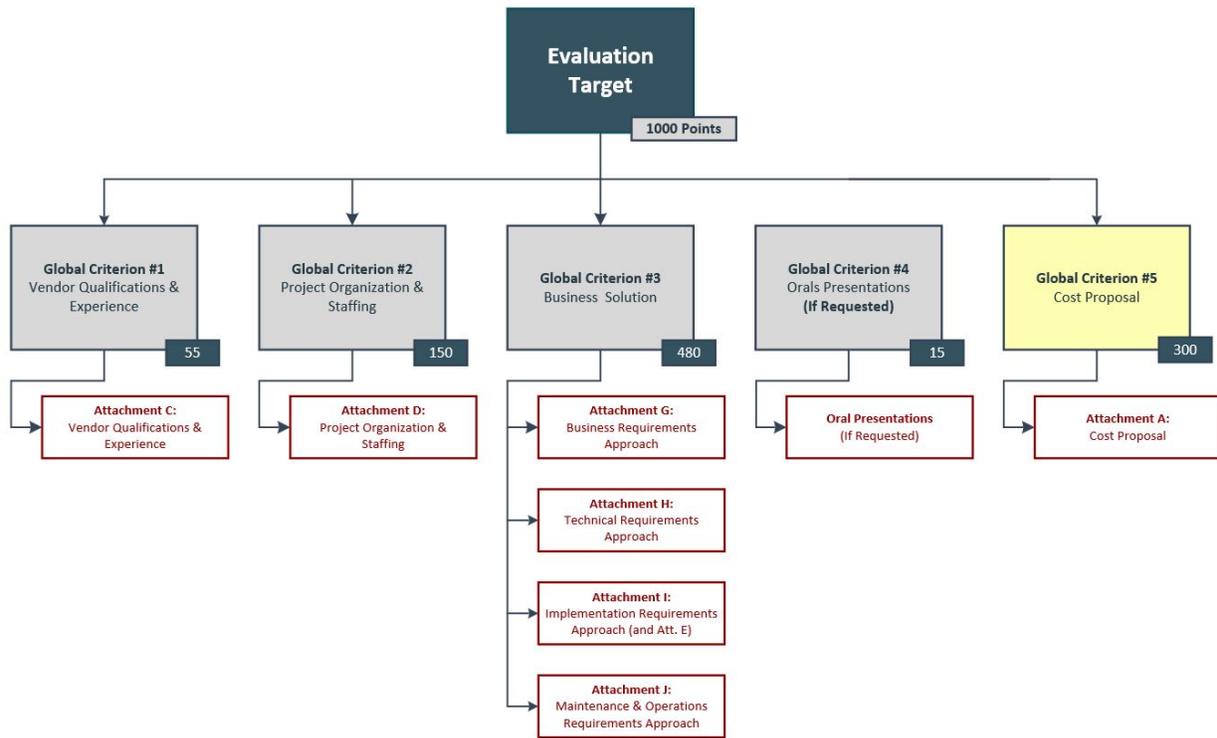
Table 3: Scoring Allocations

Scoring Area	Points Allocated
Global Criterion 1: Vendor Qualifications and Experience	55 Points Possible
Global Criterion 2: Project Organization and Staffing	150 Points Possible
Global Criterion 3: Business Solution	480 Points Possible
Global Criterion 4: Orals Presentations (If Requested)	15 Points Possible
Global Criterion 5: Cost Proposal	300 Points Possible
Total Points Possible if Oral Presentations are Requested	**1000 Points**
Total Points Possible if No Oral Presentations are Requested	**985 Points**

4.4 Scoring Formula

This section describes the cost proposal scoring formula process.

Each cost proposal will be scored by use of the following formula for all vendors who attained the minimum acceptable score:

Lowest price of all proposals

_____ X 300 = Price Score

Price of Proposal being evaluated

4.5 Clarifications and Corrections

If the Solicitation Coordinator determines that a response failed to meet one or more of the mandatory requirements, the proposal evaluation team will review the response and document the team's determination of whether:

➢ The response adequately meets RFP requirements for further evaluation

➢ PRMP will request clarifications or corrections for consideration prior to further evaluation

➢ PRMP will determine the response to be non-responsive to the RFP and reject it

4.6 Technical Bid Opening and Evaluation

At the technical bid opening, PRMP will open and announce the technical proposals received prior to the bid opening deadline. Once opened, the technical proposals will be provided to the evaluation committee for technical evaluation. The evaluation committee will review the technical proposals, assign points where appropriate, and make a final written recommendation to PRMP.

4.7 Proposal Disqualification

4.7.1 Minimum Acceptable Score (MAS)

Vendors must score a minimum of 70% (490 points) of the total technical points possible in order to move past the technical evaluation and have their cost proposals evaluated. All vendor proposals not attaining the MAS will be disqualified.

4.7.2 Failure to Meet Mandatory Requirements

Vendors must meet or exceed all mandatory requirements in order to move past the technical evaluation and have their cost proposals evaluated. Proposals failing to meet one or more mandatory requirements of the RFP will be disqualified.

4.8 Cost Bid Opening and Evaluation

PRMP will schedule a date and time to publicly open and announce cost proposals after technical evaluation has been completed and PRMP has approved the technical recommendation of the evaluation committee. All cost bids received will be opened. Cost bids for disqualified proposals will be opened for record keeping purposes only and will not be evaluated or considered. Once opened, the cost proposals will be provided to the evaluation committee for cost evaluation.

PRMP reserves the right to disqualify a proposal based upon deficiencies in the technical proposal even after the cost evaluation.

The evaluation committee will review the cost proposals, assign points, and make a final recommendation to PRMP.

4.9 Requests for More Information

PRMP may request oral presentations of vendors participating in the RFP process. The Schedule of Events is listed in *Section One: Executive Summary*. During oral presentations, vendors may not alter or add to their submitted proposal, but only clarify information. Oral presentations will be the opportunity for the vendor to demonstrate its understanding in meeting the goals and objectives of the RFP. A description of the materials and information to be presented will be provided prior to the oral presentations.

Oral presentations may be held using virtual platforms like Microsoft Teams® or Zoom due to social distance and space limitations.

If the meeting is held on premises it will likely be held at:

PRMP Central Office

World Plaza Building 5th floor

268 Muñoz Rivera Avenue

San Juan, PR 00918

The vendor should be prepared to coordinate any additional connectivity needs for its oral presentation prior to the oral presentation, if required.

4.10 Reference Checks

PRMP may conduct reference checks to verify and validate the past performance of the vendor and its proposed subcontractors.

4.10.1 Vendor (Prime) References Form

Include at least three (3) references from projects performed within the last three (3) years that demonstrate the vendor's ability to perform the scope of work described in this RFP. The vendor should provide three (3) different clients/projects in order to demonstrate their experience.

Vendor should include project description, contract dates, and contact information (customer points of contact, addresses, telephone numbers, and email addresses). The vendor should explain whether it performed the work as a prime contractor or as a subcontractor.

The vendor is NOT to change any of the pre-filled cells in the following tables.
The vendor may add additional reference tables as necessary.

Table 4: Vendor References

Vendor Information		
Vendor Name:	Contact Name:	
	Contact Phone:	
Customer Information		
Customer Organization:	Contact Name:	
	Contact Title:	
Customer Address:	Contact Phone:	

		Contact Email:		17

Project Information				
Total Vendor Staff:				
Project Objectives:				
Project Description:				
Vendor's Involvement:				
Project Benefits:				

Key Personnel	
Name: (Add more rows as needed)	Role: (Add more rows as needed)
Name: (Add more rows as needed)	Role: (Add more rows as needed)

Project Measurements:				
Estimated one-time costs:		Actual one-time costs:		
Reason(s) for change in one-time cost:				
Original Value of Vendor's Contract:		Actual Total Contract Value:		
Reason(s) for change in value:				
Estimated Start & Completion Dates:	From:		To:	
Actual Start & Completion Dates:	From:		To:	
Reason(s) for difference between Estimated and Actual dates:				
If the vendor performed the work as a Subcontractor, the vendor should describe the scope of subcontracted activities:				

4.10.2 Subcontractor References (if applicable)

If the vendor's proposal includes the use of subcontractor(s), provide three (3) references for each subcontractor. **PRMP prefers references that demonstrate where the Prime and Subcontractors have worked together in the past.**

Table 5: Subcontractor References

Subcontractor Information		
Vendor Name:	Contact Name:	
	Contact Phone:	
Customer Information		
Customer Organization:	Contact Name:	
	Contact Title:	
Customer Address:	Contact Phone:	
	Contact Email:	
Project Information		
Total Vendor Staff:		
Project Objectives:		
Project Description:		
Vendor's Involvement:		
Project Benefits:		
Key Personnel		
Name: (Add more rows as needed)	Role: (Add more rows as needed)	
Name: (Add more rows as needed)	Role: (Add more rows as needed)	
Project Measurements:		
Estimated one-time costs:	Actual one-time costs:	
Reason(s) for change in one-time cost:		
Original Value of Vendor's Contract:	Actual Total Contract Value:	
Reason(s) for change in value:		

Estimated Start & Completion Dates:	From:		To:
Actual Start & Completion Dates:	From:		To:
Reason(s) for difference between Estimated and Actual dates:			
If the vendor performed the work as a Subcontractor, the vendor should describe the scope of subcontracted activities:			

4.11 Financial Stability

The vendor should provide the following components for this section:

4.11.1 Dun & Bradstreet (D&B) Ratings

The vendor should provide the industry standard D&B ratings that indicate its financial strength and creditworthiness, assigned to most U.S. and Canadian firms (and some firms of other nationalities) by the U.S. firm D&B. These ratings are based on a firm's worth and composite credit appraisal. Additional information is given in credit reports (published by D&B) that contain the firm's financial statements and credit payment history.

4.11.2 Financial Capacity

The vendor should supply evidence of financial stability sufficient to demonstrate reasonable stability and solvency appropriate to the requirements of this procurement.

In the following table, please list credit references that can verify the financial standing for your company.

Table 6: Credit References

Institution	Address	Phone Number

Section Five: Award of the Contract

This section provides the vendor with information on the process for contract award, the process for contract clarification and negotiations, the disclosure of responses to the public, failure to negotiate.

5.1 Clarifications and Negotiations

PRMP reserves the right to award a contract on the basis of initial responses received; therefore, each response shall contain the vendor's best terms and conditions from a technical and cost standpoint. PRMP reserves the right to conduct clarifications or negotiations with one or more vendors. All communications, clarifications, and negotiations shall be conducted in a manner that supports fairness in response improvement

5.2 Contract Clarifications

PRMP reserves the right to award a contract on the basis of initial responses received; therefore, each response shall contain the vendor's best terms and conditions from a technical and cost standpoint. PRMP reserves the right to conduct clarifications or negotiations with one or more vendors. All communications, clarifications, and negotiations shall be conducted in a manner that supports fairness in response improvement.

5.3 Contract Negotiations

PRMP may elect to negotiate with one or more vendors by requesting revised responses, negotiating costs, or finalizing contract terms and conditions. PRMP reserves the right to conduct multiple negotiation rounds or no negotiations at all.

5.4 Cost Negotiations

All vendors, selected for negotiation by PRMP, will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, PRMP may conduct target pricing and other goods or services level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other methods that do not reveal individual vendor pricing. During target price negotiations, vendors are not obligated to reduce their pricing to target prices, but no vendor is allowed to increase prices.

5.5 Failure to Negotiate

If PRMP determines that it is unable to successfully negotiate terms and conditions of a contract with the apparent best evaluated vendor, then PRMP reserves the right to bypass the apparent best-ranked vendor and enter into terms and conditions contract negotiations with the next apparent best-ranked vendor.

5.6 Disclosure of Response Contents

All materials submitted to PRMP in response to this RFP shall become the property of the Government of Puerto Rico. Selection of rejection of a response does not affect this right. By

submitting a response, a vendor acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of Puerto Rico. If a vendor determines there is a "Trade Secret" contained in the proposal, the vendor must send a written notification to the Solicitation Coordinator when submitting the proposal to prevent public disclosure of the "Trade Secret." A redacted version of the technical proposal may be provided to PRMP in the event that there are 'trade secrets' the proposing Vendor wishes to not be made public. A redacted proposal should be provided separately from the technical and cost envelopes, and should be in addition to (not in place of) the actual technical or cost proposal. PRMP will keep all response information confidential, including both technical and cost information, during the evaluation process, except for the questions and answers before the submittal of proposals.

Vendors are encouraged to provide a redacted version of the technical proposal to PRMP in the event that there are 'trade secrets' the proposing Vendor wishes not be made public. A redacted proposal should be provided separately from the technical and cost envelopes, and should be in addition to (not in place of) the actual technical or cost proposal.

Upon completion of response evaluations, indicated by public release of a Notice of Intent to Award, the responses and associated materials will be open for review at [Procurement | Departamento de Salud de Puerto Rico](#) or at an alternative location as defined by PRMP. Any trade secrets notified by the vendor to the Solicitation Coordinator will be excluded from public release.

By signing below, I certify that I have reviewed this Request for Proposal (and all of the related Amendments) in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this proposal for review and consideration; that I am authorized by the vendor to execute this bid or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that, to the best of my knowledge, the vendor has properly registered with any Puerto Rico agency that may require registration.

Please include this disclosure and signature within Attachment B of the technical proposal response.

_____

(Company)

_____

(Representative Name, Title)

_____

(Contact Phone/Fax Number)

_____

(Date)

5.7 Contract Award Process

The Solicitation Coordinator will submit the proposal evaluation team determinations and scores to the PRMP Executive Director for consideration along with any other relevant information that might be available and pertinent to contract award.

The PRMP Executive Director will review the apparent best-ranked evaluated vendor. If the PRMP Executive Director determines that PRMP is going to award the contract to a vendor other than the one receiving the highest evaluation process score, then the Executive Director will provide written justification and obtain the written approval of the PRDoH Secretary.

Subsequent to identification of the awarded vendor, PRMP will issue a Notice of Intent to Award, identifying the apparent best-ranked response and make the RFP files available for public inspection at the time and date specified in *Section One: Executive Summary, Section 1.3: RFP Schedule of Events*.

The Notice of Intent to Award shall not create rights, interests, or claims of entitlement in either the apparent best-ranked vendor or any other vendor.

The vendor identified as offering the apparent best-ranked response must sign a contract drawn by PRMP pursuant to this RFP. The contract shall be similar to that detailed within *Appendix 7: Proforma Contract Draft*. The vendor must sign the contract by the contract signature deadline detailed in *Section One: Executive Summary, Section 1.3: RFP Schedule of Events*. If the vendor fails to provide the signed contract by this deadline, PRMP may determine that the vendor is non-responsive to this RFP and reject the response.

Notwithstanding the foregoing, PRMP may, at its sole discretion, entertain limited terms and conditions or pricing negotiations prior to contract signing and, as a result, revise the contract terms and conditions or performance requirements in PRMP's best interests, provided that such revision of terms and conditions or performance requirements shall not materially affect the basis of response evaluations or negatively impact the competitive nature of the RFP and contractor selection process.

If PRMP determines that a response is non-responsive and rejects it after opening cost proposals, the Solicitation Coordinator will re-calculate scores for each remaining responsive cost proposal to determine (or re-determine) the apparent best-ranked response.

5.8 Contract Approval and Contract Payments

After contract award, the vendor who is awarded the contract must submit all appropriate documentation with the PRDoH contract office.

This RFP and its vendor selection process do not obligate PRMP and do not create rights, interests, or claims of entitlement in either the vendor with the apparent best-evaluated response or any other vendor. PRMP obligations pursuant to a contract award shall commence only after the contract is signed by PRMP's agency head and the vendor and after the contract is approved by all other PRMP officials as required by applicable laws and regulations including the Fiscal Oversight Management Board (FOMB), if applicable.

No payment will be obligated or made until the relevant contract is approved as required by applicable statues and rules of the Puerto Rico and is registered with the Comptroller's Office.

PRMP shall not be liable for payment of any type associated with the contract resulting from this RFP (or any amendment thereof) or responsible for any goods delivered or services rendered by the vendor, even goods delivered, or services rendered in good faith and even if the vendor is orally directed to proceed with the delivery of goods or the rendering of services, if it occurs before the contract effective date or after the contract term.

All payments in relation to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP.

Section Six: Attachments

ATTACHMENT A: COST PROPOSAL

Instructions: *Attachment A: Cost Proposal* includes instructions for vendor's to submit a Cost Proposal using the *Attachment A – Cost Workbook* Microsoft Excel® spreadsheet. Vendors may not reformat PRMP's Cost Workbook. **Be advised, PRMP may reject any proposal with a reformatted Cost Workbook or that is not separately sealed.**

The vendor's response should provide sufficient detailed information to allow PRMP to assess the reasonableness of the vendor's cost for each defined component of the project as detailed in the *Attachment A: Cost Proposal – Cost Workbook*. The vendor's Cost Proposal should be inclusive and complete for each area identified in the *Attachment A: Cost Proposal – Cost Workbook*.

Vendors should note that PRMP's goal is to compare total cost to deliver the scope of work in this RFP. Therefore, all Cost Proposals will be evaluated based on a proposed cost and total cost basis.

Costs that are not specified by the vendor in the Cost Workbook will not be considered nor allowable. All assumptions regarding the vendor's Cost Proposal should be included in the identified tab in *Attachment A: Cost Proposal – Cost Workbook*.

The following are PRMP's cost assumptions for implementation phase of the project:

1) The Cost Proposal should not include exceptions and additional terms and conditions.

2) PRMP will not be liable for or pay any project costs that the vendor does not identify in its proposal.

3) The vendor should be prepared to submit an Implementation Project Management Invoice throughout the project's implementation phase. As payment milestones are completed, the vendor will be allowed to invoice for the full dollar amount associated with that payment milestone.

4) The Reoccurring Implementation and Operations Invoice is a recurring monthly project management-related invoice for costs associated with deliverable maintenance and updates. Please refer to the *Attachment A: Cost Proposal – Cost Workbook* for a comprehensive list of project deliverables key to this monthly invoice.

The following are PRMP's cost assumptions for maintenance and operations phase of the project:

1) The Cost Proposal should not include exceptions and additional terms and conditions.

2) PRMP will not be liable for or pay any project costs that the vendor does not identify in its proposal.

3) Subsequent to the solution go-live, the vendor should be prepared to submit a monthly invoice for maintenance and operations that is inclusive of the total costs for M&O, hosting and disaster recovery, and packaged software and hardware. These costs should be itemized and summarized into a total monthly fee for the solution and services provided as a part of this contract. In addition to this monthly fee, the vendor should be

prepared to include the total hours utilized from the modifications and enhancements pool as-is necessary. The costs for Project Management: Reoccurring Deliverables and Maintenance should also be included as an itemized cost in the monthly invoice. The vendor should be prepared to have each monthly fee itemized by category (i.e. M&O, Hosting, and Disaster Recovery) and evidence should be provided in support of the work completed throughout the invoicing period. The costs for Project Management: Reoccurring Deliverables and Maintenance should also be included as an itemized cost in the monthly invoice.

4) Maintenance and Operations Modifications and Enhancements Pool:

   a. The vendor will perform modifications and enhancements as per the vendor's submitted and the PRMP approved Change Management Plan.

   b. PRMP will use the "Labor Rates" supplied by the vendor in the **Attachment A: Cost Proposal – Cost Workbook** as a rate card for change requests using the Modifications and Enhancements Pool.

   c. PRMP defines modifications to include, but not be limited to, change arising from normal business operations, changes in business rules, system changes required to maintain compliance with federal regulations and standards. Modifications are to occur ongoing throughout implementation and maintenance and operations phases and will be implemented upon PRMP approval.

   d. PRMP defines enhancements as being inclusive of, but not limited to, changes initiated by PRMP to achieve strategic objectives, implement new programs, and mature business capabilities. Enhancements are ongoing changes made throughout implementation and maintenance and operations phases. Enhancements will only be implemented upon PRMP approval.

   e. PRMP estimates it will use a pool of up to 20,000 hours per year for the life of the contract for modifications and/or enhancement activities. It is estimated the modifications and enhancements pool is 20,000 hours per year, but it is not implied as a guarantee PRMP will utilize the total hours estimated.

   f. Only certain activities approved through the Change Management Plan will be included in the hours counted against the pool of 20,000 hours. The vendor cannot invoice for any hours in the annual pool that have not been approved through the formal change management process. PRMP determines which change request, inclusive of the modifications and/or enhancements, will be charged to the Modification and Enhancement Pool.

   g. The resolution of system defects at the fault of the vendor are the responsibility of the vendor. PRMP does not consider costs associated with defect remediation to be modification and/or enhancement activities. Costs attributed to said activities shall be the responsibility of the vendor.

For more details and instructions on the Cost Proposal, please refer to the **Attachment A: Cost Proposal – Cost Workbook** Microsoft Excel® spreadsheet.

ATTACHMENT B: TITLE PAGE, VENDOR INFORMATION, EXECUTIVE SUMMARY, SUBCONTRACTOR LETTERS, AND TABLE OF CONTENTS

This section will provide instructions to vendors on what to include for the title page, vendor information, executive summary, how to include subcontractor letters, and table of contents.

1. Title Page

In accordance with *Section 3: General Information* of this RFP, the vendor should include a title page stating the vendor's intent to bid for this Request for Proposal (RFP). The vendor's response should include a Title Page; Table of Contents; Executive Summary; and vendor contact and location information.

The vendor should include the following cover letter, signed in blue ink by an authorized signatory legally binding the vendor and include it in the labeled "Original Proposal."

The vendor should provide the following information regarding the person responsible for completing of the vendor response. This person should also be the person PRMP should contact for questions and/or clarifications.

Name _____   Phone _____

Address _____   Fax _____

E-mail _____

Subject to acceptance by PRMP, the vendor acknowledges that by submitting a response and signing in the space indicated below, the vendor is submitting a formal offer to meet that which is being requested within this RFP.

In addition to providing a signature to *Section 5.6: Disclosure of Proposal Contents* in the RFP, failure to sign the Submission Cover Sheet or signing it with a false statement shall void the submitted response or any resulting contracts.

_____ / _____

Original signature of Signatory Authorized to Legally Bind the Company / **Date**

Name (Typed or Printed) _____

Title _____

Company Name _____

Physical Address _____

State of Incorporation   _____

By signature hereon, the vendor certifies that:

1. All statements and information prepared and submitted in response to this RFP are current, complete, and accurate.

2. The proposed solution meets the requirements of this RFP.

3. The vendor will comply with all federal and state laws, rules, and regulations that are in force currently or anytime during the term of a resulting contract.

4. The vendor acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of Puerto Rico. PRMP will hold "confidential" all response information, including both technical and cost information, during the evaluation process, except for the questions and answers before the submittal of proposals. All other information associated with the RFP, including but not limited to, technical scores and reasons for disqualification, will not be available until after the contract has been awarded in accordance with the laws of Puerto Rico.

5. The company represented here is an authorized dealer in good standing of the products and services included in this response.

6. The vendor, any subcontracting partners, and its proposed resources are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity; are in compliance with the State's statutes and rules relating to procurement; and are not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at https://www.sam.gov/portal/SAM/#1.

7. Prior to award, the vendor affirms it will have all current approvals, licenses, or other qualifications needed to conduct business in Puerto Rico.

2. Vendor Information

The vendor should complete the following information:

- Primary point of contact for any questions pertaining to the vendor's payment address

- Address to which PRMP should send legal notices for any potential future agreements

- Individuals responsible for the vendor's response

2.1 Payment Address

In the table below, the vendor should provide the name, title, and address to which PRMP should direct payments for the goods and services within this RFP.

Table 7: Payment Information

Payment Information:			
Name:		Title:	
Address:			
City, State and Zip Code:			
Phone:		Fax:	
Email:			

2.2   Legal Notice Address

In the table below, the vendor should provide the name, title, and address to which PRMP should send legal notices.

Table 8: Legal Notice Information

Legal Notice Information			
Name:		Title:	
Address:			
City, State and Zip Code:			
Phone:		Fax:	
Email:			

3. Executive Summary

This section should be a brief (three [3] to five [5] page) summary of the key aspects of the vendor's Technical Proposal. The Executive Summary should include an overview of the vendor's qualifications, approach to delivering the goods and services described in the RFP; timeframe for delivering the goods and services; the proposed team; and the key advantage(s) of the vendor's proposal to PRMP.

<Response>

4. Subcontractor Letters (if applicable)

If applicable, for each proposed subcontractor the vendor should attach to *Attachment B: Title Page, Executive Summary, Subcontractor Letters, and Table of Contents* a letter from the

subcontractor, signed in blue ink by an authorized signatory legally binding the subcontractor, which includes the following information:

- The subcontractor's legal status, federal tax identification number, D-U-N-S number, and principal place of business address.
- The name, phone number, fax number, email address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations.
- A description of the work the subcontractor will perform.
- A statement of the subcontractor's commitment to perform the work if the vendor is selected.
- A statement that the subcontractor has read and understands the RFP, and will comply with the requirements of the RFP.
- A statement that the subcontractor will maintain any permits, licenses, and certifications requirements to perform its portion of the work.

<Response>

5. Table of Contents

This section should contain a table of contents. The table of contents should include all parts of the proposal, including response forms, and attachments, identified by section and page number. The Table of Contents should also include a Table of Tables, Table of Figures, etc.

<Response>

6. Disclosure of Response Contents

This section should contain the disclosure of response contents and the related signature as detailed within Section 5.6 of the RFP.

ATTACHMENT C: VENDOR QUALIFICATIONS AND EXPERIENCE

This section will provide instructions to vendors to complete information required for the organizational overview, corporate background, experience in the public sector, and certifications.

1. Organization Overview

This section of the vendor's Technical Proposal should include details of the vendor and subcontractor overview. The vendor's Technical Proposal should include: organization overview, corporate background, vendor's experience in public sector, and certifications.

1.1 Organization Overview

Provide all relevant information regarding the general profile of the vendor.

Vendors are NOT to change any of the pre-filled cells in the following tables.

Table 9: Vendor Overview

Vendor Overview	
Company Name	<Response>
Name of Parent Company (If Applicable)	<Response>
Industry (North American Industry Classification System [NAICS])	<Response>
Type of Legal Entity	<Response>
Company Ownership (e.g., Private/Public, Joint Venture)	<Response>
Number of Full-Time Employees	<Response>
Last Fiscal Year Company Revenue	<Response>
Last Fiscal Year Company Net Income	<Response>
Percentage of Revenue From State and Local Government Clients in the United States	<Response>
Percentage of Revenue From IT Design and Implementation Services	<Response>
Number of Years in Business	<Response>
Number of Years Vendor has been Providing the Type of Services Specified in the RFP	<Response>
Number of Employees Providing the Type of Services Specified in the RFP	<Response>
Headquarters in the United States	<Response>

Vendor Overview	
Locations in the United States	<Response>

1.2 Subcontractor Overview (if applicable)

If the proposal includes the use of Subcontractor(s), provide all relevant information regarding the profile of each Subcontractor. This section may be duplicated in its entirety and a page created per Subcontractor included.

The vendor is not to change any of the pre-filled cells in the following tables.

Table 10: Subcontractor Overview

Subcontractor Overview	
Company Name	<Response>
Name of Parent Company (if applicable)	<Response>
Industry North American Industry Classification System (NAICS)	<Response>
Type of Legal Entity	<Response>
Company Ownership (e.g., Private/Public, Joint Venture)	<Response>
Number of Full-Time Employees	<Response>
Last Fiscal Year Company Revenue	<Response>
Last Fiscal Year Company Net Income	<Response>
Percentage of Revenue From State and Local Government Clients in the United States	<Response>
Percentage of Revenue From IT Design and Implementation Services	<Response>
Number of Years in Business	<Response>
Number of Years Vendor Has Been Providing the Type of Services Specified in the RFP	<Response>
Number of Employees Providing the Type of Services Specified in the RFP	<Response>
Headquarters in the United States	<Response>
Locations in the United States	<Response>

2. Mandatory Qualifications

This section details the mandatory qualifications. The vendor must complete this section to demonstrate that it has the experience needed to meet requirements set forth in this RFP. The table below lists each mandatory qualification, the vendor must note whether it meets the qualification and provide narrative demonstrating fulfillment of the requirement. The vendor must list each project experience separately and completely every time it is referenced.

Table 11: Mandatory Qualifications

Mandatory Qualification Item(s)	Vendor Meets?		Provide A Brief Narrative To Demonstrate Fulfillment Of Requirement
The vendor must demonstrate experience within the last three (3) years as the prime contractor for at least three (3) federal, state, local government or private healthcare entities where the proposed solution is currently being or has been implemented.	**YES**	**NO**	<Response>
The vendor must demonstrate at least three (3) years' experience in Medicaid and Health and Human Services.	**YES**	**NO**	<Response>
The vendor must include at least three (3) references from projects performed within the last three (3) years that demonstrate the vendor's ability to perform the scope of work described in the RFP. Vendors may only use one (1) reference per project performed. PRMP strongly prefers three (3) references from different state Health and Human Service engagements where this proposed solution is currently being or has been implemented.	**YES**	**NO**	<Response>
The vendor must have at least three (3) years' experience in operation of a Medicaid Enterprise solution similar to PRMP's in compliance with all Federal and State regulations.	**YES**	**NO**	<Response>

3. Existing Business Relationships with PRMP

Describe any existing or recent (within the last five [5] years) business relationships the vendor or any of its affiliates or proposed Subcontractors have with PRMP, PRMP's counties, and/or PRMP's local municipalities.

<Response>

4. Business Disputes

Provide details of any disciplinary actions and denote any that are pending litigation or Terminated for Cause or Convenience and associated reasons. Also denote any other administrative actions taken by any jurisdiction or person against the vendor. List and summarize all judicial or administrative proceedings involving your sourcing activities, claims of unlawful employment discrimination, and anti-trust suits in which you have been a party within

the last five (5) years. If the vendor is a subsidiary, submit information for all parent companies. If the vendor uses Subcontractors, associated companies, or consultants that will be involved in any phase of this project, each of these entities will submit this information as part of the response.

<Response>

5. References

PRMP may conduct reference checks to verify and validate the past performance of the vendor and its proposed Subcontractors.

5.1 Vendor (Prime) References Form

Include at least three (3) references from projects performed within the last three (3) years that demonstrate the vendor's ability to perform the scope of work described in this RFP. The vendor should provide three (3) different clients/projects in order to demonstrate its experience.

The vendor should include project description, contract dates, and contact information (customer points of contact, addresses, telephone numbers, and email addresses). The vendor should explain whether it performed the work as a prime contractor or as a subcontractor.

The vendor is NOT to change any of the pre-filled cells in the following tables. The vendor may add additional reference tables as necessary.

Table 12: Vendor References

Vendor Information		
Vendor Name:	Contact Name:	
	Contact Phone:	
Customer Information		
Customer Organization:	Contact Name:	
	Contact Title:	
Customer Address:	Contact Phone:	
	Contact Email:	
Project Information		
Total Vendor Staff:		
Project Objectives:		
Project Description:		
Vendor's Involvement:		
Project Benefits:		

Key Personnel	34
Name: (Add more rows as needed)	Role: (Add more rows as needed)
Name: (Add more rows as needed)	Role: (Add more rows as needed)

Project Measurements:	
Estimated one-time costs:	Actual one-time costs:
Reason(s) for change in one-time cost:	
Original Value of Vendor's Contract:	Actual Total Contract Value:
Reason(s) for change in value:	

Estimated Start & Completion Dates:	From:	To:
Actual Start & Completion Dates:	From:	To:

Reason(s) for difference between Estimated and Actual dates:

If the vendor performed the work as a Subcontractor, the vendor should describe the scope of subcontracted activities:

5.2 Subcontractor References (if applicable)

If the vendor's proposal includes the use of subcontractor(s), provide three (3) references for each subcontractor. **The State prefers references that demonstrate where the Prime and Subcontractors have worked together in the past.**

Table 13: Subcontractor References

Subcontractor Information		
Vendor Name:	Contact Name:	
	Contact Phone:	
Customer Information		

Customer Organization:		Contact Name:	
		Contact Title:	
Customer Address:		Contact Phone:	
		Contact Email:	

Project Information			
Total Vendor Staff:			
Project Objectives:			
Project Description:			
Vendor's Involvement:			
Project Benefits:			

Key Personnel	
Name: (Add more rows as needed)	Role: (Add more rows as needed)
Name: (Add more rows as needed)	Role: (Add more rows as needed)

Project Measurements:			
Estimated one-time costs:		Actual one-time costs:	
Reason(s) for change in one-time cost:			
Original Value of Vendor's Contract:		Actual Total Contract Value:	
Reason(s) for change in value:			
Estimated Start & Completion Dates:	From:		To:
Actual Start & Completion Dates:	From:		To:
Reason(s) for difference between Estimated and Actual dates:			

If the vendor performed the work as a Subcontractor, the vendor should describe the scope of subcontracted activities:

6. Financial Stability

The vendor should provide the following components for this section:

6.1 Dun & Bradstreet (D&B) Ratings

The vendor should provide the industry standard D&B ratings that indicate its financial strength and creditworthiness, assigned to most U.S. and Canadian firms (and some firms of other nationalities) by the U.S. firm D&B. These ratings are based on a firm's worth and composite credit appraisal. Additional information is given in credit reports (published by D&B) that contain the firm's financial statements and credit payment history.

<Response>

6.2 Financial Capacity

The vendor should supply evidence of financial stability sufficient to demonstrate reasonable stability and solvency appropriate to the requirements of this procurement.

In the following table, please list credit references that can verify the financial standing of your company.

Table 14: Credit References

Institution	Address	Phone Number

ATTACHMENT D: PROJECT ORGANIZATION AND STAFFING

This section will provide instructions to vendors to submit their overall approach to staffing the project using *Attachment D: Project Organization and Staffing*.

Instructions: Staffing strategies are to be employed by the vendor to ensure all requirements and service levels are met to the satisfaction of PRMP. The evaluation of the vendor's staffing approach shall be based on the ability of the vendor to satisfy the requirements stated in this RFP. Therefore, the vendor should present detailed information regarding the qualifications, experience, and expertise of the proposed staff and an Initial Staffing Plan.

For ease of formatting and evaluation, *Attachment D: Project Organization and Staffing* provides the required outline for the vendor's response to staffing. The vendor's response to the following should not exceed 25 pages, excluding key personnel resumes and the forms provided in this attachment.

Please refer to *Appendix 2: Staff Qualifications, Experience, and Responsibilities* of the RFP for the details pertaining to staff qualifications, experience, and responsibilities.

1. Initial Staffing Plan

As part of the vendor's bid response, the vendor should provide an Initial Staffing Plan. In addition to the requirements described in *Attachment F: Mandatory Requirements* and *Supplement Two: Detailed Requirements*, the vendor's narrative description of its proposed Initial Staffing Plan should include the following:

- A succinct description of the vendor's proposed project team should exhibit the vendor's ability and capability to provide knowledgeable, skilled, and experienced personnel to accomplish the Scope of Work (SOW) as described in this RFP.

- A detailed proposal for providing all resources necessary to fulfill the requirements as specified in this RFP. This includes details covering not only key staff but support staff.

- Organization charts for implementation and maintenance and operations stages showing both the vendor staff and their relationship to PRMP staff that will be required to support the project. The organization chart should denote all key staff for this project, and a summary of each key staff member's responsibilities.

- A narrative describing tools and processes used to screen staff to fill positions.

- A narrative describing the process for replacing key staff within timeframes detailed in this RFP and the procedures for backfilling key staff during any transition.

- Resumes (not to exceed two [2] pages each) for the key staff and support staff members assigned to this project including their licenses, credentials, and applicable experience. PRMP considers the key staff resumes as a key indicator of the vendor's understanding of the skill sets required for each staffing area.

- A letter of intent for each proposed staff member not currently employed by the vendor. Each letter of intent should be signed by the named individual, indicating that the individual is willing to accept employment if the vendor is awarded the contract.

- A description and diagram of the proposed staffing for each phase of the project.

- Identification of subcontractor staff, if applicable.

<Response>

2. Use of PRMP Staff

Describe the business and technical resources PRMP should provide to support the development, review, and approval of all deliverables as well as the staff necessary to help ensure successful completion of this project. Specifically, the vendor should address the following:

- The key PRMP roles necessary to support project deliverables and scope of work.
- The nature and extent of PRMP support required in terms of staff roles and percentage of time available.
- Assistance from PRMP staff and the experience and qualification levels of required staffing for both implementation and maintenance and operations phases.

PRMP may not be able or willing to provide the additional support the vendor lists in this part of its Proposal. The vendor therefore should indicate whether its request for additional support is a requirement for its performance. If any part of the list is a requirement, PRMP may reject the vendor's proposal if PRMP is unwilling or unable to meet the requirements.

<Response>

3. Key Staff, Resumes, and References

Key staff consist of the project's leadership team for the project. These resources are responsible for providing leadership and creating the standards and processes required for the successful implementation and maintenance and operations phases. Resumes for key staff named in the vendor proposal should indicate the staff's role and demonstrate how each staff member's experience and qualifications will contribute to this contract's success. The vendor should make the proposed key staff available for an in-person interview upon PRMP's request.

To ensure successful transition to the operations phase, the implementation activities should be led by key staff identified in the list below:

- Account Manager
- Project Manager
- Business Lead
- Technical Lead
- Implementation Manager
- Operations Manager
- Certification Lead
- Documentation Management Lead
- Quality Assurance Manager
- Testing Manager
- Information Security Architect / Privacy Data Protection Officer

The qualifications, experience, and responsibilities for each key staff role are defined in *Appendix 2: Staff Qualifications, Experience, and Responsibilities*.

3.1   Resumes

The vendor should complete the table below and embed resumes of all proposed key staff to this section of the proposal. Each resume should demonstrate experience relevant to the position proposed. If applicable, resumes should include work on projects cited under the vendor's corporate experience, and the specific functions performed on such projects.

Table 15: Resumes for Proposed Key Staff

Name	Proposed Role	Experience in Proposed Role

3.2   References

The vendor should provide one (1) reference for which each proposed key staff candidate has successfully demonstrated meeting the requirements of the RFP. The name of the person to be contacted, phone number, client name, address, brief description of work, and date (month and year) of employment should be given for each reference. These references should be able to attest to the candidate's specific qualifications. The reference given should be a person within a client's organization and not a co-worker or a contact within the vendor's organization.

Vendors should use the format provided in the table below. Please repeat the rows and tables as necessary.

Table 16: Key Staff References

Key Personnel Reference Form					
Key Personnel Name:		**Proposed Role:**			
Reference 1					
Client Name:		**Client Address:**			
Contact Name:		**Contact Title:**			
Contact Phone:		**Contact E-mail:**			
Project Name:			**Start Date:** MM/YYYY	**End Date:** MM/YYYY	
Project Description:					
Project Role and Responsibilities:					
Reference 2					
Client Name:		**Client Address:**			
Contact Name:		**Contact Title:**			

Contact Phone:		Contact E-mail:				
Project Name:			Start Date:	MM/YYYY	End Date:	MM/YYYY
Project Description:						
Project Role and Responsibilities:						
Reference 3						
Client Name:		Client Address:				
Contact Name:		Contact Title:				
Contact Phone:		Contact E-mail:				
Project Name:			Start Date:	MM/YYYY	End Date:	MM/YYYY
Project Description:						
Project Role and Responsibilities:						

ATTACHMENT E: INITIAL PROJECT SCHEDULE

This section will provide instructions to vendors to include an initial project schedule as an attachment to the vendor's technical proposal and an electronic version in Microsoft Project® to include a Work Breakdown structure.

Instructions: The vendor should provide an Initial Project Schedule by project phase.

This Initial Project Schedule should show all task details with responsibilities, timelines, durations, milestone dates, deliverable dates, and vendor personnel hours by deliverables for each project phase, PRMP personnel hours necessary by phase and deliverable, and all critical dependencies for the project's milestones and deliverables. Please provide those tasks that are on the critical path. Please provide the tasks that will require assistance from PRMP resources. The Initial Project Schedule should be provided as an attachment to the vendor's Technical Proposal and tabbed as such in the submission. The vendor should also provide an electronic Microsoft Project® version in the vendor's electronic submission of the Technical Proposal.

At a minimum, the vendor's proposed Initial Project Schedule should include the following:

- Detailed tasks and timelines, outlining the major project phases planned by the vendor.

- The Work Breakdown Structure (WBS).

- The project schedule for all project deliverables and milestones.

- Identification of resources assigned as the responsible entity for each deliverable within the WBS to the level at which control will be exercised.

- Identification of deliverables that may require more or less time for PRMP acceptance, including the proposed acceptance period for the deliverable

<Response>

ATTACHMENT F: MANDATORY REQUIREMENTS

This section will provide instructions to vendors to respond to mandatory requirements as an attachment in a Microsoft Excel® file titled **Attachment F: Mandatory Requirements**.

Instructions: The mandatory requirements must be met by the vendor as a part of the submitted proposal. Failure on the part of the vendor to meet any of the mandatory requirements may result in their disqualification of the proposal at the sole discretion of PRMP. The term "must," stipulates and identifies a mandatory requirement. The vendor is to demonstrate compliance with mandatory requirements in their proposal. If the vendor's proposal meets the mandatory requirements, the vendor's Proposal may be included in the next part of the technical evaluation of this RFP. For mandatory requirements that necessitate a future action, the vendor will respond in **Attachment K: Terms and Conditions** with an attestation that it will meet all mandates. For mandatory requirements that involve documentation, vendors should include that documentation with their technical proposal. Any documentation for mandatory requirements not supplied with their technical proposal must be submitted prior to contract execution. When appropriate, the vendor's proposal must provide narrative responses in the area below.

See the attached Microsoft Excel® file titled, "**Attachment F – Mandatory Requirements**".

<Response>

ATTACHMENT G: BUSINESS REQUIREMENTS APPROACH

This section will provide instructions to vendors to provide a narrative overview for the proposed system in each subcategory of the business requirements and relevant mandatory requirements.

Instructions: The vendor should provide a narrative overview of how the proposed system will meet the business requirements. Use the response sections to provide specific details of the proposed approach to meeting the business requirements in each subcategory. Responses should reference requirements and relevant mandatory requirements using the appropriate IDs from ***Supplement Two: Detailed Requirements*** and ***Attachment F: Mandatory Requirements***. PRMP also expects the vendor to propose its approach for meeting any narrative included in ***Supplement One: Project Requirements, Section 3: Scope of Work*** of this RFP. Responses in this section should be highly focused on the business processes, technology, and requirements and not simply provide generic or marketing descriptions of solution capabilities.

If the vendor is proposing a phased implementation, the vendor should indicate how that approach will affect functionality. PRMP is interested in the vendor proposing a phased implementation approach that allows for early deployment of solution functionality. Additionally, the vendor should indicate exception handling processes where appropriate and any dependencies on existing systems or components of the new system to provide the specified functionality.

Refer to the relevant business requirements located in ***Supplement Two: Detailed Requirements*** and pertinent narrative in ***Supplement One: Project Requirements, Section 3: Scope of Work*** in this RFP to cover solution capabilities in this area. The vendor should describe its approach towards fulfilling the business and functional requirements below. The narrative response for this category should be organized using the appropriate subcategory as per ***Supplement Two: Detailed Requirements***.

Subsections will list the category with the following:

- Accounts Payable Information and Disbursement
- Beneficiary Data
- Business Rules Management
- Data Integration
- Database Management
- Fund
- Generate Financial Report
- High Cost High Needs (HCHN) Premium
- Interoperability and Interfaces
- Master Data Management
- Payment Error Rate Measurement (PERM)

- Premium Payment
- Provider Capitation Verification

<Response>

ATTACHMENT H: TECHNICAL REQUIREMENTS APPROACH

This section will provide instructions to vendors to provide a narrative overview of the proposed system and each subcategory of the technical requirements and the relevant mandatory requirements.

Instructions: Technical requirements include those that drive how systems should be designed and built in a way that provides for long-term use and reuse, in compliance with related standards (e.g., service-oriented architecture, PRMP adopted standards, Medicaid Information Technology Architecture (MITA), and the CMS Standards and Conditions, as well as defining the minimum set of technical capabilities expected from certain infrastructure components.

The vendor should provide a narrative overview of how the proposed system will meet the requirements and narrative in this RFP. Use the response sections to provide specific details of the proposed approach to meeting the technical requirements in each of the subcategories. Responses should reference requirements and relevant mandatory requirements using the appropriate IDs from *Supplement Two: Detailed Requirements* and *Attachment F: Mandatory Requirements*. PRMP also expects the vendor to propose its approach for meeting any narrative in *Supplement One: Project Requirements* and *Section 3 Scope of Work* in this RFP.

Responses in this section should be highly focused on the business processes, technology, and requirements and not simply provide generic or marketing descriptions of solution capabilities.

If the vendor is proposing a phased implementation, the vendor should indicate how that approach will affect functionality. PRMP is interested in the vendor proposing a phased implementation approach that allows for early deployment of solution functionality. Additionally, the vendor should indicate exception handling processes where appropriate and any dependencies on existing systems or components of the new system to provide the specified functionality.

Please include one or more diagrams where necessary that detail the proposed design and the relationships between key technical components.

The technology architecture should provide the underlying computing infrastructure that enables and supports the data and application architectures that comprise the PRMP Medicaid Enterprise System (MES). Technical architecture design should address requirements that include, but are not limited to: modularity, scalability, capacity, extensibility, adaptability, performance, availability, stability, and security.

In addition, the technology support architecture includes business continuity components (i.e., backup, recovery, failover, disaster recovery) that are deemed necessary to effectively manage and support the technology investment.

The technical infrastructure supports the functional components of the solution that include data acquisition, data access, data delivery, and managed metadata environment to populate, build reports, and disseminate the data contained in the PRMP data repository.

Refer to the relevant business requirements located in *Supplement Two: Detailed Requirements* and pertinent narrative in *Supplement One: Project Requirements, Section 3*

Scope of Work in this RFP to cover solution capabilities in this area. The vendor should describe its approach to the category below. The narrative response for this category should be organized using the appropriate technical subcategories as per ***Supplement Two: Detailed Requirements***.

Subsections will list the category with the following:

- Application Programming Interface
- Application Infrastructure Service Layer
- Integration Service Layer
- Management
- Performance and Availability
- Scalability
- Solution Management and Administration
- Standards Compliance
- Usability

<Response>

ATTACHMENT I: IMPLEMENTATION REQUIREMENTS APPROACH

This section will provide instructions to vendors to provide a narrative overview of the proposed system and each subcategory of the implementation requirements and the relevant mandatory requirements.

Instructions: The vendor should provide a narrative overview of how the proposed system will meet the requirements and narrative in this RFP. Use these response sections to provide specific details of the proposed approach to meeting the implementation requirements in each process area. Be advised, while some sections only require narrative around requirements and specifications, other sections may also contain pointed questions. Responses should reference requirements and relevant mandatory requirements using the appropriate IDs from ***Supplement Two: Detailed Requirements*** and ***Attachment F: Mandatory Requirements***.

Responses in the sections below should be focused on PRMP business processes and requirements. PRMP also expects the vendor to propose its approach for meeting the narrative included in this RFP.

The vendor is required to respond to the headings below to provide detail regarding their methodology for each project management component.

Subsections will list the category with the following:

- Certification

- Data Conversion

- Deployment

- Project Management, Planning, Organization, and Staffing

- Testing (System and Functional Method of Procedures [MoPs]/Features)

- Training

<Response>

ATTACHMENT J: MAINTENANCE AND OPERATIONS REQUIREMENTS APPROACH

This section will provide instructions to vendors to provide a narrative overview of the proposed system and the maintenance and operations requirements and the relevant mandatory requirements.

Maintenance and operations requirements ensure that the solution is fully functional and performing optimally until the end of the life cycle. The vendor's response should include a narrative overview describing its approach to maintenance of its proposed solution, including updates to new versions of the underlying Commercial Off-The-Shelf (COTS) products, and to configurations necessary to support changes in PRMP's business needs.

Use the response sections to provide specific details of the proposed approach to meeting the maintenance and operations requirements in each subcategories. Responses should reference requirements and relevant mandatory requirements using the appropriate IDs from **Supplement Two: Detailed Requirements** and **Attachment F: Mandatory Requirements**. PRMP also expects the vendor to propose its approach for meeting any narrative in **Section 3: Scope of Work** of this RFP.

<Response>

ATTACHMENT K: TERMS AND CONDITIONS RESPONSE

This section describes the Terms and Conditions of the RFP, the PRMPs expectations of vendors, and compliance with federal procedures.

1. Title Page

The vendor should review **Attachment K: Terms and Conditions Response** signing each provided signature block using blue ink in order to note the vendor's acknowledgement and intent of compliance. The vendor should identify any exceptions to the Terms and Conditions. If exceptions are not noted in **Attachment K: Terms and Conditions Response** of the RFP but raised during contract negotiations, PRMP reserves the right to cancel the negotiation if, at its sole discretion, it deems that to be in the best interests of PRMP.

2. RFP Terms and Conditions

RFP Terms and Conditions consist of provisions throughout this RFP. Moreover, these provisions encapsulate instructions, State and federal procedures, and PRMP's expectations of the vendor when submitting a proposal. The vendor should understand and strictly adhere to the RFP Terms and Conditions. Failure to follow any instructions within this RFP may, at PRMP's sole discretion, result in the disqualification of the vendor's proposal.

Please provide an authorized signature stipulating the vendor's acknowledgement, understanding, and acceptance of these RFP Terms and Conditions.

Printed Name / Signature of Authorized Personnel   Date

3. Customary Terms and Conditions

The selected vendor will sign a contract with PRMP to provide the goods and services described in the vendor's response. The following documents shall be included in any contract(s) resulting from this RFP:

- ***Appendix 3: Service Level Agreements and Performance Standards***

- ***Appendix 6: IT Terms and Conditions***

- ***Appendix 7: Proforma Contract Draft*** inclusive of HIPAA Business Associate Agreement

Please provide a signature stipulating the vendor's acknowledgement and complete review of these documents.

Printed Name / Signature of Authorized Personnel   Date

If the vendor is NOT taking exceptions to any of PRMP Customary Terms and Conditions, then the vendor needs to provide a binding signature stipulating its acceptance of these documents.

_____

Printed Name / Signature of Authorized Personnel　　　　　　　**Date**

4. Mandatory Requirements and Terms

The following items are Mandatory Terms and Documents. Please be advised, the vendor should provide its affirmative acceptance of these items in order to move forward with consideration under this RFP.

- **Attachment F: Mandatory Requirements** (attached Microsoft Excel® file, *Attachment F – Mandatory Requirements)*

- Prior to the Contract resulting from this RFP is signed, the successful vendor must be registered with the "Registro Único de Proveedores de Servicios Profesionales" (RUP) from the Puerto Rico General Services Administration (ASG) and with the Puerto Rico Treasury Department (Hacienda) for the collection of sales and use tax (IVU) as a provider (if applicable) in the Internal Revenue Unified System (SURI). PRMP shall not award a contract, unless the vendor provides proof of such registration or provides documentation from the Puerto Rico Treasury Department that the Contractor is exempt from this registration requirement in the SURI system. The foregoing is a mandatory requirement of an award of a contract pursuant to this solicitation. For more information, please refer to the PR Treasury Department's web site http://www.hacienda.pr.gov or www.suri.hacienda.pr.gov

- Prior to the Contract resulting from this RFP is signed, the successful vendor must provide a Certificate of Insurance issued by an insurance company licensed or authorized to provide insurance in Puerto Rico. Each Certificate of Insurance shall indicate current insurance coverages meeting minimum requirements as specified by this RFP. A failure to provide a current, Certificate of Insurance will be considered a material breach and grounds for contract termination. A list of the Insurance policies that may be included in this Contract are provided in *Appendix 7: Proforma Contract Draft*.

- A performance bond may be required for this RFP

- *Appendix 3: Service Level Agreements and Performance Standards*

- *Appendix 7: Proforma Contract Draft* inclusive of HIPAA Business Associate Agreement

Vendors that are not able to enter into a contract under these conditions should not submit a bid.

Please provide an authorized signature stipulating the vendor's acknowledgement, understanding, and acceptance of the Mandatory Requirements and Terms stipulated in this section.

Printed Name / Signature of Authorized Personnel   Date

5. Commercial Materials

The vendor should list any commercial and proprietary materials it will deliver that are easily copied, such as Commercial Software, and in which PRMP will have less than full ownership ("Commercial Materials"). Generally, these will be from third parties and readily available in the open market. The vendor need not list patented parts of equipment.

<Response>

6. Exceptions

The vendor should indicate exceptions to PRMP's Terms and Conditions in this RFP. Any exceptions should include an explanation for the vendor's inability to comply with such term or condition and, if applicable, alternative language the vendor would find acceptable. Rejection of PRMP's Terms and Conditions, in part or in whole, or without any explanation, may be cause for PRMP's rejection of a vendor's Proposal. If an exception concerning the Terms and Conditions is not noted in this response template, but raised during contract negotiations, PRMP reserves the right to cancel the negotiation, at its sole discretion, if it deems that to be in the best interests of PRMP.

The terms and conditions of a vendor's software license, maintenance support agreement, and SLA, if applicable, will be required for purposes of contract negotiations for this project. Failure to provide the applicable vendor terms, if any, as part of the RFP response may result in rejection of the vendor's proposal.

Instructions: Identify and explain any exceptions to PRMP's terms and conditions using the tables provided below, adding tables, as needed. If no changes are listed, the vendor is indicating that no changes to the Terms and Conditions are proposed, and that the vendor intends to accept them as written if the vendor's Proposal is selected. Mandatory Requirements and Terms noted in this RFP are non-negotiable.

- The vendor may add additional tables, as appropriate.

- Do not submit vendor's Standard Terms and Contracting Provisions in lieu of stipulating exceptions below.

- Making revisions to PRMP statutes and regulations is prohibited.

- PRMP has no obligation to accept any exception(s).

6.1 Exception #1 – <Insert Title of Provision>

Document Title (Reference Specific Contractual Document and Section in Which Exception is Taken)	Vendor's Explanation (Required for Any Rejection/Exception)	Vendor's Proposed Alternative Language (If Applicable) Cross-Reference to specific section of Vendor's Terms, If Any Provided As Part of the RFP Response
NOTES/COMMENTS: <FOR PRMP USE ONLY>		

6.2 Exception #2 – <Insert Title of Provision>

Document Title (Reference Specific Contractual Document and Section in Which Exception is Taken)	Vendor's Explanation (Required for Any Rejection/Exception)	Vendor's Proposed Alternative Language (If Applicable) Cross-Reference to specific section of Vendor's Terms, If Any Provided As Part of the RFP Response
NOTES/COMMENTS: <FOR PRMP USE ONLY>		

II. SUPPLEMENT ONE: PROJECT REQUIREMENTS

1. Background and Overview of Existing Solutions and Services

1.1 Current Department, Agencies, and Programs

PRDoH is the designated Single State Agency (SSA) responsible for administering the Commonwealth's Medicaid program. Puerto Rico's Medicaid Program (PRMP), a department under the PRDoH, oversees the Medicaid State Plan, determines Medicaid eligibility, and is responsible for the operation of the Medicaid Management Information System (MMIS) and Medicaid Integrated Technology Initiative (MEDITI) 3G Eligibility and Enrollment (E&E) solution for the program. Law 72, also known as the Puerto Rico Health Insurance Administration Act, created Administración de Seguros de Salud (ASES) also known as the Puerto Rico Health Insurance Administration (PRHIA), in 1993 to oversee, monitor, and evaluate services offered by the Managed Care Organizations (MCOs) and other carriers under contract with ASES. ASES is a public corporation overseen and monitored by a Board of Directors. Collectively, the solutions supporting both entities comprise the Medicaid Enterprise. This is a long-standing sister agency relationship as defined by an interagency memorandum of understanding (MOU). Authority for the management of the contract resulting from this solicitation will reside with PRDoH and PRMP. As a sister agency, ASES will have an active and critical role in implementing, maintaining, and utilizing the solution, including substantial interaction with the vendor.

The existing Medicaid Enterprise Solution (MES) financial management environment is multi-architectural and multi-vendor comprised mainly of the entities and solutions included in the table below.

Table 17: MES Financial Management Entities

Vendor or Entity	Solution Name	Primary Responsibility
Milliman	MedInsight	Actuarial and analytics related services
Gainwell/DXC	MMIS	Core MMIS solution providing provider enrollment, case tracking, program integrity, data warehouse, and encounter processing functionality
RedMane	MEDITI3G	Medicaid eligibility and enrollment solution
ASES	ASES Core	Primary ASES IT solution
ASES	Micro Information Processing (MIP)	Primary accounting solution
ASES	Health Information Audit (HIA) / Enterprise	Data warehouse and some transactional related functions in support of business processes

Vendor or Entity	Solution Name	Primary Responsibility
	Data Warehouse (EDW)	
PRMP	PeopleSoft	Primary accounting solution for PRMP
Managed Care Organizations (MCOs)	Multi-vendor solution environment	Integrated care for Medicaid beneficiaries
Medicare Advantage Organizations (MAOs)	Multi-vendor solution environment	Integrated care for beneficiaries dually eligible for Medicaid and Medicare
MC-21	N/A	Pharmacy Benefits Manager (PBM)
MedRx	N/A	Program integrity claims reviews
Abarca	N/A	Drug rebate management and support
HMS	N/A	Third party liability claims reviews

There are over 1.5 million beneficiaries in the Puerto Rico Medicaid program, and nearly 300,000 of whom are dually eligible for Medicaid and Medicare. Approximately 1,700 individuals enroll in Medicaid each month. PRMP receives approximately 3.6 million encounter records on a monthly basis. Capitation payments to carriers include minimal payments to MAOs that serve dually eligible beneficiaries and submit few encounter records.

The following table provides detail on the number of enrolled providers by provider type as of May 2021:

Figure 3: Count of Enrolled Providers by Provider Type

Approved Providers as of May, 2021	
Provider Type	**Count**
Grand Total	**19,688**
Allied Health Professionals (audiologists, chiropractors, nutritionists, optometrists, occupational, physical and speech therapists)	2,034
Ambulance and Non-Emergency Medical Transport	207
Dentists	1,315
Durable Medical Equipment, Prosthetics and Orthotics	75
Home Health and Hospice	82
Hospital	69
Laboratory and Imaging	1,038
Mental Health Providers	1,368
Pharmacy	1,108
Physicians, midwives and physician assistants	11,630
Primary/Outpatient Care (FQHCs, clinics, family planning, urgent care, multidisciplinary groups, vaccination centers)	550
Skilled Nursing and Rehabilitation Facilities	25
Specialty Centers (ambulatory surgery, diagnosis and treatment, dialysis, infusion, wound care)	187

1.1.1 Puerto Rico Department of Health

PRDoH is the single state agency designated to administer medical assistance in Puerto Rico under Title XIX of the Social Security Act of 1935, and as amended. PRMP is accountable for helping to ensure the appropriate delivery of health care services under Medicaid and CHIP in Puerto Rico. PRMP is a division of the PRDoH.

The PRDoH Medicaid program is chartered with helping to ensure appropriate delivery of healthcare services under Medicaid, CHIP, and the Medicaid Preferred Drug Program (PDP) managed by the Pharmacy Benefits Manager (PBM); the latter two are structured as extended Medicaid programs. PRDoH also offers healthcare coverage to certain State employees.

1.1.2 Administración de Seguros de Salud de Puerto Rico (ASES)

ASES is a public corporation working with the PRDoH as part of the Puerto Rico Medicaid Enterprise. ASES is responsible for implementing, administering, and negotiating "a health insurance system through contracts with insurers, entities, and health service purveyors, which will eventually give all the residents of the island access to quality medical and hospital care, regardless of the financial condition and capacity to pay."

An interagency MOU delegates the implementation of the Medicaid State Plan's managed care determination, policy, and financial administration. This agreement requires ASES to implement and deliver services through a managed care delivery system. The process of selecting the insurance carriers, negotiating, and managing those contracts was assigned to ASES under Law No. 72.

ASES also oversees Medicare Platino, which provides additional coverage benefits to beneficiaries of Medicaid who are also eligible for Medicare (i.e., "dually eligible") and enrolled in a MAOs. Medicare Platino wraps around Medicare Advantage benefits, giving the dually eligible enrollees any additional benefits provided by the Medicaid program. ASES oversees the healthcare coverage for covered State employees as well.

1.2 Current PRMP Solutions and Services

This section is intended to provide proposing vendors with an overview of the solutions and services currently supporting the Puerto Rico Medicaid Enterprise, and more specifically supporting the solutions and business processes applicable to this RFP. If additional information on the current environment is needed, the vendor should request this information as part of the RFP process.

1.2.1 Business Functional

PRMP's MMIS Phase III solution will initially and primarily focus on enhancing financial management business processes relating to the following:

➢ Assignment of beneficiaries to rate cells to help inform the premium payment calculation.

➢ Adjustments to premium payments in accordance with PRMP business rules, policies, and procedures.

- ➢ Production and distribution of premium payments to carriers.
- ➢ Validation of capitation payments accuracy to providers from the MCOs.
- ➢ Verification that the beneficiary was eligible for payment of the services they received.
- ➢ Verification of the provider's eligibility to receive the capitation payment.
- ➢ Assistance as-is necessary with the PRMP Payment Error Rate Measurement (PERM) pilot and upcoming PERM effort.
- ➢ Development and distribution of reports (CMS-37, CMS-64), for the financial related business area.
- ➢ Provide data to support the Transformed Medicaid Statistical Information System (T-MSIS) reporting.

In addition to these initial focus areas for the financial management area, the MMIS Phase III solution should provide PRMP with a foundational system architecture and functionalities to support the establishment of a modular financial management solution.

PRMP operates completely under a managed care model. Under the managed care model, ASES contracts with four (4) MCOs to delegate the execution of some functions of the MITA business processes.

PRMP maintains oversight responsibility for the majority of the financial management processes; however, the majority of these financial management processes are completed by ASES with support from several contractors. The status quo involves a combination of manual and automated procedures used to calculate the premium payments distributed to carriers via 820 transactions.

PRMP's financial management MITA SS-A as-is maturity level is level one, and the to-be maturity level is two. The MITA SS-A maturity level for the financial management business process has improved overall since Puerto Rico's 2015 MITA SS-A, showing measurable improvement of PRPM's MITA financial capability areas. The 2019 MITA SS-A demonstrated PRDoH improvement by automating the data transfer and validation processes that resulted in increased data quality and reliability. As a result, the Manage Financial Report and Manage Drug Rebate processes both increased as-is maturity a full level, from level one to a level two. PRMP's expectation is to continue to improve on current system functionality as new modules and enhancements are implemented.

Currently, the limited accessibility of key data, lack of automated reporting processes, and disparate solutions across the Medicaid Enterprise have presented PRMP with challenges in gaining efficiencies in the financial business area of the Medicaid Enterprise. PRMP aims to enhance efficiency, oversight, and management of these solutions with an initial primary focus on improving the timeliness, accuracy, and visibility of premium payments.

The following sections provide additional detail on the as-is PRMP Medicaid enterprise financial management environment.

1.2.1.1 Premium Payment Calculation

Premium payment calculations include those activities needed to prepare carrier premium payments. Carriers include MCOs and MAOs, which enroll beneficiaries dually eligible for Medicare and Medicaid. Beneficiaries are assigned to carriers. ASES pays a monthly premium for all assigned beneficiaries. The premium payment process uses beneficiary data, carrier assignment, contract premium information, and applies any applicable rate adjustments to create the extract necessary to generate the premium payment.

MCOs assign enrolled beneficiaries to rate cells based on factors such as demographics and chronic health conditions. As of May 2021, there were 42 rate cells. Of the existing rate cell categories, the HCHN rate cells are generally for the most expensive beneficiaries, and are the highest reimbursed premium rate cells for beneficiaries with chronic illness. These rate cells also require the highest level of attention throughout the premium payment calculation process.

At this time MAOs use geographic district only to assign rate cells.

ASES makes monthly premium payments to the carriers based on the beneficiary enrollment information reported by the carriers and a series of manual and automated rate cell adjustments. Carriers report beneficiary data in the proprietary format via a monthly encounter data file. The carriers are required to send actuarial data to ASES monthly. Carriers also send standardized encounter and claims files (Accredited Standards Committee X12N 837) and National Council for Prescription Drug Programs (NCPDP) format.

To define the rate cells and calculate the premium rate for each rate cell, ASES contracts with the actuarial vendor, Milliman. For matching and calculation purposes, ASES provides Milliman with the enrollment and encounter data from the proprietary files submitted by the carriers. This information is reconciled against prior data, given to ASES for validation, and then imported into Milliman's proprietary MedInsight software. Using MedInsight, Milliman analyzes the data from the carriers, utilization information, and cost data to calculate the premium rate for each rate cell.

Following the calculation of the premium rate for each rate cell, Milliman sends the premium rate cell analysis and recommendations to ASES. ASES sends the updated premium rate information to CMS.

After CMS approval, ASES negotiates premium rate changes with each MCO. ASES reflects any changes to the rate cell configuration and/or premium rates in each MCO contract. Milliman may assist in negotiations upon ASES' request.

ASES uses the premium calculations from Milliman to calculate the monthly carrier premium payments, determining the payment for the population by rate cell. ASES pays the carriers based on the premium rate every month. ASES only pays the carriers for enrolled beneficiaries ("covered lives").

The carriers submit a proprietary encounter file to ASES monthly with data on settled claims and claim adjustments, including payment errors.

ASES sends premium payment information to the MMIS via the weekly payment register file. The weekly payment register file includes historical premium payment information based on the

amounts paid to MCOs. The weekly payment register file process is partially automated using interfaces to the MMIS, although some file validation steps are performed manually. Premium payments are sent to the MMIS using the monthly Capitation History interface. The Payment Registry file is weekly and used to account for the actual payments made to the carriers. These payments are compared to the ASES payment registry to help ensure that all allocated payments are distributed appropriately.

In Puerto Rico, MCOs assume the majority of the risk in the premium model. The carriers are responsible for negotiating contracts and rates to cover the costs of paying providers for rendering services.

The current process uses available functionalities and data from ASES' MIP accounting system, ASES' core IT system, ASES' HIA/EDW, and other applicable solutions. The figure below provides a high-level overview of each ASES related solution's role in the premium payment process.

Figure 4: Current Premium Payment Processing
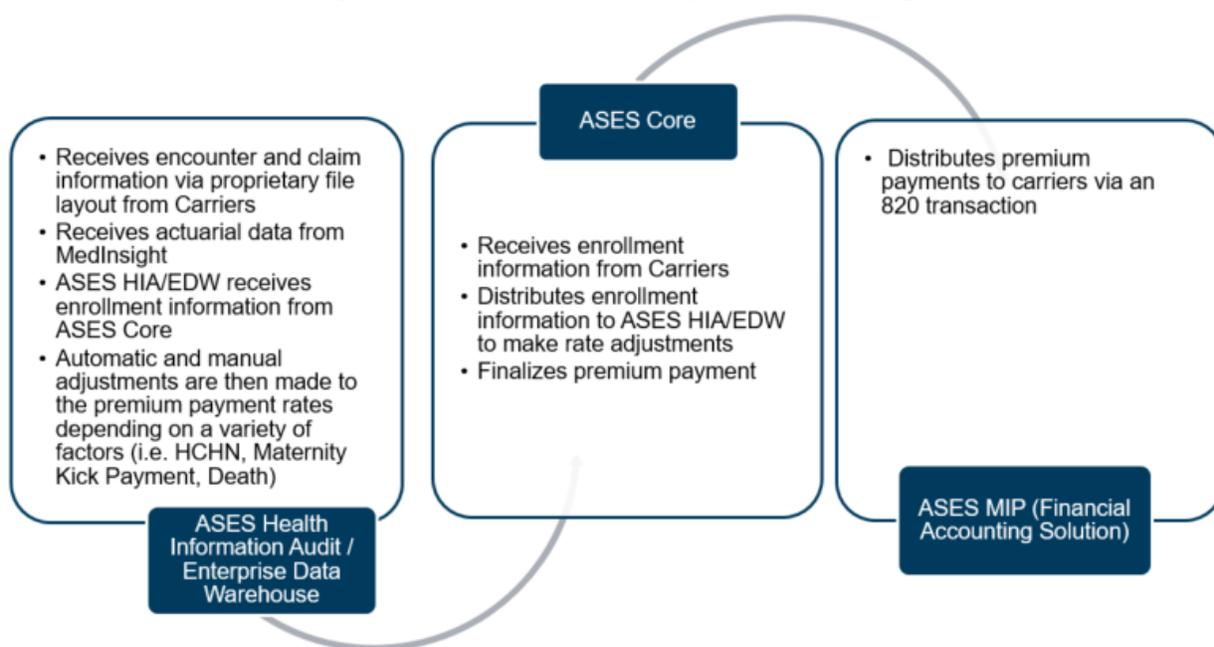
1.2.1.2 Beneficiary Data

Currently, beneficiary data flows from the carriers to the PBM and in turn to the MMIS. Prior to the start of the work to be contracted under this RFP, PRMP anticipates that an 834 transaction file will be sent from carriers directly to the MMIS to assist in the premium payment process.

1.2.1.3 HCHN Payment Detail

PRMP established HCHN rate cells to help ensure that beneficiaries with specific chronic conditions receive appropriate treatment and that premium payment reflects services offered. PRMP has implemented MCO management processes and anticipates cost savings.

Assignment of a beneficiary to an HCHN rate cell and verification of the appropriateness of that assignment, require additional review of beneficiary characteristics, diagnoses, and service utilization.

Currently, HCHN rate cells cover six (6) categories of conditions, each defined by a specific set of diagnosis codes. ASES maintains the HCHN Registry of the HCHN-eligible population. All MCOs send Report 8, also known as the HCHN Population Report, every month to inform the beneficiaries' assignments to this eligibility category. Report 8 is accessible in **Appendix 4: Procurement Library**. ASES may identify additional eligible beneficiaries by reviewing claims and encounter data. Beneficiaries who are dually eligible for Medicare and Medicaid are not eligible for the HCHN eligibility category.

When a beneficiary is initially identified as having an HCHN condition, they are conditionally added to the HCHN Pre-Registry for six (6) months. Milliman, ASES' actuarial contractor, performs a retroactive review of the appropriateness of assigning a beneficiary to an HCHN rate cell using the monthly encounter and claims data submitted by the MCO. If the data does not support the identified condition(s), ASES may retroactively recoup the difference in premium payment. This review takes into account qualifies such as diagnosis code, encounter claims, pharmacy claims, and inpatient admissions.

If and when a qualified encounter is received within the initial six (6)-month period in the HCHN Pre-Registry, the beneficiary's HCHN status is extended to 12 months from the service date of the encounter containing the initial report of the HCHN diagnosis. To extend this period further, ASES should receive a new, qualified encounter with a more recent service date.

The HCHN Standard Operating Procedure (SOP) documentation provides greater detail on this process and can be found within the RFP's Procurement Library, **Appendix 4: Procurement Library**.

1.2.1.4 Accounts Payable

ASES is mainly responsible for the majority of the accounts payable processes. MCOs and other contractors receive premium payments from ASES.

The management of accounts payable is largely automated via a Secure File Transfer Protocol (SFTP) within the MIP accounting system, and most payments are made via Electronic File Transfer (EFT). A mix of manual validation processes and automated transfers are used to accomplish the accounts payable business processes. The use of standards is focused on meeting compliance thresholds for State and federal regulations using a mix of State-specific standards, HIPAA compliant transactions, and proprietary business rules. Manual validation processes are performed for every file transfer.

The premium payment process is initiated when ASES sends an 820 file, which is a voucher with payment details, to the MCOs. ASES also sends premium payment information to the MMIS via the weekly payment register file. The weekly payment register file includes historical premium information based on the amounts paid to MCOs. The weekly payment register file process is partially automated using interfaces to the MMIS, although some file validation steps are performed manually. There is more detail related to these files in the ASES Interface Management SOP, located in **Appendix 4: Procurement Library**.

ASES pays for a small number of services outside of the premium rate. One example is payment for the administration of the COVID-19 vaccine. This administration fee is in addition to any other bundled payment arrangement. Providers that are certified to administer COVID-19 vaccines, including vaccination centers, bill the MCO using the appropriate code for the vaccine administered. After paying providers, MCOs must report these transactions as part of their monthly claims submissions by the 15th of the month. ASES validates these claims prior to payment for beneficiary eligibility, carrier enrollment, appropriate codes, and dates of service, among other factors.

Pharmacy reimbursement is conducted outside of the premium rate through the Pharmacy Benefits Manager (PBM). Almost all covered prescription medications are covered by Puerto Rico's formulary, except for a small number of specialty drugs. Puerto Rico does not currently participate in the federal rebate program, but will participate when approved by CMS. It is anticipated that Puerto Rico would join the federal rebate program in 2023 or early 2024. The PBM submits data in NCPDP format.

Another example of a payment made outside of the premium is the maternity kick payment. Encounter data is used to identify births and MCOs are paid an additional sum to cover related costs.

1.2.1.5 Provider Capitation Verification

Depending on the terms negotiated in the provider contracts with each MCO, MCOs may also pay providers via capitation rate. Milliman's involvement with the rate-setting process extends only to the carrier premium payments. The MCOs negotiate payment terms with the providers as part of their individual provider contracts.

The MCOs are required to send ASES a monthly Per Member Per Month (PMPM) Payment Disbursement report disclosing the distribution of the capitation payments or other service payments to providers, claim expenses by coverage reserves, and administrative expenses." While this report provides some insight into MCO capitation payments to providers, ASES is currently working with the MCOs to have them provide a more detailed flat file, which may be used as part of the more comprehensive future verification that PRMP envisions would be accomplished within the MMIS Phase III solution.

Providers are also required to report monthly to the MCOs on all encounters. The MCOs pay providers by the 15th of every month. MCOs must pay providers per actuarial standards in 42 CFR 438.4. The MCOs are also required to send all capitation data to ASES.

1.2.1.6 Fund

PRMP oversees Medicaid funds and works to help ensure accuracy in fund allocation. PRMP is responsible for tracing federal and Commonwealth funding sources. PRMP is responsible for reporting to CMS, including CMS-64 reporting. Because ASES is not a government agency, ASES does not receive federal funds directly from CMS. ASES does not submit reports directly to CMS. ASES submits documentation to PRMP to assist with the completion of federal financial reporting. PRMP may request documentation on payables, outstanding procedures, and pending requests for federal reporting.

The process is partially automated, and data is stored electronically; however, some manual, paper-based tasks remain for data entry, reporting, and allocation activities. Information is stored in disparate systems, and a mix of HIPAA and State-specific standards are used for file transfers.

1.2.1.7 Generate Financial Report

In MMIS Phase III, the financial reporting focus is on federal reporting mandates, such as the production of CMS-37 and CMS-64 reports. At this time, Puerto Rico is not required to submit CMS-21 reports. While PRMP owns the federal appropriations reporting process, it uses data from ASES to generate these reports. In turn, ASES uses MIP to generate additional detail that is used to inform financial reporting. This process uses partially automated ad-hoc queries with manual validation and signatures.

1.2.1.8 Payment Error Rate Measurement (PERM)

The Payment Integrity Information Act of 2019 (PIIA) requires CMS to estimate the number and size of improper payments in Medicaid and CHIP annually. This requirement has led to the creation of the PERM program in which the majority of State Medicaid Agencies (SMAs) must participate. To date, Puerto Rico has not been required to participate in the PERM program; however, in response to the Further Consolidated Appropriations Act, 2020, Puerto Rico is now preparing for a PERM pilot program. Puerto Rico will be included in Cycle 3 of CMS' PERM reviews. PRMP is currently planning to work with CMS and its contractors to conduct the pilot and review sample claims paid between July 1, 2022, and June 30, 2023. A full PERM review is currently planned for a sample of claims paid between July 1, 2025, and June 30, 2026.

1.2.2 Technical

The PRMP enterprise is a multi-architectural solution environment comprised of several vendors. The MES is comprised of an MMIS that provides functionality relating to provider enrollment, encounter processing, case tracking, program integrity, data warehouse, and enterprise security. PRMP also is in the midst of implementing their eligibility and enrollment (E&E) solution, otherwise known as MEDITI3G. ASES also maintains the HIA/EDW, the MIP, and the ASES Core solutions all of which are integral in the financial management business area. In addition to the aforementioned solutions, an actuarial vendor also provides actuarial and performance management services to help inform the financial management process. Collectively, these solutions are of primary focus for the MMIS Phase III solution implementation, and proposing vendors should be prepared to establish a solution that provides PRMP with the technical and business capabilities necessary to support the detail in **Attachment G: Business Requirements Approach** and **Attachment H: Technical Requirements Approach**. Modules and components are expected to provide cohesive functionality to support the business outcomes detailed within this RFP, and should provide the flexibility to replace and/or enhance existing financial management related solutions as part of an iterative modernization with minimal impact to other PRMP MES functionality.

At this time, PRMP does not have enterprise integration services contracted through a single entity, and the proposing vendor should plan to use best practices for extranet communications

when implementing the proposed solution and should plan to utilize an Enterprise Service Bus (ESB) combined with web services. The solution vendor supporting this RFP should plan to work collaboratively with existing vendors in the development and management of shared services and data flow.

Technical architecture of the desired solution is not prescribed; instead, performance and security expectations are defined through requirements, allowing vendors to propose solutions of any architecture that meets those requirements. It is expected that vendors propose solutions that operate in cloud environments and that the proposing vendors ensure the privacy and security of PRMP data. All other detail regarding the desired technical architecture can be found in *Supplement Two: Detailed Requirements*.

2. Overview of Envisioned Systems and Services

2.1 Vision and Goals

The MMIS Phase III solution is intended to provide PRMP with operational improvements to financial systems reconciliation, data and information sharing between systems, claims visibility, and financial transaction and reporting timeliness.

Goals for enhancing the existing PRMP MES, include, but are not limited to:

- Improving program oversight.

- Transforming PRMP into an integrated and information-driven agency.

- Leveraging technology advancements to improve healthcare outcomes for citizens.

- Increasing the credibility of the Medicaid program within the Commonwealth and with CMS.

The MMIS Phase III solution's initial and primary focus is on enhancing the following financial management areas:

- The functionality and business processes necessary to support the production and distribution of premium payments to MCOs including, but not limited to:
    - The receipt of an 834 transaction file from the MCOs to assist in completing the premium payment determination.
    - The manual and automated rate adjustments currently being completed using data from the MIP and HIA/EDW solutions within ASES.
        - These adjustments account for individual and mass rate changes, deceased enrollees, HCHN enrollees changes, Third-Party Liability (TPL) recoupments, maternity kick payments, as well as other adjustments.
    - The distribution of an 820 transaction file to the MCOs and the MMIS (or an alternative solution as defined by PRMP).
    - The receipt of a copy of 820 transaction files from the MCOs containing provider capitation payments.
    - The receipt and distribution of files in support of actuarial analysis.

- The functionality and business processes necessary to support the validation of capitation payments to providers from the MCOs.

PRMP is in the process of building a Medicaid Enterprise Roadmap and completing the 2020 MITA SS-A, both of which are intended to enhance PRMP's MES mission, vision, values, and goals, and detail additional initiatives to enhance the initial focus areas for the MMIS Phase III solution. Potential financial management business processes for future enhancements and implementations include, but are not limited to:

- Manage Provider Recoupment

- Manage TPL Recovery

- Manage Drug Rebate

- Manage Accounts Receivable Information

- Manage Accounts Receivable Funds

- Manage Contractor Payment

- Manage Accounts Payable Information

- Manage Accounts Payable Disbursement

PRMP anticipates completing the Medicaid Enterprise Roadmap in the fall of 2021, and PRMP will communicate any additional requests for support resulting from the Roadmap's completion.

2.1.1 Business Objectives

PRMP maintains the following objectives in support of the MES strategy:

Table 18: Business Objectives

Objective	Description	Supporting Activities

Enhanced Data Quality	Strengthen the trust in, and improve the quality of, data across the Medicaid Enterprise	• Federal reporting
		    o CMS-64
		    o CMS-37

Improved Data Integration	Provide tool and training related support for PRMP staff to further understand and analyze data from across the Medicaid Enterprise	• Analytics and statistics improvements • IT infrastructure enhancements
Medicaid Enterprise Integration	Integrate business processes and technology into the Medicaid program	• MMIS modular enhancements • Improvements to existing business and technical capabilities
Business Relationship Management	Further define and document PRMP and PRDoH policies and procedures in support of the Medicaid Enterprise	• PRMP Desk-Level Procedure (DLP) documents

The objectives listed above may be updated after the completion of PRMP's MES Roadmap.

In addition to these objectives, PRMP has defined an initial set of proposed outcomes and metrics for the MMIS Phase III project, listed in *Table 19: Draft Outcomes and Metrics*. PRMP intends to collaborate with CMS and other stakeholders throughout the MMIS Phase III project lifecycle to refine and tailor the following draft outcomes and metrics to enhance and improve the MMIS. The MMIS Phase III project is intended to improve the timeliness of business processes and enhance the accuracy and availability of financial data.

Table 19: Draft Outcomes and Metrics

Item #	Outcomes	Metrics
1.	The Commonwealth reduces the time it takes to complete financial business processes	• Timeliness of Premium Payment Calculations • Timeliness of Trading Partner Data Exchanges • Timeliness of Carrier Premium Payments
2.	The Commonwealth provides timely and complete reporting of financial data to the federal government	• Timeliness of CMS-64 Submissions • Timeliness of CMS-37 Submissions
3.	The Commonwealth coordinates and improves the accuracy and access of financial data	• Accuracy of Premium Payments to Carriers • Accuracy of Premium Rate Adjustments • Accuracy of Financial Reports

The following section describes the desired to-be environment to support achieving these goals.

2.2 To-Be Environment

2.2.1 Business Functional Environment

The MMIS Phase III solution is intended to assist PRMP in improving the processing time and integration of financial data into a centralized location within the Medicaid Enterprise. Most notably, the MMIS Phase III solution should integrate technology and business processes into a single modular financial management solution. This solution should provide PRMP with benefits that include, but are not limited to:

- Integration of disparate solutions within the Medicaid Enterprise

- Increased capability to interface and integrate with Medicaid enterprise modules and/or solutions to achieve the business outcomes described in this RFP and Appendices

- Increased methods to achieve solution integration to support modularity, reuse, and configurable components

- Enhanced visibility into premium payment rates and rate adjustments

- Increased automation of premium payment adjustments

- Greater visibility into the premium payments from carriers to providers

- Enhanced ability to reconcile premium payments to rates, capitation payments to providers, and capitation payments for beneficiary services

- Enhanced financial reporting capability

- Integrated solution functionality, business processes, and reporting to support PERM compliance

PRMP anticipates these benefits to be critical in helping PRMP achieving the vision previously detailed in **Supplement One: Section 2.1 Vision and Goals**.

2.2.1.1 Premium Payments

The current premium payment process uses data from a variety of sources and includes a series of manual and automated processes. A goal of the to-be environment is to integrate the data into the vendor's proposed solution and automate several of the existing premium rate assignment, calculation, and payment processes.

The following figure provides a high-level overview of the desired to-be state of the premium payment process:

Figure 5: Desired To-Be State for Premium Payment Processing

- MMIS Phase III solution receives actuarial data from MedInsight and an encounter/claims file via an 837 transaction file from the core MMIS
- MMIS Phase III solution receives beneficiary enrollment information via an 834 transaction file from the core MMIS
- Premium payment rates are adjusted based on enrollment information (i.e. HCHN, Double Payments, Maternity Kick Payment, Death), rate changes, etc.
- Premium payments are generated from the MMIS Phase III solution and sent to carriers and the core MMIS via an 820 transaction file

MMIS Phase III Solution

The desired premium payment processes approach is intended to allow for the integration of data from disparate solutions within PRMP's enterprise, and the automation of rate cell assignment to beneficiaries. Additionally, the desired premium payment approach would provide PRMP with additional oversight and visibility of the premium payment calculation process and establish a core solution to integrate data and processes upon which PRMP could build.

Business rules defining expected outcomes will be described by PRMP to the vendor, who should help ensure the solution is configured correctly to meet these expectations. Business rules may change over the life of the contract, and the solution should be able to adapt to the changes without compromising the ability to process historical data under previous configurations.

2.2.1.2 Beneficiary Data

The MMIS Phase III solution should be able to extract and store data elements from the 834 transaction. It should also support a beneficiary data set that includes premium payment calculations and premium payments, as well as data necessary to perform adjustments related to changes in beneficiary status.

2.2.1.3 HCHN Premium

As part of enhancing the premium payment functions, the MMIS Phase III solution should be able to support the following:

- Incorporate storage and maintenance of the HCHN Registry and Pre-Registry

- Support HCHN assignment and assignment verification utilizing verification factors such as account diagnosis code, encounter claims, pharmacy claims, and inpatient admissions

- Integrate with the premium payment process of assigning beneficiaries to rate cells

PRMP expects to expand the number of conditions covered by the HCHN program as it better identifies those beneficiaries in need of more intensive services. Diagnoses associated with some services currently categorized as "Special Coverage" are expected to be incorporated into the HCHN rate cell category.

2.2.1.4 Accounts Payable Information/Disbursement

The primary enhancements to the Accounts Payable function are expected to result from improvements in the premium payment process. Future enhancements will put greater focus on other business processes relating to this business area.

2.2.1.5 Provider Capitation Verification

A prerequisite for provider capitation verification is timely access to accurate and sufficiently detailed data to have a comprehensive view of capitation payments from carriers to providers. Verification would include helping to ensure capitation payments are made with the correct provider rates on behalf of the correct beneficiaries who are assigned to those provider panels. This process would also verify dates of service and check for duplicates. Verification should also take into account adjustments to the payments when changes occur (e.g., beneficiary status, individual adjustments, and mass rate adjustments).

2.2.1.6 Fund

Through increased automation of financial functions, PRMP expects to increase its ability to access information required for reporting and decision-making. Future enhancements will put greater focus on other business processes relating to this business area.

2.2.1.7 Generate Financial Report

Through increased use of standards and automation, improved data quality, and quality assurance, PRMP plans to reduce the end-to-end process time and increase readily available data for decision support. PRMP anticipates timeliness and quality of federal reporting should improve. Future enhancements will put greater focus on other business processes relating to this business area.

2.2.1.8 PERM

The new functionality related to meeting PERM requirements should be incorporated into the MMIS Phase III solution. Puerto Rico is currently in the planning stages for its participation in a PERM pilot in which CMS will sample and review claims paid between July 1, 2022, and June

30, 2022. Puerto Rico is working with CMS to determine whether it will opt to use routine PERM or PERM Plus for its review. A full PERM review is currently planned for a sample of claims paid between July 1, 2025, and June 30, 2026. PRMP will work with the vendor to prioritize development of this functionality to meet federal timelines.

2.2.2 Technical Environment

The desired technical architecture is not prescribed within this RFP and instead the performance and security expectations are defined through requirements, allowing vendors to propose solutions of any architecture that meets those requirements. It is expected that vendors propose solutions that operate in cloud environments and that the proposing vendor ensures the privacy and security of PRMP data. All other detail regarding the desired technical architecture can be found in the *Supplement Two: Detailed Requirements*.

At this time, PRMP does not have enterprise integration services contracted through a single entity, and the proposing vendor should plan to use best practices for extranet communications when implementing the proposed solution, and should plan to utilize an ESB combined with web services. The solution vendor supporting this RFP should plan to work collaboratively with existing MES vendors in the development and management of shared services and data flow.

The MMIS Phase III solution's technical environment should align with CMS MITA Technical Architecture, and comply with CMS standards and conditions to improve PRMP MITA maturity levels to support the financial management needs and modernization of the PRMP Medicaid enterprise.

For more information on the existing MES landscape, please refer to *Supplement One: Section 1: Background and Overview of Existing Solutions and Services.*

The provided technical architecture should support the business outcomes detailed in the *Supplement One: Section 2.1: Vision and Goals*. The new solution should have key functionality enablers for shared use and modularity to eliminate barriers between different application(s) and diverse data types. The financial solution should use a modular, flexible approach to solution development, including the use of open interfaces and exposed Application Programming Interfaces (API), the separation of standardized business rule definitions from core programming, and the availability of standardized business rule definitions in both human and machine-readable formats.

PRMP expects the vendor to commit to a formal system development methodology and an open and reusable system architecture. This commitment includes, but is not limited to the following:

- Use of Systems Development Life Cycle (SDLC) methodology

- Identification and description of open interfaces

- Use of standardized business rule definition engines

- Submission of standardized business rule definitions to a U.S. Department of Health and Human Services designated repository as-is necessary

2.2.3 Future Growth

The MMIS Phase III solution should provide PRMP with a foundational solution infrastructure necessary to support the continued maturation of the financial management business area in the coming years. In addition to enhancing these initial areas of financial management focus, the MMIS Phase III solution should provide PRMP with a foundational system architecture and functionalities to support the establishment of a more comprehensive modular financial management solution. This approach should allow PRMP to build upon the initial MMIS Phase III functionalities and allow for future integration of other financial management processes within the Medicaid Enterprise.

As detailed in prior sections, PRMP is currently developing a Medicaid Enterprise Roadmap and conducting the annual MITA self-assessments in support of these future solution developments and other program improvements.

The vendor that is awarded this contract will be eligible to submit proposals in response to solicitations for future solution enhancements.

3. Scope of Work

This section provides a narrative overview of the requirement categories and subcategories for this procurement. Both itemized requirements and expectations expressed in narrative sections will be binding in the contract resulting from this RFP. Detailed requirements are located in *Supplement Two: Detailed Requirements*.

Below are the types of requirements included in this section:

> - *Business Requirements (Attachment G)*
> - *Technical Requirements (Attachment H)*
> - *Implementation Requirements (Attachment I)*
> - *Maintenance and Operations Requirements (Attachment J)*

Vendors should respond to the requirements utilizing the corresponding response template (Attachments G, H, I and J included in this RFP) associated with each group of requirements.

3.1 Business Requirements

The business requirements are intended to detail how the solution will support the administration of PRMP's financial management business processes, and support the use of data for program management, data analysis, monitoring, and reporting. The vendor should deliver a solution that meets the business needs of PRMP as defined within the business requirements. It is important that the solution provide the capability to meet the current business needs of PRMP and be flexible enough to support future needs. Vendors should provide their detailed response for each requirement utilizing *Attachment G: Business Requirements Approach*.

3.2 Technical Requirements

The technical requirements detail the solution requirements PRMP has identified as integral towards the solution's long-term use and reuse. Vendors are expected to provide their detailed responses for each requirement utilizing ***Attachment H: Technical Requirements Approach***.

The solution's architecture provides the underlying computing infrastructure that enables and supports the data and application architectures that comprise the solution. The solution's technical architecture should address requirements that include but are not limited: to the solution's scalability, capacity, extensibility, adaptability, performance, availability, stability, and security.

In addition, the solution's architecture should include business continuity components (i.e., backup, recovery, failover, and disaster recovery) necessary to effectively manage and support the existing and future needs of the Medicaid enterprise.

3.3 Implementation Requirements

The implementation requirements detail PRMP's expectations of the solution and solution vendor through the execution of project activities including, but not limited to: project management planning, solution testing, and training while ensuring a timely and successful CMS certification. Vendors should provide their detailed responses for each requirement utilizing ***Attachment I: Implementation Requirements Approach***.

3.4 Maintenance and Operations Requirements

The maintenance and operations requirements ensure that through careful contingency planning, and adherence to compliance, the solution runs optimally throughout its life cycle. Vendors are expected to provide their detailed responses for each requirement utilizing ***Attachment J: Maintenance and Operations Requirements Approach***.

The vendor is responsible for continued delivery of the solution throughout the maintenance and operations phase, and should support services that enhance solution functionality, existing and future data sources, and the technical infrastructure. The vendor is also responsible as a part of the maintenance and operations phase for monitoring and analyzing reports generated by the solution and for responding and resolving solution issues.

4. Project Task Groups and Deliverables

This section describes high-level task groups and associated deliverables. The task groups are listed in the table below. PRMP has identified several deliverables associated with each of the task groups, which should be completed in a timely manner to ensure the project's success. All contract deliverables are to be aligned with associated documents of PRMP where applicable. The table below portrays these deliverables by task group and includes brief descriptions of each. The deliverables are listed alphabetically, and no sequence expectations are implied.

The below table is from ***Appendix 1: Deliverables Dictionary*** and list the Project Deliverables.

Table 20: Project Deliverables

Deliverable #	Deliverables
1.	Certification Plan
2.	Certification Request Letter
3.	Data Conversion Plan (DCP)
4.	Data Conversion Test Cases
5.	Data Conversion Test Results
6.	Database Design
7.	Defect List
8.	Deployment Plan
9.	Detailed System Design (DSD) Document
10.	Disaster Recovery and Business Continuity Plan
11.	HIPAA Statement
12.	Incident Management Plan
13.	Independent, Third-Party Security, and Privacy Controls Assessment Report
14.	Implementation Plan (Roll-Out Plan)
15.	Load and Stress Test Cases
16.	Load and Stress Test Results
17.	Master Test Plan
18.	MES Conditions of Enhanced Funding Template and Supporting Documentation
19.	Metrics Data Report
20.	Monthly Project Status Report
21.	Operational Readiness Plan (ORP)
22.	Operations Schedule
23.	PRMP-Specific Reports
24.	Production Screenshots, Reports, and Data for Certification
25.	Project Management Plan
25a.	Change Management Plan
25b.	Communication Management Plan
25c.	Cost Management Plan
25d.	Documentation Management Plan

Deliverable #	Deliverables
25e.	Modularity and Reusability Plan
25f.	Project Work Plan
25g.	Quality Management Plan
25h.	Risk and Issues Management Plan
25i.	Schedule Management Plan
25j.	Scope Management Plan
25k.	Staffing Management Plan
25l.	Stakeholder Management Plan and Stakeholder Analysis
26.	Project Schedule
27.	Regression Test Cases
28.	Regression Test Results
29.	Report Distribution Schedule
30.	Requirements Traceability Matrix (RTM)
31.	Risk and Issue Register
32.	Roadmap/Timeline
33.	Security, Privacy, and Confidentiality Plan
34.	Service Level Agreements (SLA) Report
35.	Standard Output Reports
36.	System Acceptance Letter
37.	System Configuration Management Plan
38.	System, User, and Product Documentation
39.	System Integration Plan
40.	System Test and System Integration Test (SIT) Cases
41.	System Test and System Integration Test (SIT) Results
42.	System Operations Plan
43.	System Performance Reports
44.	System Requirement Document/Backlog of User Stories or Use Cases
45.	Training Plan (With Training Schedule)
46.	Training Documentation
47.	Training Report

Deliverable #	Deliverables
48.	Turnover and Closeout Management Plan
49.	User Acceptance Test (UAT) Cases
50.	User Acceptance Test (UAT) Results
51.	Weekly Project Status Report

Table 21: High-level Project Task Groups and Descriptions

Task Group	Description
Project Initiation and Planning	The first phase in the Project Management Life Cycle (PMLC), Project Initiation focuses on the startup of a new project. Project Planning entails the creation of numerous planning documents that will guide solution implementation and project operations over the life of the project.
Solution Design and Testing	Solution Design and Testing entails configuration and testing for the project.
Solution Deployment	Solution Deployment includes the activities critical toward the final stages of the solution's implementation.
Project Monitor and Control	Project Monitor and Control includes continuous supervision of project activities by the vendor and performance reporting to PRMP.

Table 22: Project Deliverables by Task Groups

Task Group	Deliverable(s)
Project Initiation and Planning	Certification Plan
	Change Management Plan
	Communication Management Plan
	Cost Management Plan
	Documentation Management Plan
	Incident Management Plan
	Master Test Plan
	Modularity and Reusability Plan
	Project Work Plan
	Quality Management Plan
	Risk and Issue Management Plan
	Roadmap/Timeline
	Schedule Management Plan
	Scope Management Plan
	Security, Privacy, and Confidentiality Plan

Task Group	Deliverable(s)
	Staffing Management Plan
	Stakeholder Management Plan and Stakeholder Analysis
	System Requirement Document/Backlog of User Stories or Use Cases
Solution Design and Testing	Data Conversion Plan (DCP)
	Data Conversion Test Cases
	Data Conversion Test Results
	Database Design Document
	Defect List
	Deployment Plan
	Detailed System Design (DSD) Document
	Disaster Recovery and Business Continuity Plan
	Load and Stress Test Cases
	Load and Stress Test Results
	Operational Readiness Plan
	Operations Schedule
	PRMP-Specific Reports
	Regression Test Cases
	Regression Test Results
	Standard Output Reports
	System Configuration Management Plan
	System Integration Plan
	System Integration Test Cases
	System Integration Test Results
	Training Plan (With Training Schedule)
	User Acceptance Test Cases
	User Acceptance Test Results
Solution Deployment	Certification Request Letter
	HIPAA Statement
	Implementation Certification Letter
	Implementation Plan (Rollout Plan)
	Independent, Third-Party Security, and Privacy Controls Assessment Report
	MES Conditions of Enhanced Funding Template and Supporting Documentation

Task Group	Deliverable(s)
	Metrics Data Report
	Production Screenshots, Reports, and Data for Certification
	Report Distribution Schedule
	System Acceptance Letter
	System Operations Plan
	System, User, and Product Documentation
	Training Documentation
	Training Report
	Turnover and Closeout Management Plan
Project Monitor and Control (Recurring Deliverables)	Monthly Project Status Report
	Project Management Plan
	Project Schedule
	Requirements Traceability Matrix (RTM)
	Risk and Issue Register
	Service Level Agreements (SLA) Report
	System Performance Reports
	Weekly Project Status Report

Vendors should refer to **Appendix 1: Deliverables Dictionary** for details surrounding each surrounding each deliverable.

4.1   Deliverable Review and Approval

This section will include the deliverable review process and acceptance criteria.

PRMP intends to review all deliverables according to the process described below and in the agreed upon in **Deliverable 25d: Documentation Management Plan**. Documentation will be maintained at a location to be determined by PRMP prior to the award of the Contract. The vendor's quality management process should be aligned with this deliverable review process and followed in conformance with any review process specifically designed for this project. The review process allows PRMP and vendor personnel to determine, at key project checkpoints, that the deliverable meets the requirements and is functional in the context of the solution and/or contract.

1) Prior to drafting the deliverable, the vendor submits to PRMP a deliverable expectations document (DED) which contains the deliverable acceptance criteria. The vendor meets with PRMP to establish an approved set of deliverable acceptance criteria. The project team uses these criteria during review of the deliverable to determine whether the deliverable meets all requirements.

2) Prior to deliverable submission, the vendor schedules a deliverable walkthrough with PRMP to provide a high-level review of the deliverable to be submitted.

3) The review process begins with submission of the deliverable. The date of receipt should be defined based on the time of submission. If the vendor submits the deliverable before noon on a business day, that day should be the date of receipt. If the vendor submits the deliverable after noon on a business day, the next business day should become the date of receipt. If a deliverable is submitted on a non-business day (such as a weekend or holiday), the next business day should become the date of receipt.

4) PRMP will provide the vendor with either a notice of deliverable approval, a notice of conditional approval, a notice of return, or a request for additional time to complete its review within ten (10) business days from the date of receipt of each deliverable. If any portion of the deliverable is unacceptable, PRMP should outline the reason for return of the deliverable in the notification.

5) PRMP intends to provide the vendor with five (5) business days from the date of return by PRMP to correct any deficiencies and resubmit the deliverable to PRMP.

6) PRMP has an additional five (5) business days from the date the vendor resubmits the deliverable to review it.

7) If PRMP finds the deliverable acceptable, PRMP will provide the vendor with written approval of the deliverable.

8) If PRMP finds the deliverable or any portion thereof unacceptable, or not in alignment with the approved acceptance criteria, PRMP intends to reject the deliverable and escalate the issue using the approach defined in the approved Risk and Issue Management Plan.

5. Project Organization and Staffing

This section will provide instructions and guidance to vendors to respond to staffing requirements and specifications identified in this section and also in *Attachment F: Mandatory Requirements* and *Supplement Two: Detailed Requirements*. This section will also identify key staff, experience, and other staffing metrics.

Consistent staffing levels and a commitment to team stability and continuity are essential to the success of the implementation and operation of the solution. Qualified project staff are essential to the vendor's satisfactory performance of project activities. PRMP expects the vendor to supply staff serving the roles and performing the responsibilities identified in this section. Certain positions are identified as "key staff" and should be included in the vendor's Initial Staffing Plan, and are subject to specific requirements, identified in *Attachment F: Mandatory Requirements* and *Supplement Two: Detailed Requirements*. Details relating to the vendor's Initial Staffing Plan and the response template is located in *Attachment D: Project Organization and Staffing*.

PRMP will consider an alternative alignment of roles and responsibilities within the submitted bid responses. In accordance with mandatory requirements in this RFP and after the contract is executed, changes to the proposed positions and responsibilities will only be allowed with prior

written permission from PRMP. If the vendor believes that an alternative organizational design could benefit PRMP, improve performance, and/or decrease costs, then these options and their benefits should be discussed within the bid response.

The vendor should ensure that staff possess sufficient experience to meet the responsibilities, performance expectations, and system requirements of this RFP. Non-key roles and responsibilities identified in the table below can be shared among personnel positions where practical and where a dedicated individual is not required by this RFP. Additional key staff and positions may be proposed at the vendor's discretion.

Appendix 2: Staff Qualifications, Experience, and Responsibilities provides a detailed list of vendor project roles anticipated to be necessary for a successful implementation of the solution and ongoing operations. Minimum qualifications, experience, and primary responsibilities are provided for each role. The responsibilities presented are high-level and not to be interpreted as all-inclusive. Please be advised *Appendix 2: Staff Qualifications, Experience, and Responsibilities* is not an exhaustive list of roles. PRMP expects that the vendor will present the most optimal staffing arrangements in its Initial Staffing Plan for fulfillment of the requirements and specifications set forth within this RFP.

The vendor's staff will be expected to participate in project related activities at various times throughout the contract phases. The table below indicates the roles anticipated to be actively working on the project during each task group of the project. PRMP will consider alternative arrangements as long as the time staff are present and devoted is sufficient to meet the operational responsibilities, performance expectations, and system requirements of this RFP.

Table 23: Vendor Roles by Project Phase

Project Role	Project Initiation & Planning	Solution Design and Testing	Solution Deployment	Solution Operation and Maintenance	Contract Closing
Account Manager*	✓	✓	✓	✓	✓
Project Manager*	✓✓	✓✓	✓✓	✓✓	✓✓
Business Lead*	✓✓	✓✓	✓✓	✓✓	✓✓
Technical Lead*	✓✓	✓✓	✓✓	✓✓	✓✓
Implementation Manager*	✓✓	✓✓	✓✓	✓	
Operations Manager*		✓	✓✓	✓✓	✓✓

Project Role	Project Initiation & Planning	Solution Design and Testing	Solution Deployment	Solution Operation and Maintenance	Contract Closing
Certification Lead*		✓	✓	✓	
Documentation Management Lead	✓✓	✓✓	✓✓	✓	✓
Quality Assurance Manager*	✓✓	✓✓	✓✓	✓	✓
Testing Manager	✓	✓✓	✓✓	✓	
Information Security Architect / Privacy Data Protection Officer	✓	✓	✓	✓	✓
* Key Staff Role	✓ **Role may be dedicated to the project less than 100% of the time**		✓✓ **Role expected to be dedicated to the project 100% of the time and onsite for more than 50% of their time in a given month**		

5.1 Department Staff

This section will describe the anticipated interaction and collaboration between the vendor and PRMP. It will also detail any constraints or limitations to key PRMP staff.

The vendor's project staff will work in collaboration with PRMP and MES vendor staff. PRMP staff will participate in project related activities at various times, from the start of the project through the operations and maintenance and contract closing. PRMP staff have other ongoing responsibilities but will strive to dedicate effort to the project as needed.

5.2 Procurement Library

This section will provide an informational table for the vendors to access an inventory of documents that support this RFP.

See *Appendix 4: Procurement Library* for an inventory of documents that support this RFP. Please contact PRMP if a specific document from the Procurement Library cannot be located.

6. Appendices

Appendix 1: Deliverables Dictionary

The Deliverables Dictionary provides a high-level description of each deliverable included in this RFP. Please note that each deliverable should include a section that speaks to how the vendor will maintain and/or update the document throughout the life of the contract.
Where possible, and unless otherwise stated and approved by PRMP, all project deliverables should align with the PMI® and PMBOK® best practices. For additional information on the PRMP deliverable review process, please refer to **Supplement One: Section 4: Project Task Groups and Deliverables** of the RFP.

1. Certification Plan

A formal planning document that details the vendor's approach for accomplishing timely CMS certification. The CMS Certification Plan:

- Supports alignment of the solution consistent with Medicaid Enterprise Certification Lifecycle (MECL) and applicable certification criteria identified by the Commonwealth

- Preparation and submission of evidence and supporting information for applicable MECL criteria during checkpoints defined by MECL

- Addressing all issues that prevent timely certification by CMS, at no additional cost to the Commonwealth

Should the approach to certification change, the vendor will update the Certification Plan at no additional cost to the Commonwealth.

2. Certification Request Letter

The Certification Request Letter provides attestation that all solution functionality has been delivered and is ready for implementation and full solution acceptance. The letter should include, but not be limited to:

- The date the system became fully operational

- A copy of the Commonwealth of Puerto Rico's (Commonwealth's) letter to the MMIS vendor or PRMP development team accepting the system/modules(s)

- A copy of the official acceptance letter from the State to the MMIS vendor or PRMP development team

- A proposed time frame for the review

- A declaration that the Commonwealth's MMIS meets all the requirements of law and regulation:

    o Meets the requirements of 42 Code of Federal Regulations (CFR) 433.117 for all periods for which the 75% Federal Financial Participation (FFP) is being claimed

- Issues Explanation of Benefits (EOBs) on a regular basis for all periods for which 75% FFP is being claimed, in accordance with the provisions of Section 10 of P.L. 95142, which amends Section 1903(a)(3) of the Social Security Act

- Is ready for CMS certification, based on the state's evaluation using the checklists in the toolkit

- Adjudicates claims and information required for payment of services in accordance with all provisions of 42 CFR 447 and the approved state Medicaid plan

- Generates up-to-date and accurate Transformed Medicaid Statistical Information System (T-MSIS) data

- Routinely generates backups containing up-to-date and accurate T-MSIS data

- Exercises appropriate privacy and security controls over the system in accordance with 45 CFR Part 164, P.L. 104-191, Health Insurance Portability and Accountability Act (HIPAA) of 1996, and 1902(a)(7) of the Social Security Act as further interpreted in regulations at 42 CFR 431.300 to 307

The Certification Request Letter deliverable is a vendor supported deliverable, rather than a vendor produced deliverable. PRMP is responsible for putting together this deliverable and submitting it to CMS, however the vendor is responsible for providing PRMP with all information related to certification in support of this deliverable's submission.

3. Data Conversion Plan (DCP)

The Data Conversion Plan (DCP) describes the strategy, preparation, and specifications for converting data from the source system(s) to the target system(s) or within an existing system. The vendor should prepare and deliver the Data Conversion Plan during Phase 3 (Requirements Analysis and Design) and at least thirty (30) business days prior to start of Phase 4 (Development and Testing).

This plan describes the overall approach, assumptions, and processes that will be used in the data conversion, including, but not limited to:

- Identifying interfaces that exist or might need to be established

- Providing an inventory and cross-reference of source and target data elements, schema, metadata, and self-describing files

- Processing for data extraction, transformation, and loading for each data source; tools needed to execute the conversion; and strategy for data quality assurance and control

- Developing and/or use of conversion programs, tools, or existing extract routines to extract data from the current system

- Validating the data conversion software, including description of a system test of all conversion software to demonstrate its functionality and performance before conversion

- Conducting parallel system and subcomponent runs to validate data conversion results

- Data cleansing, including development of a Data Conversion Specifications Document containing the specific data-cleansing and conversion criteria for all data elements, including the business rules that will be used to support the conversion of data from the existing solution to the new solution

- Mapping of fields and all other information required to support the conversion from the existing solution to the new solution

- Developing and using data conversion test scripts

- Supporting converted data for User Acceptance Testing (UAT)

- Approaching data conversion reconciliation, including methodologies for:

  - Trial conversions

  - Results reporting and analysis, including reports to help ensure there are adequate checks and balances in the data conversion process

  - Verification of pilot implementation data

  - Verification of system-wide implementation data

  - Strategy for any data that do not convert

  - Approach to development and use of Data Conversion Test Scripts

4. Data Conversion Test Cases

Data Conversion Test Cases are used by the vendor to verify that one data format can be converted into another data format, so that the converted data can be used seamlessly by the solution. The vendor's test cases should cover all processes within the MMIS Phase III solution and be representative of vendor and PRMP-identified areas. The vendor's test cases should allow for verification that the data conversion will be successful.

5. Data Conversion Test Results

The Data Conversion Test Results are the product of executed Data Conversion Test Cases verifying that the data conversion was successful.

The vendor's Data Conversion Test Results should include, but not be limited to:

- Description of test scenarios and test cases executed

- Documentation of test results, including screenshots and other supporting evidence

- List of issues and defects identified during testing

- List of defect resolutions and other processes used to help ensure successful completion of testing

The vendor will submit Data Conversion Test Results, as well as the associated Data Conversion Test Cases to PRMP, once test results have been produced.

6. Database Design Document

A document used to produce a detailed data model (Conceptual, logical, and physical data models) of a database or set of data extracts enabling PRMP to access all data used in the operations of the solution. This data model contains all the needed logical design choices and physical storage parameters needed to generate a design in a data definition language that can be used to create a database. The document should include a data dictionary for the proposed solution.

7. Defect List

The vendor should provide to PRMP a current defect list, with frequency, severity (inclusive of all critical and high defects), and associated remediation timelines. The vendor is expected to document all defects discovered throughout the life of the contract. Entries should include information about the operational impact of defects. The Defect List should be maintained throughout the duration of the contract, and provided as-is necessary.

8. Deployment Plan

The Deployment Plan describes the sequence of operations or steps that should be carried out to deliver changes into the solution environment.

The Deployment Plan should include, but not be limited to:

- Definition of how release and deployment packages can be tracked, installed, tested, verified, and/or uninstalled or backed out, if appropriate

- Definition of how deviations, risks, and issues related to the new or updated module are recorded and how corrective actions are ensured

- Definition of how the transfer of knowledge will occur to enable end users to optimize their use of the new/updated module to support their business activities

- Definition of how skills and knowledge will be transferred to operations staff to enable them to effectively and efficiently deliver, support, and maintain the new/updated module according to the documented SLAs

9. Detailed System Design (DSD) Document

The Detailed System Design (DSD) Document describes the solution design the vendor will use to satisfy the requirements of the contract. The DSD Document is the primary output of the Design Sessions and is comprised of both the functional and technical elements of the solution.

The DSD Document should include, but not be limited to:

- General narrative of the entire system and the flow of data through the system

- Detailed description and diagram of the system architecture, identifying how components are integrated to meet RFP requirements

- General and detailed subsystem narratives describing each function, process, and feature

- Hardware and software detail

- Business rules

- Reporting capabilities and pre-built reports

- Security design description for each business area that defines access control, including specifying roles, role locations, and a matrix of roles by inputs/outputs

- System functionality traceable back to the functional Requirements Traceability Matrix (RTM)

- Identification of system files and processing architecture

- Process flows

- Record layout of each data store with data element definitions and all logical data models

- Corresponding physical model data structures with data dictionary excerpts for each structure

- Details on which components will be leveraged from existing systems and which components will be newly developed

- User profiles and security role permissions

- System overview diagrams

- Flow diagram of each subsystem, identifying all major inputs, processes, and outputs

- Lists of all inputs and outputs by subsystem

- Domain model(s)

- High-level data model and a detailed, physically specific data model

- Infrastructure design plans

- Interface designs, including Application Programming Interfaces (APIs)

- Interface list that includes, but is not limited to, details on the interface's desire, data flow, and entities from which the data is flowing from and/or to

- List of all local and off-site facilities

- Network schematic showing all network components and technical security controls

- Interface control documents

- Description of each component, including basic functions and the business areas supported

- Enterprise system diagrams, including all components, identifying all logic flow, data flow, systems functions, and their associated data storage

10. Disaster Recovery and Business Continuity Plan

The Disaster Recovery and Business Continuity Plan (DRBCP) defines the resources, actions, and tasks required to protect and recover data and the data infrastructure in the event of a disaster. The vendor's DRBCP should adhere to applicable Commonwealth and federal laws, rules, regulations, and guidelines. The vendor should submit the DRBCP 120 business days prior to system go-live, and then on an annual basis and/or after any substantive changes to the solution. Annual plans will be due the first business day of July each year.

The Disaster Recovery and Business Continuity Plan should include, but not be limited to:

- Vendor Disaster Communication Plan that includes procedures for activating emergency personnel

- Descriptions of alternative hardware or processing sites, any proposed alternate hot site(s), and off-site data storage

- Description of off-site storage procedures, including a detailed schedule for backup operations and any proposed clustering methodology for high availability

- Backup and protection plans and procedures, including data files and transaction logs from all environments, software, hardware, and network connectivity

- Detailed schedules for creating backup media, and detailed backup and recovery procedures for all anticipated types of disasters to help ensure that data maintained in the solution or in other system/manual files is properly and routinely purged, archived, and protected from loss, unauthorized access, or destruction, in accordance with all relevant PRMP policies and procedures

- Failover Testing Plan and procedures

- Description of each anticipated class of disaster Test Plan with regularly scheduled testing that verifies the completeness, integrity, and availability of backup information

- Proposed recovery time objectives (RTOs) and recovery point objectives (RPOs) including detail not limited to RTO and RPO of priority business processes as defined by the vendor and PRMP

- Risk analysis and risk mitigation for each core business process

- Minimum acceptable levels of service
- Processes and procedures for testing and reporting for the Disaster Recovery (DR) Plan/Business Continuity (BC) Plan to include:

- o Failover/fallback functionality

- o Backup/recovery functionality, including RTOs, RPOs, and a hierarchy of critical services and infrastructure for restored services.

- o Off-site procedures, locations, and protocols prior to implementation
- o Plans detailing responsibilities, activities, and processes to be used in case of system failure at any time, including during turnover to production

- o Plans for key support resources during turnover to production activities

- o Identification of potential go-live system failures and negative events with mitigation plans and activities

- o Plans for training key project resources in recovery procedures

- o Process for updating the DR/BC Plan as necessary throughout the life of the contract

11. HIPAA Statement

The HIPAA Statement coveys an entity's commitment to comply with all applicable State and federal regulations including, but not limited to, 45 CFR Parts 160 through 164 (HIPAA). The HIPAA Statement should include, but not be limited to:

- The solution's compliance with HIPAA standards relative to data interchange

- Acknowledgement and commitment by the vendor that its solution will be in compliance with all current and future HIPAA standard Transactions and Code Sets (TCS) in place or mandated by the Commonwealth, PRDoH, PRMP, and CMS

In addition to the HIPAA Statement, the vendor should provide a yearly HIPAA Compliance Report which provides evidence of the solution's continued compliance with HIPAA regulations, as documented above.

12. Incident Management Plan

The Incident Management Plan should detail the vendor's approach to Incident Management.

The Incident Management Plan should include, but not be limited to:

- Definition of what constitutes an incident, including—but not limited to—severity level, classifications, escalation measures, and target times for responding and resolution

- Definition of the process for reporting, logging, managing, and tracking incidents to resolution and closure

- Description of the vendor's Corrective Action Plan (CAP) methodology and approach

- Definition of the process for communicating with affected stakeholders

- Identification of an incident manager

- Confirmation that this plan will comply and fulfill that which is required by the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-61 guidance

As part of the Incident Management Plan, the vendor will create, document, and maintain all incidents in an Incident Register and propose a mitigation plan for each item. The Incident Register and management tools should:

- Be automated

- Catalog all incidents

- Allow users to self-report and categorize incidents

- Allow users to configure an alert message when an incident occurs

- Notify PRMP and affected stakeholders of each incident within the time frames defined by PRMP

- Produce an Incident Report for each occurrence that identifies and describes the incident, its impact, associated communication, escalation, reporting, resolution, and planned corrective action

- Track incident management based on established metrics

Although PRMP envisions the Incident Management Plan being separate from the Risk and Issue Management Plan, it should align with the methodology and approach to risk and issue management.

13. Independent, Third-Party Security, and Privacy Controls Assessment Report

The Independent, Third-Party Security, and Privacy Controls Assessment Report covers compliance with the following:

- NIST SP 800-171 and/or NIST SP 800-53 standards and all relevant controls in HIPAA
- Health Care Industry Security Approaches pursuant to Cybersecurity Act of 2015, Section 405(d)
- Open Web Application Security Project Top 10

The third-party audit should include, but need not be limited to:

- Penetration Test
- Review of all HIPAA compliance areas:
  - User authentication
  - Information disclosure
  - Audit trail
  - Data transfers
  - Information on correct data use (role-based testing of use).

The audit should cover adequate audit trails and logs (including—but not limited to—ID, access level, and action performed). The audit should also cover encryption of data at rest, in audit

logs, and in transit between workstations and mobile devices (where applicable), to external locations and to offline storage.

14. Implementation Plan (Roll-Out Plan)

The Implementation Plan details the vendor's approach to conducting the cutover from the existing solution to the new solution at go-live. This plan provides a detailed sequence of operations or steps that should be carried out to deliver the new solution.

The Implementation Plan is a comprehensive plan for rolling out the new solution to users and should include, but not be limited to:

- Description of major tasks and each implementation step

- Description of solution's operational handoff and training

- Explanation of the solution configuration

- Defined installation scripts

- Identification of the installation of solution components

- Descriptions of the distribution of all solution components to external users

- Explanation of how all solution components will be installed and upgraded timely, and where the installation might split up into multiple procedures

- Points of contact

- Implementation schedule

- Security and privacy safeguards

- Implementation support procedures

- Implementation impacts

- Configuration management interfaces

- Applicable user documentation

- Personnel and staffing requirements

- Implementation staff training

- Outstanding issues

- Performance monitoring

- Risks and contingencies

- Implementation verification and validation

- Implementation roles and responsibilities for PRMP, vendors, and any other relevant stakeholders

- Approach to triaging issues and defects prior to, during, and subsequent to solution go-live

The vendor should also submit the Implementation Checklist as a part of the Implementation Plan. The Implementation Checklist provides a detailed list of items that should be completed during the Implementation Phase to successfully transition services to the MMIS Phase III solution.

15. Load and Stress Test Cases

The Load and Stress Test Cases will be used to measure the performance of the solution under a maximum expected load to verify solution performance and functionality under extreme circumstances. The vendor will submit Load and Stress Test Cases to PRMP for their review and approval prior to Load and Stress Test Cases being executed.

16. Load and Stress Test Results

When executed, the vendor's Load and Stress Test Cases produce Load and Stress Test Results that verify the solution functionality by measuring the performance of the solution under an expected load.

Load and Stress Test Results are produced when the Load and Stress Test Cases are executed, verifying the solution functionality by overloading the solution in order to find the breaking point.

Load and Stress Test Results should include, but not be limited to:

- Description of test scenarios and test cases executed

- Documentation of test results, including screenshots and other supporting evidence

- List of issues and defects identified during testing

- List of defect resolutions and other processes used to ensure successful completion of testing

The vendor will submit Load and Stress Test Results, as well as the associated Load and Stress Test Cases to PRMP, once test results have been produced.

17. Master Test Plan

The Master Test Plan is a technical document that details a systematic approach to testing a specific system such as a device, machine, or software. The Master Test Plan contains a detailed understanding of the workflow and functions of the solution and documents how each of those will be tested to find out if the solution works per its design to find bugs and to determine its actual limitations. The vendor will submit the Master Test Plan to PRMP for review and approval prior to its implementation.

The Master Test Plan should include, but not be limited to:

- Software testing strategies, methodology processes, standards, schedules, and guidelines for all software testing, including conversion testing activities

- Specification of entrance and exit criteria for each testing type and phase detailed within the RFP

- Templates and standards for all testing artifacts and deliverables

- Definition of testing metrics and how the metrics are recorded and reported (including— but not limited to—number of open test defects) across each applicable testing type

- Description of the approach and methodology for each testing type

- Standards for establishing bidirectional traceability to requirements throughout testing activities

- Plans for preparing the test/staging environment(s)

- Ability to add test scenarios, test cases, and test scripts as design progresses

- Approach to automated and self-documenting testing

- Approach to testing throughout both solution implementation and operations

- List of common defects that the vendor typically encounters along with a description of how the vendor's testing approach will attempt to mitigate any common defects

18. MES Conditions of Enhanced Funding Template and Supporting Documentation

The state should fill out the MES Conditions of Enhanced Funding Template and explain how each of the conditions is met. The vendor should provide evidence as necessary. The vendor is responsible for providing timely and accurate evidence related to solution, as it relates enhanced funding and supporting documentation.

The MES Conditions of Enhanced Funding Template and Supporting Documentation deliverable is a vendor supported deliverable, rather than a vendor produced deliverable. PRMP is responsible for putting together this deliverable and submitting it to CMS, however the vendor is responsible for providing PRMP with all information related to enhanced funding and supporting documentation in support of this deliverable's submission.

19. Metrics Data Report

The vendor should develop and provide PRMP with a Metrics Data Report which demonstrates that the system successfully meets all the agreed-upon CMS-required and PRMP-proposed outcomes. The vendor should submit the Metrics Data Report to PRMP for review and approval, prior to the report being shared with CMS.

20. Monthly Project Status Report

The vendor will produce a Monthly Project Status Report that summarizes data from the weekly reports, including executive summaries for presentation to management and oversight bodies (See Weekly Project Status Report for additional details). The format for these reports will be approved by PRMP. The vendor's executive management team will receive copies of the Monthly Project Status Reports that go to PRMP to keep informed of project progress.

21. Operational Readiness Plan (ORP)

To confirm that PRMP is ready to make the transition from the existing solution to the new solution, the Operational Readiness Plan (ORP) details the approach to validating all aspects of the solution and operations to help ensure the solution and PRMP are ready for production. The plan provides the details for the final implementation decisions needed by defining readiness criteria and utilizing operational readiness checklists. It also uses risk mitigation to support major transition decisions.

The ORP should include, but not be limited to:

- Operational Readiness Review (ORR) procedures to validate all the operations and hardware, software, and connectivity aspects of the solution

- Overall approach and timing for Operational Readiness Testing (ORT), including processes to document issues identified through ORT and ORR, as well as their proposed resolutions

- ORR checklists that define the readiness criteria of the solution, operations, and supporting solution or operation processes

- Approach to executing ORTs and ORRs

- Approach for providing ORT and ORR results for PRMP review and approval

- Approach to securing warranty that the solutions and operations are ready for implementation

22. Operations Schedule

The vendor should provide a detailed task-by-task schedule of the activities to be completed during the operations phase of the project, tying back to the work breakdown structure (WBS). The Operations Schedule identifies start and end dates, durations, work estimates, resources, predecessors, and successors for each task, deliverable, and milestone.

The Operations Schedule should be baselined upon initial approval of this deliverable by PRMP. At minimum, the Operations Schedule should be updated monthly and delivered in Microsoft Project® and Portable Document Format (PDF) format on a monthly basis. Monthly updates to the operations schedule should include detail on major releases, change requests, and/or other operations related activities. Submitted with each Operations Schedule should be a document that details the changes made to the Operations Schedule since the prior submitted version.

23. PRMP-Specific Reports

PRMP-Specific Reports include deliverables that PRMP has identified as necessary to support the operation of the solution. These are reports the system can generate but require custom coding or special configurations to produce.

PRMP-Specific Reports should include, but not be limited to:

- Report owners

- Report recipients

- Report frequency

- Report release notes

- Report format

- Report schedule

24. Production Screenshots, Reports, and Data for Certification

The vendor should provide all evidence and documentation necessary to support CMS certification efforts and all other federal reviews required throughout the project, including the CMS Final Certification Review that will occur at least six (6) months after the solution has been operational. The vendor should provide PRMP with numerous data, documents, information, and artifacts as evidence in support of all certification reviews.

This deliverable should include, but not be limited to:

- Demonstrations of the working solution, including—but not limited to—module demonstrations and interaction with other modules/systems

- Samples of production data as-is necessary to fulfill certification requirements and as requested by PRMP and CMS

- Substantive and representative sets of all reports and information retrieval screens (electronic format preferred)

- List of information retrieval functions and reports for each business area (including—but not limited to—a list that identifies the distribution of the reports and who can access the information retrieval displays)

- System performance reports

- Evidence that the solution is being regularly backed up

- Results for the administration of test cases and scenarios requested by CMS

25. Project Management Plan

The Project Management Plan is a formal, approved deliverable made up of several components and is used to guide project execution and control for the vendor's engagement with PRMP. The primary uses of the Project Management Plan are to document planning assumptions and decisions; facilitate communication among stakeholders; and document approved scope, cost, and schedule baselines. This Project Management Plan is specific to the vendor's tasks, responsibilities, and supporting activities resulting from this procurement. Information from the vendor's Project Management Plan will be included as a component of, and should be in alignment with, PRMP's Project Management Plan. PRMP's Project Management Plan will be supplied subsequent to contract execution. The vendor will follow project management methodologies consistent with Commonwealth and PRMP guidelines, the Software Development Life Cycle (SDLC), and the Project Management Body of Knowledge (PMBOK®).

- The vendor should maintain the Project Management Plan as needed to reflect changes in any of the plan's components throughout the duration of the contract.

- The vendor should submit an initial Project Management Plan within thirty (30) calendar days of contract award.

- The vendor should submit a PRMP-approved Project Management Plan within sixty (60) calendar days of contract award.

- The Project Management Plan should be submitted for PRMP approval annually.

- Included as part of the Project Management Plan are 12 deliverables that are subcomponents of the Project Management Plan. Each of these deliverables should be simultaneously submitted along with the Project Management Plan. Each of the Project Management Plan components, detailed below, are an independent deliverable that will require PRMP review and approval.

Change Management Plan

- The vendor should submit this document as part of the Project Management Plan. The Change Management Plan is a document that defines the activities, roles, and tools used to manage and control change during each stage of the project. Change is measured against the project baseline, which is a detailed description of the project's scope, budget, schedule, and plans to manage quality, risks, issues, and changes. During the execution and control stages, the vendor might be required to submit one or more revised project baseline based on changes to the project that are agreed upon by PRMP and the vendor.

- The Change Management Plan describes:

  o Establishment of a change control board and identification of roles and responsibilities for any project boards or teams

  o Assignment of primary and backup members to these boards and teams

- o Regularly scheduled change control meetings

- o Change management tools and the approach for categorization of change requests by types

- o Processes for documenting, reviewing, requesting, and approving or denying requests

- o Processes for performing potential and actual impact analyses for each change request

- o Processes for planning, implementing, and maintaining changes

- o Processes for controlling and managing changes throughout the life of the project

- o Alignment with the change management requirements detailed in the RFP

Communication Management Plan

- The vendor should submit the Communication Management Plan as part of the Project Management Plan. The Communication Management Plan is a document used to define stakeholder groups, outline key messages, and organize outreach and engagement activities to achieve intended communication objectives.

- The Communication Management Plan should detail the varying levels and needs of the project's stakeholders for information regarding the project, status, accomplishments, and impact on stakeholders. It should include, but not be limited to:

  - o Communication vehicles, participants, and schedules (including—but not limited to—standing project meetings, purpose, audience, frequency)

  - o Target stakeholders, maintenance of contact list, messaging preferences, and frequency of communication

  - o Reporting, required project communications, resolution approaches, and techniques to address stakeholder engagements

Cost Management Plan

- The vendor should submit the Cost Management Plan as part of the Project Management Plan. The Cost Management Plan captures the approach for monitoring and controlling the budget throughout the project. The Cost Management Plan is a form of management accounting that enables a project to predict impending expenditures with the intent of reducing the chances of going over budget.

- The Cost Management Plan should include, but not be limited to:

- o The agreed to and finalized costs and budget for the project

- o Methods for calculating and monitoring cost-related progress

- o Mechanisms for reporting cost-related progress, as identified in collaboration with PRMP

Documentation Management Plan

- ▪ The vendor should submit the Document Management Plan as part of the Project Management Plan. The Documentation Management Plan describes how project documentation will be managed and should include, but not be limited to:

  - o Project types, including—but not limited to—deliverables, acceptance criteria, meeting materials, artifacts, operations manuals, training materials, and user guides

  - o Use, access, and management of document repositories

  - o Approach to document management and version control of all project and operational documentation

Modularity and Reusability Plan

- ▪ The vendor should submit the Modularity and Reusability Plan as part of the Project Management Plan. A module is defined as a packaged, functional business process or set of processes implemented through software, data, and interoperable interfaces that are enabled through design principles in which functions of a complex system are partitioned into discrete, scalable, and reusable components. The Modularity Plan describes the solution's strategies and ways to achieve the modularity of the solution and to support PRMP's enterprise goals related to modularity. The Modularity Plan describes PRMP's plans for a modular Medicaid enterprise, and the vendor is tasked with updating the document previously submitted by the Commonwealth to reflect any changes since that submission based on the progress of the project. The vendor's updates should also describe its approach to managing the modules that make up the MMIS Phase III solution and specify how these modules support the CMS Standards and Conditions.

- ▪ The Modularity Plan should include, but not be limited to:

  - o Description of how the solution will promote the reuse of technical solutions to minimize customization and configuration needs

  - o Description of how the solution will improve efficiency and effectiveness of system upgrades, reduce costs, improve system interoperability, and increase adherence to the Medicaid Information Technology Architecture (MITA) and the CMS Conditions and Standards

- o Description of the solution's use of a modular, flexible approach to systems development, including the use of open interfaces and exposed APIs, the separation of business rules from core programming, and the availability of business rules in both human- and machine-readable formats

- o Description of how the solution will ensure integrated business and information technology (IT) transformation across the Medicaid enterprise, considering all business modules and shared services

- o The Reusability Plan which describes a component's reusability within the modernized MMIS. The Reusability Plan also details the capabilities for using all or the greater part of the same programming code or system design in more than one application. This plan should include—but not be limited to—documentation identifying reusable components of the solution or other mutually acceptable terms as approved by PRMP.

Project Work Plan

- The vendor should submit the Project Work Plan as part of the Project Management Plan. The Project Work Plan is comprised of several documents focused on identifying, grouping, scheduling, and portraying project activities and project progress. The vendor will submit a draft Project Work Plan to PRMP for its review during the project initiation phase. The draft should be in PDF and Microsoft Excel® formats, and will include a template of the Burn-Down Chart if appropriate to the vendor's SDLC.

- After the revision of the draft Project Work Plan by the vendor based on PRMP review and approval, it should be baselined by the vendor and resubmitted to PRMP prior to the conclusion of project initiation activities.

- The Project Work Plan should include, but not be limited to:

  - o Work Breakdown Structure (WBS)

  - o Detailed task-by-task schedule of the activities to be completed, tying back to the WBS

  - o Project schedule with start and end dates, durations, work estimates, resources, and predecessors for each task, deliverable, and milestone

  - o Project Calendar

  - o Gantt Chart(s)

  - o Burn-Down Chart (if applicable)

  - o Subsequent updates to the Project Work Plan after delivery of the baselined version will be subjected to the Change Management Plan and will require approval by PRMP. The Project Work Plan should be

maintained throughout the life of the project to reflect the accurate status of the project. The Project Work Plan should be updated and submitted to PRMP on at least a biweekly (every other week) basis. Burn-Down Charts should be produced as part of periodic updates and reporting if appropriate to the vendor's SDLC.

Quality Management Plan

- The vendor should submit the Quality Management Plan as part of the Project Management Plan. The Quality Management Plan is a document that defines the acceptable level of quality defined by PRMP and should describe ongoing quality management during operations. The Quality Management Plan describes how the project will ensure this level of quality in its deliverables and project work processes.

- Quality Control (QC) activities monitor and verify that project deliverables meet defined quality standards.

- Quality Assurance (QA) activities monitor and verify that the processes used to manage and create the deliverables are followed and effective.

- The vendor's Quality Management Plan should include, but not be limited to:

  o Defined quality assurance approach and responsibilities

  o Detailed definition of all deliverables by phase with the associated acceptance criteria

  o Defined deliverable review process

  o Disciplined deliverable review process

  o Regularly scheduled reviews of key project phases and milestones

Risk and Issues Management Plan

- The vendor should submit the Risk and Issue Management Plan as part of the Project Management Plan. The Risk and Issue Management Plan is a document outlining the process used for identifying, tracking, managing, mitigating, and resolving risks and issues that could have an impact on the success of the project. The Risk and Issue Management Plan should be developed in accordance with PRMP's project management methodology.

- The vendor's Risk and Issue Management Plan should describe the approach used to monitor, manage, and report project risks and issues in accordance with Service-Level Agreements (SLAs), and should include, but not be limited to:

  o Approach to risk and issue management

  o Data sources that support risk and issue management

- o Roles and responsibilities

- o Criticality and probability measures

- o Escalation measures

- o Mitigation techniques

- o CAP methodology

- o Identification, escalation, and documentation of risks and issues

- o PRMP-approved response times for notifying and updating PRMP

- As part of the Risk and Issue Management Plan, the vendor will create, document, and maintain all project risks and issues in a Risk and Issue Register (see #31 Risk and Issue Register for additional details) and propose a mitigation or resolution plan for each item. The Risk and Issue Management tools should:

  - o Catalog all risks and issues

  - o Allow users to self-report and categorize risks and issues

  - o Allow users to configure an alert message when an error occurs

  - o Notify PRMP of each occurrence within the time frame defined by PRMP

  - o Submit an Incident Report for each occurrence that identifies and describes the issue, its impact, associated communication, escalation, reporting, resolution, and planned corrective action

  - o Track risk and issue management based on established metrics

Schedule Management Plan

- The vendor should submit the Schedule Management Plan as part of the Project Management Plan. The Schedule Management Plan provides initial guidance and tailors general time management planning for specific project use when performing the time management processes.

- The Schedule Management Plan developed by the vendor should describe the approach to manage the Project Schedule including, but not limited to:

  - o Automated scheduling tool

  - o Standing schedule review meetings

  - o Project schedule delivery intervals

  - o High-level planning schedule (specified in quarters or months, depending on project length—no specific dates necessary until detailed system requirements are defined) – waterfall or agile

  - o Assumptions used to develop the draft Project Schedule

- o   Constraints that impact the draft Project Schedule

- o   Project Schedule reporting

- o   Approach to baselining schedule

- o   Approach to calculating and reporting schedule performance index

- o   Project Schedule variances reporting

- o   Corrective actions to address schedule variances during the life of the project

- o   Processes, roles, and responsibilities involved when making changes to the Project Schedule

Scope Management Plan

- ▪   The vendor should submit the Scope Management Plan as part of the Project Management Plan. The Scope Management Plan outlines the vendor's approach to defining, controlling, verifying, and managing scope throughout the project and should include, but not be limited to:

  - o   Documented project vision, goals, and scope statement

  - o   Project WBS based on the scope statement

  - o   Maintenance of the project WBS that decomposes project tasks down to the work-package level

  - o   Description of how the project scope will be defined, developed, and controlled, including details of risks, constraints, and assumptions

  - o   Identified project requirements, as well as items that are in-scope and out-of-scope and their prioritization

  - o   Dependencies between the scope items, and risks associated with the inclusion and removal of items from scope

  - o   Defined process used to modify project scope

Staffing Management Plan

- ▪   The vendor should submit the Staffing Management Plan as part of the Project Management Plan. The Staffing Management Plan documents the vendor's approach to providing and managing qualified human resources for the project and describes how the roles, responsibilities, and reporting relationships will be structured and addressed in support of the project and operations. Staff should have a working knowledge of the system operations prior to starting on the project.

- The Staffing Management Plan should include—but not be limited to—the following as they pertain to staff acquisition, management, and termination:
    - Organizational chart for each phase of the project, identifying all staff to be used for each phase of the project and identifying on-site staff, off-site staff, and subcontractors
        - The vendor should ensure that the project table of organization is updated within five (5) business days of any staffing changes and stored in a location accessible to PRMP
    - Description of the roles, responsibilities, and skill set associated with each position on the organization chart
    - For each key staff member, a brief summary description of the roles, responsibilities, and experiences that qualify them for their role on this project
    - If any of the work is performed off-site, including work of subcontractor(s), describe the assurance of quality and timeliness of the work conducted off-site
    - Include a resource calendar describing the staff required for each phase of the project, if the staff will be on-site or off-site, and the allocation percentage
    - Describe PRMP business and technical resources required to support the creation of all deliverables
    - Description of the training personnel that will be used in support of training activities
    - Description of business analyst personnel who will be used in support of this RFP
    - A process for transitioning essential knowledge to PRMP technical staff and users
    - Approach to personnel management including, but not limited to:
        - Hiring and terminations
        - Staff retention and ensuring continuity of staff for key project phases
        - Employee relocation
        - Staff training, both initial and ongoing, including transfer of system and business knowledge, project management methodologies and processes, and project status for new staff and incumbent staff transitioning between project roles and phases

- Staff performance monitoring

- Succession planning, staff replacement, and staff backup

- Procedures for obtaining additional staffing support

Stakeholder Management Plan and Stakeholder Analysis

- The vendor should submit the Stakeholder Management Plan and Stakeholder Analysis as part of the Project Management Plan.

- The Stakeholder Management Plan should provide PRMP with the vendor's approach to managing stakeholder engagement during the project.

- The Stakeholder Analysis should provide the stakeholder register and background information on each stakeholder.

  o The stakeholder register should be maintained throughout the life cycle of the contract and should be representative of both vendor and PRMP resources.

26. Project Schedule

The vendor should provide a detailed task-by-task schedule of the activities to be completed during the implementation phase of the project, tying back to the work breakdown structure (WBS). The Project Schedule identifies start and end dates, durations, work estimates, resources, predecessors, and successors for each task, deliverable, and milestone.

The Project Schedule should be baselined upon initial approval of this deliverable by PRMP. At minimum, the Project Schedule should be updated biweekly and delivered in Microsoft Project® and PDF format on a biweekly basis. Submitted with each Project Schedule should be a document that details the changes made to the Project Schedule since the prior submitted version.

27. Regression Test Cases

Regression Test Cases are designed to verify that all parts of the solution and any associated systems function properly after any solution changes or fixes have been made.

Regression Test Cases are also designed to regularly test hardware, software, hardware with embedded software, or hardware/software with user-involved testing.

Regression Test Cases should include, but not be limited to:

- Test cases on end-to-end business processes

- Test cases on areas relative to the new code, release, and/or solution change being deployed to the environment

- Test cases relative to key PRMP business processes

- Test cases relative to those business processes the vendor deems as critical to the solution

The vendor will submit Regression Test Cases to PRMP for their review and approval.

28. Regression Test Results

When executed, Regression Test Cases produce Regression Test Results that verify solution functionality at the system-test level and/or locate any impacts made by changes or fixes.

Regression Test Results should include, but not be limited to:

- Description of test scenarios and test cases executed

- Documentation of test results, including screenshots and other supporting evidence

- List of issues and defects identified during testing

- List of defect resolutions and other processes used to ensure successful completion of testing

The vendor will submit Regression Test Results, as well as the associated Regression Test Cases to PRMP, once test results have been produced.

29. Report Distribution Schedule

The Report Distribution Schedule details the format that a report will be shared in, the timeline for sharing reports, and recipients of reports. Possible formats include paper copies, email attachments, and files on PRMP's SharePoint site.

The vendor will develop a Report Distribution Schedule and will submit it to PRMP for review and approval. Once approved by PRMP, the vendor will adhere to the agreed-upon Report Distribution Schedule. Additionally, the vendor will work with PRMP to identify necessary report recipients and will continually update the recipient list throughout the term of the contract.

30. Requirements Traceability Matrix (RTM)

The RTM is a document that links requirements throughout the validation process and the project life cycle. The purpose of the RTM is to help ensure that all requirements defined within this RFP have been implemented in accordance with PRMP's vision, goals, and objectives for MMIS Phase III. An RTM should be able to trace business specifications to system specifications, system specifications to design components, system specifications to test cases, and test cases to test results detailing that the solution has been implemented in accordance with the vision of PRMP. The vendor should maintain and update the RTM accordingly throughout the life cycle of the contract.

The RTM should include, but not be limited to:

- Details provided in the RFP RTM

- Initial RTM edition, including finalized specifications with a description representing how they will be traced through design specifications and subsequent testing, will be approved following the completion of the requirements validation sessions.

- Interim RTM version, updated with finalized design specifications of the solution

- Final RTM version, updated with relevant test cases, testing results, and other supporting documentation

- The vendor might be asked to submit additional versions of the RTM throughout the life of the contract in support of CMS certification and/or other project deliverables and phases

31. Risk and Issue Register

The vendor should provide a list of project risks with mitigation plans for each. The vendor should maintain the Risk and Issue Register throughout the life cycle of the project in accordance with the approach detailed in the Risk and Issue Management Plan.

This deliverable is intended to be supplemental to the Risk and Issue Management Plan.

The Risk and Issue Register should include, but not be limited to:

- Descriptions of project risks and issues to include, but not be limited to:
    - Risk and issue triggers
    - Probability of the risk or issue impacting the project
    - Level of impact the risk or issue would have on the project
    - Narrative that provides context to the factors that led to the creation of a risk or issue
    - Status of the risk or issue (new, open, or closed)
- Dates that risks and issues are opened, closed, and/or escalated
- Target resolution dates
- Risk and/or issue owner(s)
- Relevant stakeholders and decision-makers
- Recommended mitigation plans proposed by the vendor to PRMP
- Mitigation plans as agreed to by PRMP and the vendor
- Updates for each new and open risk or issue, including, but not limited to progress toward resolving the risk or issue and any other developments related to risks and issues

32. Roadmap/Timeline

The Roadmap/Timeline identifies how PRMP will make and measure incremental progress toward intended solution outcomes throughout the solution's Design, Development, and Installation (DDI), and on an ongoing basis after production (including—but not limited to— incremental releases and/or pilots of new functionality).

The Roadmap/Timeline deliverable is a vendor supported deliverable, rather than a vendor produced deliverable. PRMP is responsible for putting together this deliverable and submitting it to CMS, however the vendor is responsible for providing PRMP with all information related to the Roadmap and Timeline in support of this deliverable's submission.

33. Security, Privacy, and Confidentiality Plan

The Security, Privacy, and Confidentiality Plan establishes the approach the vendor will use to manage security, privacy, and confidentiality throughout the project, in compliance with all federal, Commonwealth, PRMP, and PRDoH security mandates.

The Security, Privacy, and Confidentiality Plan should include, but not be limited to:

- Health Insurance Portability and Accountability Act (HIPAA) statement that system meets requirements for transactions and code sets, privacy and security, and when required, National Provider Identifier (NPI)
- Evidence that all HIPAA-related checklist criteria have been completed
- Account management
- Role-based security (including complete solution role matrix)
- Audit controls and logging
- Incident response plan
- Description of how the vendor plans to use Intrusion Detection System(s), Intrusion Prevention Systems (IPS), Security Information Event Management (SIEM), and malicious software detection (if applicable)
- Annual update process
- Data breach reporting processes
- Documentation of the following:
    - Sensitive data classification
    - Protected Health Information (PHI)/Personally Identifiable Information (PII)/Supplemental Security Income (SSI) data elements
    - Security test procedures
    - CMS Information System Risk Assessment
    - Alignment with all related procedures in PRMP plans
    - Alignment with State and federal security requirements

- Approach to completing the System Security Plan (SSP), Plan of Action and Milestones (POA&M), and other artifacts tied to federal reviews

34. Service Level Agreements (SLA) Report

The SLA Report documents the vendor's compliance with SLAs, as defined in Attachment (xx) and this RFP's requirements. SLAs are present throughout both the implementation and maintenance and operations phases of this project.

The SLA Report includes, but is not limited to:

- SLA number, name, and description
- KPI description and threshold
- Cost associated with non-compliance of each SLA
- Total cost deducted from monthly invoice due to SLA non-compliance
- Evidence of vendor's compliance with SLAs/KPIs
- Notice of vendor's non-compliance with SLAs, which will include—but not be limited to— the following:
    - Details explaining the lack of compliance with SLAs/KPIs
    - Expected timeline for corrective action to compliance with SLAs/KPIs
    - Progress toward compliance with SLAs/KPIs
    - Date that the vendor became non-compliant with SLAs/KPIs
    - Date that the vendor became compliant with SLAs/KPIs
    - Triggered contract remedies, as defined in Attachment (xx)

This report will provide the detail necessary to support PRMP Finance's review and approval of each invoice.

An initial SLA report will be delivered within the first month of the contract in support of the implementation related SLAs; and it will then be updated and approved by PRMP prior to the contract entering the operations phase. The vendor will deliver the SLA report to PRMP biweekly (every two weeks) during the term of the contract.

35. Standard Output Reports

Standard Output Reports are a standard list of reports that the solution will produce for PRMP automatically. These are reports the system can automatically produce based on system configurations entered for PRMP.

Standard Output Reports include, but are not limited to:

- Report owners

- Report recipients

- Report frequencies

- Report release notes

- Report formats

- Report schedules

36. System Acceptance Letter

PRMP should submit a copy of PRMP's acceptance letter addressed to the system developer indicating that the solution, system, or module was accepted as fully operational at least six (6) months prior to the requested certification review date.

The System Acceptance Letter deliverable is a vendor supported deliverable, rather than a vendor produced deliverable. PRMP is responsible for putting together this deliverable and submitting it to CMS, however the vendor is responsible for providing PRMP with all information related to system acceptance in support of this deliverable's submission.

37. System Performance Reports

The vendor should provide to PRDoH a weekly System Performance Report, which includes, but is not limited to:

- Average record search/retrieval time during normal business hours

- Number of minutes during normal business hours where the record search/retrieval time fell below standard

- Average screen edit time during normal business hours

- Number of minutes during normal business hours where the screen edit time fell below standard

- Average next screen page time during normal business hours

- Number of minutes during normal business hours where the next screen page time fell below standard

- Average page initiation time during normal business hours

- Number of minutes during normal business hours where the page initiation time fell below standard

- System downtime and up-time

38. System Configuration Management Plan

The System Configuration Management Plan demonstrates and documents the vendor's approach to managing configuration of the solution to meet and manage business needs. This plan details the process for identifying, controlling, and managing various released items (including—but not limited to—code, hardware, licensing, and documentation) and defines the roles and responsibilities for configuring a service and preparing it for production deployment.

The System Configuration Management Plan should include, but not be limited to:

- Establishing objective criteria to help ensure the stability of services upon production release

- Defining entire deployable units, including their dependencies

- Assigning responsibility for creation and version management of configuration files and deployment packages

- Establishing clear responsibilities and requirements for system testing, performance testing, and capacity planning

- Defining the service staging and promotion process

- Defining and implementing services registration procedures

- Identifying information to be captured pertaining to a service

- Establishing sign-off and approval processes to migrate a service into production

39. System, User, and Product Documentation

System and User Documentation should include all system and user documents developed during the life of the project. System and User Documentation consists of all documentation necessary to support users in executing solution-related business processes.

The vendor should include the following components in System Documentation:

- Interface Control Documents
- Supporting requirements specification document (RSD), DSD, and business process model (BPM) materials
- Supporting artifacts for CMS and/or other federal agency reviews

The vendor should include the following components in User Documentation:

- Operations and reference manuals
- Training materials
- Desk-level procedures
- User guides stating how the vendor will receive and answer questions from users and members once the solution is operational
- List of all error codes and explanations by component
- Job aids related to the project
- Defect reports

40. System Integration Plan

The System Integration Plan describes how each subsystem of the solution module interacts with other subsystems to provide a fully functional system that operates as one interconnected module. The System Integration Plan should define how the vendor's solution will interact with

other modules within the Commonwealth's Medicaid Enterprise and any external systems as needed to help ensure that all business functions of MMIS Phase III solution are supported effectively.

41. System Test and System Integration Test (SIT) Cases

The vendor's System Test and System Integration Test Cases will be used to test hardware, software, hardware with embedded software, or hardware/software with user-involved testing. The vendor's System Test and SIT Cases and test scenarios are designed to verify solution functionality at the system-test level, validating that the solution meets all requirements and performs in accordance with PRMP's expectations. The vendor will submit System Test and SIT Cases to PRMP for review and approval prior to System Integration Test phase of the project.

42. System Test and System Integration Test (SIT) Results

When executed, System Test and SIT cases and test scenarios produce System Test and SIT Case Results that verify solution functionality at the system-test level, validating that the solution meets all requirements and performs in accordance with PRMP expectations.

System Test and SIT Results should include, but not be limited to:

- Description of test scenarios and test cases executed

- Documentation of test results, including screenshots and other supporting evidence

- List of issues and defects identified during testing

- List of defect resolutions and processes used to ensure successful completion of testing

The vendor will submit System Test and SIT Results, as well as the associated cases to PRMP once test results have been produced.

43. System Operations Plan

The System Operations Plan describes all required systems' operational activities and provides guidance on system maintenance and enhancement practices, tools, and approaches. The vendor should also provide any additional documentation, such as commercial off-the-shelf (COTS) software user manuals, if applicable. The System Operations Plan encompasses system functionality from a user's perspective, a PRMP's user's perspective, and a technical user's perspective.

The System Operations Plans should include:

- Description of how to use the system based on user roles and responsibilities

- List of pre-built reports and their descriptions

- Description of all screens and how they are interrelated

- Description of all help and navigation functions and how to use them

- Complete list of error messages, their descriptions, and how to resolve the errors

- List of all included system documentation and its use

- How to troubleshoot common system problems

- Description of the key data tables, elements, and contents

- How to perform system maintenance functions, such as data backup and recovery; run batch processes (if applicable), perform data cleanup, and administer user accounts and permissions

- Listing of all logs and how to interpret them

- Key system capacity management considerations

- Key security management functionality

- Contact information for receiving support

- Where to find disaster recovery and business continuity information related to the system

- Complete documentation regarding system interfaces, outputs, and how to troubleshoot communications problems

- System and system environment configuration baseline

- Methods for monitoring and reporting system operations performance

44. System Requirement Document/Backlog of User Stories or Use Cases

The System Requirement Document includes requirements, user stories, and use cases for functional and non-functional requirements.

This document should include—but not be limited to—the following categories for requirements, user stories, and use cases:

- Business

- Data capacity and performance

- Security/privacy/HIPAA compliance

- Usability

- Maintainability

- Interfaces

- 508 compliance

- Disaster recovery

- Business continuity

- Traceability to test plans or test cases

Prior to completing this deliverable, the vendor should work with PRMP to identify any additional categories that should be of focus for the creation of requirements, user stories, and use cases for functional and non-functional requirements.

This document should help inform testing, training, and other critical project phases.

45. Training Plan (With Training Schedule)

The Training Plan defines the training approach and activities to train the various MMIS Phase III Solution users, including PRMP staff, vendor staff, and other PRMP-identified stakeholders. The Training Plan covers the baseline train-the-trainer and enhancements to include any newly developed, PRMP-specific training.

The Training Plan will include, but is not limited to:

- A schedule for conducting training activities

- Samples of course evaluations, training course outlines, and tool training agendas

- Instructions for registering for training

- Specific training course descriptions including—but not limited to—online and in-person training courses

- Training requirements

- Process and timeline for uploading training materials to PRMP's SharePoint site

As the vendor becomes acquainted with each business group during the development of pre-implementation training, the vendor will provide recommendations for the best process to train new hires and to deliver updated and remedial training designed for existing staff. This information is included in the training plan and subject to PRMP approval.

During the Start-Up Phase, the vendor updates the Training Plan to account for the actual contract signing date and any changes to the project scope determined in contract negotiations. The updated Training Plan is submitted to PRMP for review and approval.

46. Training Documentation

Training Documentation includes reference materials used during in-person training, as well as digital versions of trainings (including—but not limited to—PowerPoints and interactive videos). Training Documentation will include specific training targeted to different user groups, as defined in the Training Plan. The vendor will upload digital copies of training materials, as well as any digital training courses, to PRMP's SharePoint site so that all relevant stakeholders and staff can access training materials and documentation at any time. As new training materials are developed, the vendor will deliver and upload the training documentation in accordance with the Training Plan.

47. Training Report

The vendor should provide a Training Report, which defines the strategies, tasks, and methods that will be used to meet the training requirements. The Training Report should be developed, updated, and maintained throughout the term of the contract.

The Training Report should include, but not be limited to:

- Description of the vendor's approach to training specific PRMP-defined user roles (including—but not limited to—PRMP agency staff, other vendor staff, providers, and trading partners)

- Number of training sessions, the types and locations of training, and the number of people being trained

- After each training session, the vendor should collect feedback in the form of a training course evaluation to provide trainees with the opportunity to provide feedback on the effectiveness of the training and training content.

    o The results of the training evaluations should be compiled and summarized in the Training Report.

- Recommendations by the vendor for follow-up training

48. Turnover and Closeout Management Plan

The vendor should develop and submit to PRMP a Turnover and Closeout Management Plan within 120 calendar days after the execution of this contract. The Turnover Plan will be based on achieving a turnover within six (6) months prior to the end of the contract. The plan will include the following:

- Transition Approach

- Staffing

- Tasks

- Schedule

- Operational documentation and work artifacts

The Turnover and Closeout Management Plan will also include:

- Knowledge transfer activities to PRMP or a designated agent

- Delivery of project documentation, including technical design, business design, business standard operational procedures, testing, pending findings, defects, change requests and others.

- Training activities on the use of the system

- Transfer of assets, as applicable

- Escrow, if applicable.

- Data authorized for transfer and backups

- Statement of PRMP ownership, as applicable

- Certificate of destruction; as applicable

- Project closeout report

- Description of the transition process

- Key personnel and their responsibilities during transition activities

- List of product documentation and other System artifacts that will be turned over to PRMP

- Work Breakdown Structure (WBS); including dependencies on PRMP, other vendors, System component availability

- Project communication associated with risk management and project status reporting during the transition

- Logical and physical security

- MMIS interface listing

- Process and procedures/policies/desk-side manuals, to use the System, as applicable.

- Transition or closure of active correspondence; as applicable

- Interfaces security key details

The Turnover plan will reflect the following Turnover deliverables:

- Turnover and Closeout Management plan

- Module and System software, files, including business design, technical design, testing and other operations documentation, as applicable

- Turnover Results report

- Statement of Resources onsite during the turnover period

- Description of the Operational infrastructure

- Web-portal, translator, and translator software, as applicable

The vendor will provide the above within a time frame requested by the PRMP and documented in the Turnover work plan. Additionally, the vendor will use its own quality processes to ensure that deliverables meet PRMP approval.

49. User Acceptance Test (UAT) Cases

The UAT Cases are the approved test cases PRMP staff use to verify solution functionality during UAT and validate that the solution can handle required tasks in real-world scenarios, according to specifications. The vendor will submit UAT Cases to PRMP for review and approval prior to the UAT phase of the project.

50. User Acceptance Test (UAT) Results

UAT Results are the product of executed UAT cases verifying solution functionality during UAT. The vendor should notify PRMP, via a Letter of Completion, when UAT execution is complete for all releases.

The vendor's UAT Results and Letter should include:

- Description of test scenarios and test cases executed

- Documentation of test results, including screenshots and other supporting evidence

- List of issues and defects identified during testing

- List of defect resolutions and processes used to ensure successful completion of testing

- Evidence that all defects identified during UAT as impacting readiness for the final release have been resolved

- An acceptance testing report for each user story/use case

- Verification that the solution meets all functional and non-functional requirements

- Validation that all defects determined to be of critical and high severity have been resolved and closed

- Validation that all UAT exit criteria have been satisfied

- Documented confirmation of the stability of all modules and components in the test environment

The vendor will submit UAT Results, as well as the associated UAT Cases to PRMP, once test results have been produced.

51. Weekly Project Status Report

The Weekly Project Status Report is a recurring deliverable for the length of the project. The Weekly Project Status Report serves to update PRMP on the current status and health of the MMIS Phase III project. During the Design, Development, and Implementation (DDI) Phase, the vendor will use the Project Schedule as the central means to monitor project progress. The Project Schedule is updated weekly, and the status of the project is reported in the Weekly Project Status Report.

The vendor should at a minimum include periodic reporting of the following activities:

- Dashboard of project-related activities that details at a minimum:

  - Project status

  - Key accomplishments

  - Key issues, risks, and/or decisions

  - Outstanding Change Requests and resulting Change Orders (including—but not limited to—original report date, planned completion date, priority, status, and actual completion date)

  - Upcoming focus areas

  - Key project metrics

  - Graphical status of scope, schedule, and budget (red, yellow, or green)

  - Status of work completed against the Project Schedule

  - Objectives for the next reporting period

  - Key upcoming meetings

  - Client responsibilities for the next reporting period

  - Recovery plan for all work activities not tracking to the approved schedule

  - Projected completion dates compared to approved baseline key dates

  - Escalated risks, issues (including—but not limited to—risks and issues related to the project schedule and budget), action items, and decisions

  - Disposition of logged issues and risks

  - Items in need of decisions

  - Actual/projected Project Schedule dates versus baseline Project Schedule milestone dates

  - Budgeted-to-actual budget figures, and estimated costs at completion (or similar forecast of remaining costs)

  - One-page graphical summary of the Project Schedule status of all major tasks and subtasks for each project phase

  - Milestone status

  - Earned Value / Velocity Management Report

  - Project Meeting Minutes

  - Key Project Indicators including Cost Performance Index (CPI) and Schedule Performance Index (SPI)

- o Other areas as defined by PRMP
  - The Weekly Project Status Report should be updated with information relative to the project phase and related project activities.

The Weekly Project Status Report will be used to inform the weekly status meeting between PRMP and the vendor. The weekly status meeting provides a forum for PRMP and the vendor to address project issues, approve and implement corrective actions, and escalate issues to the appropriate executive levels if required.

Appendix 2: Staff Qualifications, Experience, and Responsibilities

The table below provides vendor project roles anticipated to be necessary for a successful implementation of the solution and ongoing operations. Minimum qualifications, experience, and primary responsibilities are provided for each role. The responsibilities presented are high-level and not to be interpreted as all-inclusive. PRMP will consider alternative arrangements, as long as the time staff are present and devoted is sufficient to meet the responsibilities, performance expectations, and system requirements of this RFP.

Table 24: Vendor Roles and Responsibilities

Vendor Role	Qualifications	Responsibilities
Account Manager	- A minimum of eight (8) years of demonstrated experience in project management for a State Medicaid Agency with operations similar to PRMP, a large healthcare provider management organization of a similar size, or an organization of comparable size implementing IT projects - A minimum of three (3) years of demonstrated experience in project management for implementation of information systems - A minimum of a bachelor's degree or a minimum of four (4) years related experience - Knowledge of Project Management standards and best practices including PMBOK®	The Account Manager is expected to be a key staff position throughout the entire contract term. This position is responsible for overall delivery of the project. This individual serves as a liaison with PRMP during all phases of the contract. The Account Manager: - Attends in person, upon PRMP request, meetings and hearings of legislative committees and interested governmental bodies, agencies, and officers - Is responsible for establishing and maintaining a positive client relationship. Provides timely and informed responses to DDI, operational, and administrative inquiries that arise - Delegates authority when not able to be available - Meets with PRMP staff or such other person as designated by PRMP on a regular basis to provide oral and written status reports and other information as required
Project Manager	- A minimum of five (5) years of demonstrated experience in project management for a State Medicaid Agency with operations of a similar size to PRMP or a large healthcare provider management organization of a similar size - A minimum of three (3) years of demonstrated experience in project management for implementation of	The Project Manager is expected to be a key staff position throughout the entire contract term. Responsibilities include but are not limited to: - Provides onsite management of the project and is the chief liaison for PRMP for implementation project activities as well as the project's maintenance and operational phase - Ensures compliance with any PRMP audit requests and timely responses with audit inquiries - Is authorized to make day-to-day project decisions - Facilitates the project by using project management processes, organizing the project,

Vendor Role	Qualifications	Responsibilities
	information systems • A minimum of a bachelor's degree or a minimum of four (4) years related experience • A certification in project management, preferably from the PMI® • Knowledge of project management standards and best practices, including the PMBOK®	and managing the team work activities consistent with the approved work plan • Schedules and reports on project activities, identifies resource requirements well in advance, coordinates the use of personnel resources, identifies issues, provides solutions to problems, and facilitates the implementation of the solution • Hosts onsite status meetings, milestone meetings, and interim meetings, on a reoccurring or ad-hoc basis • Ensures compliance with the project governance structure • Coordinates project management activities with PRMP • Responds to requests for information or resolution of comments from the IV&V contractor • Manages project risks and issues • Ensures adequate staffing on the project consistent with required tasks and project schedule • Ensures timely and effective execution of all project tasks • Manages system change control and ensures that all system design and development is performed in accordance with the SDLC
Business Lead	• A minimum of three (3) years of demonstrated experience working within a State Medicaid Agency with operations of similar size to PRMP or a large healthcare provider management organization • A minimum of three (3) years of demonstrated experience in implementation of information systems • A minimum of two (2) years of experience managing project controls including issues, risks, requirements, scope, schedules • A minimum of a bachelor's degree or a minimum of four (4) years related experience • A minimum of three (3) years of experience in	The Business Lead is expected to be a key staff position throughout the entire contract term. Responsibilities include but are not limited to: • Serves as a liaison among stakeholders to ensure adherence to the structure, policies, and operations of PRMP • Ensures requirements are efficiently and effectively addressed by the solution • Coordinates the day-to-day implementation activities and facilitates communication between the business analysts and development and Quality Assurance (QA) teams • Manages business analyst resources, assigns tasks, oversees work products and their completion, monitors the schedule, and ensures resources are utilized efficiently and effectively • Provides expert guidance ensuring that policy and business rules defined by the State are correctly implemented in the vendor's solution • Serves as the senior business expert with a strong understanding of the vendor's business application

Vendor Role	Qualifications	Responsibilities
	financial management business processes applicable to the scope of this RFP • Knowledge of project management standards and best practices, including the PMBOK®	• Ensures State requirements and reporting needs, including those that exceed the standard reporting package, are addressed • Provides ad hoc reporting, as requested by PRMP • Manages the processes and procedures associated with system change orders • Manages the RTM
Technical Lead	• A minimum of five (5) years of demonstrated experience in delivering and maintaining large-scale solutions, with a minimum of three (3) years in a progressively responsible supervisory or management role • A minimum of three (3) years of experience in financial management business processes applicable to the scope of this RFP • A minimum of a bachelor's degree or a minimum of four (4) years related experience • Knowledge of applicable standards for health information systems	The Technical Lead is expected to be a Key Staff position throughout the entire contract term. • Serves as the primary point of contact for the contractor's technical staff with the State and as the primary technical subject matter expert (SME) • Ensures that system requirements are addressed efficiently and effectively in compliance with policies and standards • Ensures that appropriate system support and maintenance documentation is accurate and complete • Is knowledgeable of all phases of technical applications system analysis and programming • Conducts regular formal design reviews for each iteration or code cycle, works with program leadership team to establish and manage the project iteration and release cycles, and attends release planning meetings
Implementation Manager	• A minimum of five (5) years of demonstrated experience in project management for a State Medicaid Agency with operations similar to PRMP, a large healthcare management organization of a similar size, or an organization of comparable size implementing IT projects • A minimum of three (3) years of demonstrated experience in project management for implementation of information systems • A minimum of a bachelor's degree or a minimum of four (4) years related experience	The Implementation Manager is expected to be a key staff position throughout all solution planning, configuration, deployment, and certification activities. Responsibilities include but are not limited to: • Performs day-to-day planning, directing, managing, and overseeing the implementation • Oversees the development and implementation of the Project Management Plan and component plans • Ensures timely delivery of implementation project deliverables • Ensures understanding and agreement between stakeholders and the contractor • Coordinates implementation activities with PRMP • Responds to requests for information or resolution of comments from the IV&V contractor • Manages implementation risks and issues • Provides timely communication of project status and progress to key stakeholders and

Vendor Role	Qualifications	Responsibilities
	• Certification in Project Management, preferably from the Project Management Institute (PMI®) • Knowledge of Project Management standards and best practices, including the PMBOK®	communication of project information to project team members
Operations Manager	• A minimum of five (5) years of demonstrated experience in project management for a State Medicaid Agency with operations similar to PRMP, a large healthcare provider management organization of a similar size, or an organization of comparable size implementing IT projects • A minimum of three (3) years of demonstrated experience in project management for implementation of information systems • A minimum of a bachelor's degree or a minimum of four (4) years related experience • Certification in Project Management, preferably from the Project Management Institute (PMI®) • Knowledge of Project Management standards and best practices, including the PMBOK®	The Operations Manager is expected to be a key staff position throughout all solution deployment, certification, operational, and maintenance activities. Responsibilities include but are not limited to: • Supports project activities to ensure a smooth transition from implementation to the maintenance and operations phase of the contract • Manages and oversees the overall solution operations • Coordinates maintenance activities with PRMP • Ensures timely and effective execution of all project maintenance activities • Oversees, supports, and monitors day-to-day activities involving the ongoing maintenance of the solution • Supports timely delivery of assigned project deliverables • Ensures understanding and agreement between stakeholders and the contractor • Responds to requests for information or resolution of comments from the IV&V contractor • Manages ongoing risks and issues of the project
Certification Lead	• A minimum of three (3) years of experience working in or with state government • A minimum of at least one (1) successfully completed Medicaid Enterprise Solution (MES) module certification project, or demonstrated knowledge of current CMS IT certification standards	The Certification Lead is expected to be a key staff position throughout all certification activities. Responsibilities include but are not limited to: • Ensures that system functionality and business operations fulfill the Medicaid certification checklist criteria, artifacts requirements, and any other information required to achieve CMS certification • Provides artifacts and other documentation in a PRMP or CMS prescribed format in support of CMS certification

Vendor Role	Qualifications	Responsibilities
	• A minimum of five (5) years of experience with large scale IT implementations in the public or private sector • A certification in project management, preferably from the PMI® • A minimum of a bachelor's degree or a minimum of four (4) years related experience	• Develops and implements a strategy and plan for proper documentation of system artifacts to support the certification process • Provides oversight of the certification process and prepares for and leads PRMP's participation in periodic certification reviews to ensure successful CMS certification • Directs the efforts of a matrix of project team members in support of this effort, which may include internal and external stakeholders from multiple programs and agencies • Serves as the primary contact for the State with its engagement and interaction with IV&V (if applicable), CMS, and any other state-authorized group or individual for certification efforts • Ensures timely responses to queries related to CMS certification
Documentation Management Lead	• A minimum of five (5) years' experience with MMIS, or other large-scale IT implementations within the healthcare sector; extensive knowledge of the vendor's overall processes	The Documentation Management Lead manages all tasks related to project documentation processes in accordance with the RFP requirements, the organizational policies, and objectives. Responsibilities include but are not limited to: • Develops standard documentation methods and tools to efficiently produce high-quality documents • Plans and directs documentation reviews for timely delivery and approval of documents, publications, and online content • Manages technical writers and documentation specialists assigned to the project • May act as final approver or editor
Quality Assurance Manager	• A minimum of five (5) years of demonstrated experience in developing and maintaining vigorous ongoing Quality Control (QC) functions for system implementations or operations and business processes, preferably for a State Medicaid Agency with operations of a similar size to PRMP, or an organization of comparable size implementing IT projects • A minimum of a bachelor's degree or a minimum of four (4) years related experience • Knowledge of applicable	The Quality Assurance Manager performs oversight for all quality assurance functions including deliverable review, accuracy of reports, solution documentation, and the review of test results. Responsibilities include but are not limited to: • Develops, executes, and maintains the Quality Management Plan • Establishes and executes quality monitoring and review processes • Establishes and executes QC processes to observe and correct variances or abnormalities and ensure consistency in performance • Establishes and executes QC processes to verify work process modifications, training, communication, and implementation • Establishes and executes QC processes to verify data entry, system inputs and outputs, data

Vendor Role	Qualifications	Responsibilities
	standards for health information systems • A minimum of four (4) years developing and maintaining QC functions that address quality checks throughout the life of a similar project	integrity, and adequate internal controls • Serves as the main contact for any questions about quality
Test Manager	• A minimum of four (4) years of experience leading the systems testing of a large-scale insurance or health and human services system • Previous service as a testing manager on one (1) or more Medicaid system implementation projects • A minimum of three (3) years of Medicaid experience • A minimum of a bachelor's degree or a minimum of four (4) years related experience	The Test Manager develops and executes all planning, management, coordination, communication, and oversight of all testing activities. Responsibilities include but are not limited to: • Performs planning for all testing (e.g., volume, regression, etc.), management of test resources and test environments, oversight of testing execution, assessment and reporting of progress and effectiveness of testing efforts, and development of automated testing • Develops a testing framework and develops and maintains a Master Test Plan • Ensures that system functionality and business operations meet certification criteria, including documentation of system artifacts necessary to support the certification process • Establishes and executes quality standards and control processes for testing
Information Security Architect / Privacy Data Protection Officer	• Minimum of five (5) years IT security work experience including infrastructure/network and multi-platform environments with similar scope to the services that PRMP has requested • Experience should demonstrate familiarity with technical and risk assessment techniques, tools, and practices, and experience working with federal security and privacy requirements • Certified Information Systems Security Professional (CISSP) or Certified Information Systems Auditor (CISA) Certification	The Information Security Architect/Privacy Data Protection Officer is responsible for ensuring that the architecture of the solution supports PRMP's security needs, and that security is a primary focus during solution DDI. The information security architect/privacy data protection officer will: • Integrate with the rest of the vendor management team to ensure that any concerns or incidents related to security that emerge during implementation or operations are conveyed to PRMP in a timely manner • Take the lead in developing solutions to any such issues • Be the vendor single point of contact for supporting security audits.

Appendix 3: Service Level Agreements (SLAs) and Performance Standards

The Service Level Agreements (SLAs) contained herein cover the Statement of Work (SOW) stipulated in this RFP and resulting Contract. The vendor should consistently meet or exceed performance specifications classified as SLAs between the vendor and PRMP, and are subject to specific requirements, identified in *Attachment F: Mandatory Requirements*. This section of the RFP contains expectations related to SLAs and implications of meeting versus failing to meet the SLAs, as applicable. In addition, this section contains minimum service levels required for the duration of the Contract.

SLAs and associated Key Performance Indicators (KPIs) may be added or adjusted by mutual agreement during the term of the Contract to align with business objectives, organizational objectives, and technological changes. The vendor will not be liable for any failed SLAs caused by circumstances beyond its control and that could not be avoided or mitigated through the exercise of prudence and ordinary care, provided that the vendor immediately notifies PRMP in writing, takes all steps necessary to minimize the effect of such circumstances, and resumes its performance of the services in accordance with the SLAs as soon as possible.

The vendor should deduct any amount due as a result of the SLAs from their future payments, and those deductions should be made from the invoice total dollar amount. Each invoice should also be accompanied by an SLA Report detailing those SLAs that were triggered within the invoice period. Each invoice should detail the total invoice amount, the amount deducted due to associated contract remedy, and the final invoice amount less the contract remedy. **<u>PRMP reserves the right to seek any other remedies under the Contract.</u>**

SLAs found in this appendix are divided by the project phase that they correspond to including design, development, and implementation (DDI) and maintenance and operations (M&O). The vendor is responsible for defining, testing, and receiving PRMP approval on their approach for compliance and reporting on DDI SLAs within ninety (90) days of contract execution, and within sixty (60) days of the solution's M&O phase.

Table 25: SLAs At-a-Glance

ID	SLA Name	Phase
SLA-001	DDI Deliverables	DDI
SLA-002	Deliverable Walkthrough	DDI
SLA-003	Capitation Payment Quality Assurance Service Level	M&O
SLA-004	Disaster Recovery	M&O
SLA-005	Disaster Recovery Plan	M&O
SLA-006	Help Desk	M&O
SLA-007	Incident Restoration	M&O
SLA-008	Mandated Reporting	M&O

ID	SLA Name	Phase
SLA-009	Notice of Scheduled System Downtime	M&O
SLA-010	Premium Payment Quality Assurance Service Level	M&O
SLA-011	Rate Cell Quality Assurance Service Level	M&O
SLA-012	System Availability	M&O
SLA-013	System Documentation	M&O
SLA-014	System Incident Notification	M&O
SLA-015	System Maintenance	M&O
SLA-016	System Performance Reports	M&O
SLA-017	System Security	M&O
SLA-018	System Turnover	M&O
SLA-019	System Turnover Documentation	M&O
SLA-020	Audits and Independent Verification and Validation (IV&V) Support	DDI/M&O
SLA-021	Centers for Medicare and Medicaid Services (CMS) Certification (A)	DDI/M&O
SLA-022	Centers for Medicare and Medicaid Services (CMS) Certification (B)	DDI/M&O
SLA-023	Change Request Management (A)	DDI/M&O
SLA-024	Change Request Management (B)	DDI/M&O
SLA-025	Change Request Management (C)	DDI/M&O
SLA-026	Email Triage and Acknowledgement	DDI/M&O
SLA-027	Key Staff	DDI/M&O
SLA-028	Key Staff Replacement	DDI/M&O
SLA-029	Test Results Quality Rate	DDI/M&O
SLA-030	Transfer of Information to the System Integrator (SI) and Other Medicaid Enterprise System (MES) modules	DDI/M&O
SLA-031	Weekly Status Reports	DDI/M&O

1. SLAs and Performance Monitoring

The KPIs used to define the following service levels are an adjunct to the performance standards. PRMP has identified the KPIs to be key indicators of the vendor's operational performance. Failure to achieve a KPI may, at the discretion of PRMP, result in payment reduction; failure to meet any other performance standard defined in the resulting contract is not directly tied to fiscal holdback. PRMP reserves the right to promote any performance metric to the status of KPI.

The following table contains the terms and their definitions specific to the SLAs found in this appendix; the table can also be found in *Appendix 5: Acronyms, Abbreviations, and Terms Glossary.*

Table *25: SLA Terms and Definitions*

Term	Definition
Downtime	The time during which any component(s) of the solution is not functioning or available for any reason. Production downtime is the time during which the solution is not available for its intended use in production. There are two types of downtime defined: scheduled downtime and unscheduled downtime.
Capitation Payment	A payment for a specified amount of money paid to a health plan or doctor. This is used to cover the cost of a health plan member's health care services for a certain length of time.
Normal Business Hours	Normal business hours are considered Monday through Friday 6:00 a.m. to 7:00 p.m. Atlantic Standard Time (AST). Normal business hours do not include Commonwealth and Federal holidays.
Premium Payment	A payment for the monthly cost of the premium for a family health insurance policy that covers the applicant as well as other dependents.
Scheduled Downtime	Any period during which the solution, or any component(s) of the solution, is unavailable for its intended use. Scheduled downtime should be reviewed and approved by PRMP in advance of the service interruption. Scheduled downtime that has received approval from PRMP does not count toward downtime performance standards.
System Maintenance	The time available to the vendor to perform hardware and software maintenance.
Unscheduled Downtime	Any period during which the solution, or any component(s) of the solution, is unavailable for its intended use wherein PRMP has not approved the downtime in advance of the service interruption. Unscheduled downtime should be reported to PRMP within one (1) hour of occurrence.

2. CORRECTIVE ACTION PLAN (CAP)

When an SLA is not met, the vendor should submit for approval to PRMP a written Corrective Action Plan (CAP), no later than ten (10) business days from the date PRMP requests the CAP. PRMP will consider extensions to the ten (10) day timeline on a case-by-case basis. The CAP will include, at a minimum:

1. Deficient SLA(s)
2. A full description of the issue
3. A root-cause analysis
4. Impact of the issue and related risks
5. The resolution, including any failed solutions implemented prior to the resolution

6. The proposed corrective action to avoid missing the SLA in the future

The vendor will implement the proposed corrective action only upon PRMP approval of the CAP.

3. IMPLEMENTATION AND OPERATIONS PERFORMANCE STANDARDS

This subsection contains SLAs applicable to both DDI and Operations.

Per this RFP and any resulting contract, DDI includes the following phases of the project:

- ➢ Project Initiation and Planning
- ➢ Solution Design and Testing and Testing
- ➢ Solution Deployment
- ➢ Project Monitor and Control

Henceforth for the purposes of classifying SLAs, the above-mentioned phases will be referred to as "Implementation." The vendor should track and report on Implementation throughout the named project phases stipulated in this section. The vendor should leverage its recurring Weekly and Monthly Project Status Report deliverable to report on Implementation.

Per this RFP and any resulting contract, Operations includes the following phases of the project:

- ➢ Project Monitor and Control
- ➢ Solution Operations and Maintenance
- ➢ Contract Closing

Henceforth, for the purposes of classifying SLAs, the above-mentioned phases will be referred to as "Operations." PRMP will monitor the vendor's performance during Operations using a performance reporting system to be implemented by the vendor. Each SLA presented in this RFP establishes the performance level expected by PRMP in an area. KPIs are identified within each SLA and are to be measured and reported each month by the vendor. The vendor shall agree that failure to perform in accordance with established SLAs results in a loss to PRMP. If the vendor fails to meet the SLAs and associated KPIs, PRMP may reduce the vendor's monthly payment by a percentage of the total monthly invoice for maintenance and operations as identified in each SLA.

In addition to the Weekly and Monthly Project Status Report deliverable, the vendor will provide PRMP with an SLA Report that will document SLA compliance throughout the Implementation and Operations phases, as detailed above. For additional details related to the biweekly SLA Report, see **Appendix 1: Deliverables Dictionary.**

The following SLAs cover descriptions, compliance, and calculations for Implementation and Operations:

Table 26: SLAs, Performance Standards, and Contract Remedies

ID	SLA Subject Areas	Performance Standards	Contract Remedies
1.	**DDI Deliverables**	Due dates for acceptance of critical deliverables leading up to the operational start date of each phase will be agreed upon by PRMP and the vendor and finalized in the vendor's work plan, which receives acceptance from PRMP. The dates for completion of these critical deliverables will be used as checkpoints for performance monitoring, assessment of the vendor's progress toward operational readiness, and vendor payments. The vendor's status reports will provide information on progress toward meeting these critical deliverable dates.	PRMP shall assess up to $5,000 per calendar day from the agreed-upon deliverable acceptance date until the date each critical deliverable receives acceptance from PRMP.
2.	**Deliverables Walk-Through**	The vendor must address PRMP's feedback on the vendor's deliverables, make requested changes, and provide a deliverable walkthrough following a five (5) day review period of the deliverable by the PRMP Project Manager.	$1,000 per business day that the deliverables are not delivered per PRMP-defined time frames for deliverable updates.
3.	**Capitation Payment Quality Assurance Service Level**	The Capitation Payment Quality Assurance service level is calculated based on accurate verification of the payment distributed from carriers to providers. The capitated payment should be verified in accordance with PRMP and carrier-defined payment rules including, but not limited to: alignment with premium payment, payment to correct provider, changes in beneficiary status, beneficiary assignment to provider, rates and rate adjustments. **Compliance and Calculations:** Payment rules are applied to 100% of all encounters and meet a 99.5% accuracy rate each payment cycle.	$3,500 for each occurrence the service level is unmet at the provider-level in a payment cycle.
4.	**Disaster Recovery**	The Disaster Recovery service levels will be calculated based on the successful compliance of the recovery solution with PRMP-approved	$500 for four (4) hour or part of four (4) hours over the PRMP-approved RTO.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		recovery standards (Recovery Time Objective [RTO] and Recovery Point Objective [RPO]). **Compliance:** • In case of a disaster that affects Medicaid Management Information System (MMIS) operations, the entire service will be restored within PRMP's approved RTO limit. • In case of a disaster, the recovery solution will comply with PRMP's approved RPO limit.	$250 for thirty (30) minutes or part of thirty (30) minutes over the PRMP-approved RPO.
5.	**Disaster Recovery Plan**	The vendor must prepare and submit to PRMP a comprehensive Disaster Recovery Plan annually. The first plan will be due 120 days prior to go-live. Annual plans will be due the first business day of July each year.	PRMP shall assess up to $500 per calendar day for each day a PRMP-acceptable Disaster Recovery Plan is not timely received.
6.	**Help Desk**	The vendor must provide and staff a toll-free Help Desk for reporting all system deficiencies. The Help Desk must be available 100% of the time during normal business hours of 6:00 a.m. to 7:00 p.m. Atlantic Standard Time (AST). Performance standards for the Help Desk are as follows: • At least 99% of the calls answered on or before the fourth ring or a call pick-up system might be used. • No more than 1% of incoming calls ring busy. • Vendor staff must answer at least 80% of the calls within five (5) minutes. • No more than 1% of calls placed on hold more than five (5) minutes.	PRMP shall assess up to $100 per hour for each hour the toll-free line is unavailable during normal business hours. PRMP shall assess up to $100 for each occurrence that PRMP identifies through its recurring monitoring processes that Help Desk staff were not knowledgeable, helpful, or polite. PRMP shall assess up to $25,000 for failure to meet any of these Help Desk performance standards for a monthly reporting period for any vendor-operated toll-free line.
7.	**Incident Restoration**	The vendor must quickly address critical incidents affecting the system to minimize the business impact of the incident. A critical incident is defined	PRMP shall assess liquidated damages, as specified below, for failure to correct a Level 5 incident within the performance standard.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		as any level 4 or level 5 severity application issue for the system for which no work-around is available and authorized solution users are unable to perform their business tasks. For purposes of clarity, level 4 or level 5 critical incidents exclude (i) disasters where the parties declare a disaster and invoke the disaster recovery plan, (ii) force majeure events, including, but not limited to failure of government, riots, and weather disasters, (iii) other events or factors that impact the system but are outside the vendor's control. If a critical incident is caused by a third party or is outside the vendor's control, the vendor will work with PRMP to fix the incident but that incident will not be subject to this SLA. If a level 5 incident cannot be fixed within 24 hours, the vendor will communicate with PRMP to provide a remediation plan within 24 hours. • 95% of Level 5 incidents impacting the system will be fixed within 24 hours • 95% of Level 4 incidents impacting the system will be fixed within 48 hours. **Level 5 – Emergency** – The system no longer functions. • The vendor will use commercially reasonable efforts to respond to a Level 5 incident notification within 30 minutes. • The vendor will use commercially reasonable efforts to report a recommended resolution and estimated fix date/time for a Level 5 incident within two (2) hours of notification of the Level 5 incident. • Service Level for correction of a Level 5 incident is 24 hours from notification.	• $5,000/calendar day 1 – 3 days that exceed performance standard • $10,000/calendar day 4 – 7 days that exceed performance standard • $15,000/calendar day 8 – 14 days that exceed performance standard • $20,000/calendar day > 15 days that exceed performance standard PRMP shall assess liquidated damages, as specified below, for failure to correct a Level 4 incident within the performance standard. • $3,000/calendar day 1 – 3 days that exceed performance standard • $6,000/calendar day 4 – 7 days that exceed performance standard • $8,000/calendar day 8 – 14 days that exceed performance standard • $12,000/calendar day > 15 days that exceed performance standard No liquidated damages shall be assessed for Level 1, 2 or 3 incidents.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		Level 4 – Disabled, no Workaround – A business function or system component does not work as required, and no acceptable workaround is available.	
		• The vendor will use commercially reasonable efforts to respond to a Level 4 incident notification within 30 minutes.	
		• The vendor will use commercially reasonable efforts to report a recommended resolution and estimated fix date/time for all Level 4 incidents within two (2) hours of notification of the Level 4 incident.	
		• Service Level for correction of a Level 4 incident is 48 hours from notification of the Level 4 incident.	
		Level 3 – Disabled, Workaround – A business function or system component does not work as required, but a workaround that is acceptable to PRMP is available.	
		• The vendor will use commercially reasonable efforts to respond to a Level 3 incident notification within 30 minutes.	
		• The vendor will use commercially reasonable efforts to report a recommended resolution and estimated fix date/time for all Level 3 incidents within four (4) hours of notification of the Level 3 incident.	
		• Service Level for correction of a Level 3 incident is three (3) business days from notification of the Level 3 incident.	
		Level 2 – Minor – Non-Critical, but having a negative effect on one or more business functions or system components.	

ID	SLA Subject Areas	Performance Standards	Contract Remedies

		• The vendor will use commercially reasonable efforts to respond to a Level 2 incident notification within two (2) business days.
		
		• The vendor will use commercially reasonable efforts to report a recommended resolution and estimated fix date/time for all Level 2 incidents within two (2) business days of notification of the Level 2 incident.
		
		• Service Level for correction of a Level 2 incident is next scheduled release.
		
		Level 1 – **Cosmetic – Non-Critical,** and non-impacting to one or more business functions or system components.
		
		    • The vendor will use commercially reasonable efforts to respond to a Level 1 incident notification within two (2) business days.
		
		    • The vendor will use commercially reasonable efforts to report a recommended resolution and estimated fix date/time for all Level 1 incidents within two (2) business days of notification of the Level 1 incident.
		
		    • Service Level for correction of a Level 1 incident is the next scheduled release.
		
		The end date and time for an incident is the date and time that the resolution status for that incident is recorded in the associated solution's tool (i.e., JIRA, ALM, rTrace). An incident notification call occurs when a PRMP representative notifies the vendor M&O Manager via phone, SMS text message, or other acceptable communication form that a Level 4 or Level 5 incident has	

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		occurred and the vendor agrees that a Level 4 or Level 5 incident has occurred. The vendor's solution tool (i.e. JIRA, ALM, rTrace) will document the nature of the problem, the official start time for the incident, a solution description, and anticipated fix date and time. When the incident is resolved, the resolution status will be recorded in the vendor's solution tool (i.e. JIRA, ALM, rTrace).	
8.	**Mandated Reporting**	The vendor must ensure that all CMS-64, CMS-37, and other federally required reports can be produced on demand, or based on a pre-determined schedule, and are accurate and complete.	In the event that reports produced are inaccurate or incomplete, PRMP shall assess up to $500 per calendar day until such time accurate and complete report(s) are produced.
9.	**Notice of Scheduled System Downtime**	The vendor must notify the designated PRMP staff via email of any planned system interruption, shutdown, or non-access to any files, at least three (3) business days prior to the scheduled interruption and obtain written PRMP approval prior to implementing the shutdown.	$1,000 per system interruption that PRMP is not notified of in advance.
10.	**Premium Payment Quality Assurance Service Level**	The Premium Payment Quality Assurance service level is calculated based on accurate processing of PRMP-defined payment rules, including, but not limited to: payment to correct carrier, changes in beneficiary status and rate adjustments. **Compliance and Calculations:** Payment rules are applied to 100% of all premium payments and meet a 99.5% accuracy rate each payment cycle.	$3,500 for each occurrence the service level is unmet in a payment cycle.
11.	**Rate Cell Quality Assurance Service Level**	The Rate Cell Quality Assurance service level is calculated based on accurate assignment of beneficiaries to rate cells based on the business rules and hierarchy for assignment. **Compliance and Calculation:**	$3,500 for each occurrence the service level is unmet in a payment cycle.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		Assignment rules are applied to 100% of all active beneficiaries and meet a 99.5% accuracy rate each payment cycle.	
12.	**System Availability**	Every system component must be available for PRMP use in accordance with specifications 99.9% of the time during normal business hours of 6:00 a.m. to 7:00 p.m. AST, Monday through Friday, and 97% of the time during non-business hours.	PRMP shall assess liquidated damages as specified below, per hour for each hour, or portion thereof, if the system fails to meet these availability performance standards. $1,000 /hour Less than 24 hours $2,000 /hour 25 – 48 hours $3,000 /hour More than 48 hours
13.	**System Documentation**	The vendor shall provide PRMP with complete, accurate, and up-to-date documentation of the system. Documentation will include, at a minimum, user manuals, operating procedures, and system documentation. The Project Work Plan will describe when this documentation will be due.	PRMP shall assess up to $500 per business day for each day from the scheduled acceptance date until the date it is provided and receives acceptance from PRMP.
14.	**System Incident Notification**	The System Incident Notification service level will be measured based on the timeliness of notifications to PRMP of any system critical or non-critical incidents. Incidents include, but are not limited to, financial transaction information (FTI), personal health information (PHI) incidents, privacy incidents, and security incidents in a month. Physical and system security incidents, and misuse of Information Technology (IT) resources, are considered critical incidents. Compliance standards and calculations are listed below: • Time to notify PRMP for critical incidents is within thirty (30) minutes of awareness of a critical incident.	$1,000 for each occurrence of a failure to provide notification per the agreed-upon time frames. The vendor must compensate PRMP for any fines and penalties imposed by regulatory entities.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		• Time to notify PRMP is within two (2) hours of awareness of a non-critical incident.	
15.	**System Maintenance**	Deficiencies for all system components installed and operated within vendor and PRMP sites. Based upon notification of a deficiency, the vendor will create a Problem Report describing the deficiency and identifying the vendor's recommended resolution and time frame. The vendor must report to PRMP its recommended resolution and an estimated fix date/time within the time frames required. Each deficiency must be fixed within the time frames required. Resolution time frames might be different for system components operated and maintained within the vendor's site than those operated and maintained within the PRMP site. Problem Reports will be updated by the vendor with a description of the solution, and the date and time the deficiency was resolved and the system resumed operations. PRMP will determine the severity level assigned to a deficiency. The system refers to all operational components the vendor is responsible for maintaining. **Level 5 – Emergency** – The system no longer functions. • Performance standard for responding to a deficiency call is thirty (30) minutes. • Performance standard for reporting a recommended resolution and an estimated fix date/time for all system components is two hours. • Performance standard for correction of a deficiency associated with a system component located at the vendor site is twenty-four (24) hours.	PRMP shall assess up to $2,000 per calendar day for each day from the date an acceptable enhancement was due until it receives acceptance from PRMP. PRMP shall assess the following liquidated damages for failure to correct a Level 5 maintenance deficiency within the performance standard correction time. • $5,000 /calendar day: 1 – 3 days beyond performance standard • $10,000 /calendar day: 4 – 7 days beyond performance standard • $15,000 /calendar day: 8 – 14 days beyond performance standard • $20,000 /calendar day > 15 days beyond performance standard PRMP shall assess the following liquidated damages for failure to correct a Level 4 maintenance deficiency within the performance standard correction time. • $3,000 /calendar day: 1 – 3 days beyond performance standard • $6,000 /calendar day: 4 – 7 days beyond performance standard • $9,000 /calendar day: 8 – 14 days beyond performance standard • $12,000 /calendar day > 15 days beyond performance standard PRMP shall assess the following liquidated damages for failure to correct a Level 3 maintenance deficiency within the performance standard correction time.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		• Performance standard for correction of a deficiency associated with a system component located at the PRMP site is twenty-four (24) hours. **Level 4 – Disabled, no Workaround** – A business function or system component does not work as required, and no acceptable workaround is available. • Performance standard for responding to a deficiency call is thirty (30) minutes. • Performance standard for reporting a recommended resolution and an estimated fix date/time for all system components is two (2) hours. • Performance standard for correction of a deficiency associated with a system component located at the vendor site is forty-eight (48) hours. • Performance standard for correction of a deficiency associated with a system component located at the PRMP site is forty-eight (48) hours. **Level 3 – Disabled, Workaround** – A business function or system component does not work as required, but a workaround that is acceptable to PRMP is available. • Performance standard for responding to a deficiency call is thirty (30) minutes. • Performance standard for reporting a recommended resolution and an estimated fix date/time for all system components is two (2) hours. • Performance standard for correction of a deficiency associated with a system component located at the vendor site is	• $1,500 /calendar day: 1 – 3 days beyond performance standard • $3,000 /calendar day: 4 – 7 days beyond performance standard • $4,500 /calendar day: 8 – 14 days beyond performance standard • $6,000 /calendar day > 15 days beyond performance standard PRMP shall assess the following liquidated damages for failure to correct a Level 2 maintenance deficiency within the performance standard correction time. • $500 /calendar day: 1 – 3 days beyond performance standard • $650 /calendar day: 4 – 7 days beyond performance standard • $800 /calendar day: 8 – 14 days beyond performance standard • $1,000 /calendar day > 15 days beyond performance standard PRMP shall assess the following liquidated damages for failure to correct a Level 1 maintenance deficiency within the performance standard correction time. • $250 /calendar day: 1 – 3 days beyond performance standard • $325 /calendar day: 4 – 7 days beyond performance standard • $400 /calendar day: 8 – 14 days beyond performance standard • $500 /calendar day > 15 days beyond performance standard

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		three (3) business days. • Performance standard for correction of a deficiency associated with a system component located at the PRMP site is four (4) business days. **Level 2 – Minor – Non-Critical,** but having a negative effect on one or more business functions or system components. • Performance standard for responding to a problem call is thirty (30) minutes. • Performance standard for reporting a recommended resolution and an estimated fix date/time for all system components is four (4) hours. • Performance standard for correction of a problem associated with a system component located at the vendor site is five (5) business days. • Performance standard for correction of a deficiency associated with a system component located at the PRMP site is seven (7) business days. **Level 1 – Cosmetic** – Non-critical and non-impacting to one or more business functions or system components. • Performance standard for responding to a deficiency call is thirty (30) minutes. • Performance standard for reporting a recommended resolution and an estimated fix date/time for all system components is four (4) hours. • Performance standard for correction of a deficiency associated with a system component located at the vendor site is	

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		ten (10) business days. • Performance standard for correction of a deficiency associated with a system component located at the PRMP site is ten (10) business days.	
16.	**System Performance Reports**	The vendor must provide to PRMP a System Performance Report weekly, which includes the following: • Average record search/retrieval time during normal business hours. • Number of minutes during normal business hours where the record search/retrieval time fell below standard. • Average screen edit time during normal business hours. • Number of minutes during normal business hours where the screen edit time fell below standard. • Average next screen page time during normal business hours. • Number of minutes during normal business hours where the next screen page time fell below standard. • Average page initiation time during normal business hours. • Number of minutes during normal business hours where the page initiation time fell below standard.	PRMP shall assess up to $200 per calendar day for each day an acceptable System Performance Report is not timely received. If an acceptable System Performance Report is received on time but the information reported is inaccurate or incomplete, PRMP shall assess up to $200 per day until an acceptable report is received.
17.	**System Security**	The vendor must maintain and document security features for all vendor-supported solutions to ensure the solution is protected against unauthorized access according to PRMP policies and procedures.	PRMP shall assess up to $500 for each record that accessed without authorization, according to PRMP policies and Procedures. PRMP shall assess up to $10,000 for each day that a security breach goes unreported.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
18.	**System Turnover**	Per this RFP's Deliverables Dictionary, the System Turnover and Closeout Management Plan defines the vendor's responsibilities related to system turnover. Turnover will not be considered complete until the System Turnover and Closeout Management Plan and its associated deliverables are accepted by PRMP.	PRMP shall assess up to $500 per calendar day for each day after the due date that an acceptable Turnover and Closeout Management Plan is not submitted. PRMP shall assess up to $500 per calendar day for each day after 30 calendar days from the date of the turnover of system operations that the Turnover Results Report is not submitted.
19.	**System Turnover Documentation**	The vendor must provide to PRMP or its designee, within seven (7) business days of notice of termination the following information: • All updated computer software programs, data and reference tables, scripts, and other documentation and records required by PRMP or its designee to operate the system • Copies of all subcontracts and third-party contracts executed in connection with the services and solution • A list of services provided by subcontractors in connection with the performance of the service and solution, including the names and contact information for the subcontractors • Source code • Other documentation as defined by PRMP	PRMP shall assess up to $3,500 for each calendar day beyond the seven (7) business days that all required materials are not delivered by the vendor.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
20.	**Audits and Independent Verification and Validation (IV&V) Support**	The vendor must comply with all PRMP, federal audit requests, IV&V, or audit requests from any other authorized representative as designated by PRMP. The vendor must provide any information requested by a PRMP-authorized representative to assess the vendor's contract compliance.	$5,000 per day that the vendor fails to comply with any PRMP or federal audit requests. $5,000 per day that the vendor fails to provide information requested by a PRMP-authorized representative.
21.	**CMS Certification (A)**	The vendor must provide all required documentation and evidence necessary to support the CMS Certification process.	If PRMP does not receive all required documentation and evidence necessary to support the CMS Certification by the associated evidence due date, PRMP shall assess up to $1,000 per calendar day for each day documentation and information is received late.
22.	**CMS Certification (B)**	The vendor must maintain the system to the standards required by CMS and ensure that CMS Certification is maintained throughout the period of Operations of the system by the vendor.	PRMP shall assess up to $250,000 per month for any month, or a portion thereof, during which Federal Financial Participation (FFP) is withheld as a result of failure by the vendor to maintain the system as required by CMS.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
23.	**Change Request Management (A)**	The vendor must provide weekly reports identifying the status of all outstanding Change Requests and resulting Change Orders, including those closed since the last report. The report will include original report date, planned completion date, priority, status, and actual completion date.	PRMP shall assess up to $200 per calendar day for each day an acceptable weekly report is not timely delivered. If the report is received on time but the information reported is inaccurate or incomplete, PRMP shall assess up to $200 per day until an acceptable report is received.
24.	**Change Request Management (B)**	The vendor must provide an online database of Change Requests and resulting Change Orders to include the entire history that is searchable by date, status, priority, and title. This database must be updated within twenty-four (24) hours of receipt of a Change Request, creation of a Change Order, or change in status of an existing Change Request or Change Order.	PRMP shall assess up to $200 per business day for each day the database and search capability is not fully available. PRMP shall assess up to $100 per business day per Change Request or Change Order for each day a Change Request or Change Order is late in being updated in the database.
25.	**Change Request Management ©**	Comprehensive and accurate responses from the vendor to all Change Requests—including the proposed solution, cost, and time frames—must be delivered to PRMP within fifteen (15) calendar days of receipt of a PRMP Change Request.	PRMP shall assess up to $100 per calendar day for each day an acceptable Change Request response is not timely received. If a Change Request response is received on time but the information reported is inaccurate or incomplete, PRMP shall assess up to $100 per calendar day until an acceptable response is received.
26.	**Email Triage and Acknowledgement**	The vendor must triage all inquiries received by PRMP-approved email addresses. All emails received must be acknowledged within twenty-four (24) hours of receipt and resolved within three (3) business days unless otherwise approved by PRMP. The vendor must forward to the designated PRMP staff within one (1) calendar day those inquiries that are either:	$100 per occurrence of an email not being acknowledged within twenty-four (24) hours. $100 per occurrence of an email resolution not received within three (3) business days. $100 per occurrence of any emails forwarded to outside the response scope of the vendor within one (1) calendar day.

ID	SLA Subject Areas	Performance Standards	Contract Remedies
		1. Determined to be outside the response scope for the vendor 2. Should be handled by PRMP staff **Compliance and Calculation:** • Acknowledge all emails received within twenty-four (24) hours and resolve all emails within three (3) business days. • Forward to PRMP staff within one (1) calendar day emails that are determined to be outside of the vendor's response scope.	
27.	**Key Staff**	During the entire duration of the contract, key staff commitments made by the vendor must not be changed without thirty (30) days prior written notice to PRMP unless due to legally required leave of absence, sickness, death, resignation, or mutually agreed-upon termination of employment of any named individual.	Up to a maximum of $3,000 per occurrence shall be assessed for each key staff person proposed who is changed without proper notice and approved by PRMP for reasons other than legally required leave of absence, sickness, death, or termination of employment.
28.	**Key Staff Replacement**	The vendor will replace key staff in a timely fashion. Replacement of key staff will take place within thirty (30) calendar days of removal unless a longer period is approved by PRMP's authorized representative.	PRMP shall assess up to $200 per business day for each business day after the initial thirty (30) calendar days allowed in which an acceptable replacement for that key staff position is not provided.
29.	**Test Results Quality Rate**	The Test Results Quality Rate will be determined using the results of a vendor-generated, pre-test strategy, executed testing cases, including functionality, performance, integration, interfaces, operational suitability, and other test coverage items comprising a thorough vendor-executed testing effort for every post-implementation release. The initial service level for this SLA will be zero critical, high, or medium defects, and an agreed-upon remediation plan for low defects. PRMP will validate test results during each post-implementation release.	Failure to meet any agreed-upon time frames for a release due to unresolved Critical or High defects might result in the assessment of liquidated damages of $2,000 for each critical defect and $1,500 for each high defect. Additional liquidated damages will be assessed $500 for every seven (7) calendar days for each defect until a correction is implemented. As defined in PRMP's agreed-upon remediation plan, medium or low defects that are not resolved might result in the assessment of liquidated damages of $750 per calendar day

ID	SLA Subject Areas	Performance Standards	Contract Remedies
			for each defect if agreed-upon resolution time frames are not met.
30.	**Transfer of Information to the SI and Other MES Modules**	The vendor must coordinate with the SI vendor and other MES module vendors and adhere to integration tasks and release schedules across multiple environments. **Compliance and Calculation:** • The vendor must provide release schedules and integration tasks based on release schedules approved by PRMP. • Number of business days past the agreed-upon delivery date.	$1,000 per business day per instance the vendor is out of compliance with the release schedule.
31.	**Weekly Status Reports**	The vendor must provide weekly reports identifying the status of all outstanding Problem Reports, including those closed since the last report. The report will include the original report date, planned completion date, severity level, status, and actual completion date.	PRMP shall assess up to $200 per calendar day for each day an acceptable weekly report is not timely received. If the report is received on time but the information reported is inaccurate or incomplete, PRMP shall assess up to $200 per day until an acceptable report is received.

Appendix 4: Procurement Library

Table 27: Procurement Library details information and documentation pertinent to the procurement. Not all of the information contained within *Table 27: Procurement Library* has a corresponding attachment.

Table 27: Procurement Library

ID	Document / Information	Website (if applicable)
DOC001	Administration for Children and Families (ACF)	https://www.acf.hhs.gov/resource-library
DOC002	American National Standards Institute (ANSI)	https://ansi.org/
DOC003	American with Disabilities Act (ADA)	https://adata.org/learn-about-ada
DOC004	ASES Interface Management SOP v1.5	N/A
DOC005	Child Abuse Prevention and Treatment Act	https://www.acf.hhs.gov/sites/default/files/documents/cb/capta.pdf
DOC006	CMS MARS-E	https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/2-MARS-E-v2-0-Minimum-Acceptable-Risk-Standards-for-Exchanges-11102015.pdf
DOC007	Code of Federal Regulations (CFR)	https://www.ecfr.gov/cgi-bin/ECFR?page=browse
DOC008	Conditions for Enhanced Funding	N/A
DOC009	Council for Affordable Quality Healthcare - Committee on Operating Rules for Information Exchange (CAQH-CORE)	https://www.caqh.org/core/committee-operating-rules-information-exchange
DOC010	Department of Defense 8500.2 – Information Assurance Implementation	https://fas.org/irp/doddir/dod/d8500_2.pdf
DOC011	Encounter Data Requirements	https://www.asespr.org/wp-content/uploads/2019/01/FIRST-MEDICAL-HEALTH-PLAN-INC.-ATTACHMENT-26.pdf

ID	Document / Information	Website (if applicable)
DOC012	Federal Executive Order 11246	https://www.dol.gov/agencies/ofccp/executive-order-11246/ca-11246
DOC013	Federal Information Security Modernization Act (FISMA)	https://www.cisa.gov/federal-information-security-modernization-act
DOC014	Federal Medical Assistance Percentages (FMAP)	https://aspe.hhs.gov/federal-medical-assistance-percentages-or-federal-financial-participation-state-assistance-expenditures
DOC015	Health and Human Services (HHS)	https://www.hhs.gov/regulations/index.html
DOC016	Health Information Technology for Economic and Clinical Health Act (HITECH)	https://www.hhs.gov/sites/default/files/ocr/privacy/hipaa/administrative/enforcementrule/enfifr.pdf
DOC017	Health Insurance Portability and Accountability Act (HIPAA)	https://www.hhs.gov/hipaa/index.html
DOC018	High Cost High Need Interface - Actuary Report v1.0	N/A
DOC019	High Cost High Need Reports Management SOP v2.0	N/A
DOC020	High Cost High Needs Interface - ASES to MCO File Layout v1.3	N/A
DOC021	HL7 Standards for Electronic Health Record Technology	http://www.hl7.org/implement/standards/hhsifr.cfm
DOC022	Institute of Electrical and Electronics Engineers (IEEE)	https://www.ieee.org/standards/index.html
DOC023	Integrating the Healthcare Enterprise (IHE)	https://www.ihe.net/
DOC024	International Committee for Information Technology Standards (INCITS)	https://www.incits.org/standards-information/
DOC025	International Organization for Standardization (ISO)	https://www.iso.org/standards-catalogue/browse-by-ics.html

ID	Document / Information	Website (if applicable)
DOC026	IRS Publication 1075	https://www.irs.gov/pub/irs-pdf/p1075.pdf
DOC027	MECL & MECT	https://www.medicaid.gov/medicaid/data-systems/medicaid-enterprise-certification-toolkit/index.html
DOC028	Member Rate Cell Interface - ASES All MCO File Layout	N/A
DOC029	National Information Exchange Model (NIEM)	https://www.niem.gov/
DOC030	National Institute for Standards and Technology (NIST) Special Publication 800-53 Revision 5: Security and Privacy Controls for Information Systems and Organizations	https://csrc.nist.gov/publications/detail/sp/800-53/rev-5/final
DOC031	NIST Federal Information Processing Standards (FIPS) Publication 180-4: Secure Hash Standards (SHS)	https://csrc.nist.gov/publications/detail/fips/180/4/final
DOC032	NIST FIPS Publication 186-4: Digital Signature Standard (DSS)	https://csrc.nist.gov/publications/detail/fips/186/4/final
DOC033	NIST Special Publication 800-111: Guide to Storage Encryption Technologies for End User Devices	https://csrc.nist.gov/publications/detail/sp/800-111/final
DOC034	Outcomes-Based Certification (OBC)	https://www.medicaid.gov/medicaid/data-systems/outcomes-based-certification/index.html
DOC035	Patient Protection and Affordable Care Act of 2010 Section 1561 – Information Technology Enrollment Standards and Protocols	https://www.healthit.gov/sites/default/files/rules-regulation/aca-1561-recommendations-final2.pdf
DOC036	PERM Manual	https://www.cms.gov/files/document/perm-manual.pdf

ID	Document / Information	Website (if applicable)
DOC037	Privacy Act of 1974	https://www.justice.gov/opcl/privacy-act-1974
DOC038	Project Management Institute (PMI) – Project Management Body of Knowledge (PMBOK)	https://www.pmi.org/pmbok-guide-standards
DOC039	Puerto Rico 2019 MITA SS-A Artifact	N/A
DOC040	Puerto Rico 2019 MITA SS-A Roadmap	N/A
DOC041	Puerto Rico 2019 MITA SS-A Summary	
DOC042	Puerto Rico Health Insurance Administration Act	http://www.presupuesto.pr.gov/Budget_2012_2013/Aprobado2013Ingles/suppdocs/baselegal_ingles/187/72-1993.pdf,
DOC043	Report 8 HCHN	N/A
DOC044	Social Security Act (SSA)	https://www.ssa.gov/OP_Home/ssact/ssact-toc.htm
DOC045	W3C standards	http://www.w3.org/standards/

Appendix 5: Acronyms, Abbreviations, and Terms Glossary

This section includes acronyms, abbreviations, and terms used throughout the RFP document and attachments.

Table 28: Acronyms, Abbreviations, and Terms Glossary

Acronym	Term
A2A	Application to Application
ACF	Administration for Children and Families
ADA	Americans with Disabilities Act
ANSI	American National Standard for Information Technology
AST	Atlantic Standard Time
AWP	Average Wholesale Price
B2B	Business-to-Business
BENDEX	Beneficiary Data Exchange
BI	Business Intelligence
BPEL	Business Process Execution Language
BPM	Business Process Management
BPML	Business Process Modeling Language
BRE	Business Rules Engine
CAP	Corrective Action Plan
CAQH-CORE	Council for Affordable Quality Healthcare – Committee on Operating Rules for Information Exchange
CCD	Continuity of Care Document
CFR	Code of Federal Regulation
CMS	Centers for Medicare & Medicaid Services
COTS	Commercial-Off-the-Shelf
DBMS	Database Management System
DDI	Design, Development, and Implementation
DED	Deliverable Expectations Document
DMZ	Demilitarized Zone
DRG	Diagnosis-Related Group
DSD	Detailed System Design
DTD	Document Type Definition
EDB	Enrollment Data Base
EDI	Electronic Data Exchange
EFT	Electronic Funds Transfer

Acronym	Term
EMPI	Enterprise Master Person Index
EPSDT	Early and Periodic Screening Diagnostic and Treatment
ESB	Enterprise Service Bus
ETL	Extract, Translate, Load
FDA	Food and Drug Administration
FFP	Federal Financial Participation
FFR	Federal Financial Report
FISMA	Federal Information Security Management Act
FMAP	Federal Medical Assistance Percentages
FQHC	Federally Qualified Heath Center
FTI	Financial Transaction Information, Federal Tax Information
GUI	Graphical User Interface
HCHN	High Cost High Needs
HHS	Health and Human Services
HIA/EDW	Health Information Audit/Enterprise Data Warehouse
HIPAA	Health Insurance Portability and Accountability Act
HITECH	Health Information Technology for Economic and Clinical Health Act
HIX	Health Information Exchange
HL7	Health Level Seven
HTTP	Hypertext Transfer Protocol
IAM	Identity Access Management
IBNR	Incurred But Not Reported
ICT	Information and Communication Technologies
IHE	Integrating the Healthcare Enterprise
INCITS	Information Technology Standards
IRS	Internal Revenue Service
ISO	International Organization for Standardization
IV&V	Independent Verification & Validation
JMS	Java Message Service
KPI	Key Performance Indicator
LAN	Local Area Network
LEP	Limited English Proficiency
LIS	Low-Income Subsidy
MAC	Maximum Allowable Cost

Acronym	Term
MAOs	Medicare Advantage Organizations
MCOs	Manage Care Organizations
MDM	Master Data Manager
MECL	Medicaid Enterprise Certification Lifecycles
MECT	Medicaid Enterprise Certification Toolkit
MEDITI	Medicaid Integrated Technology Initiative
MES	Medicaid Enterprise System, Medicaid Enterprise Solution
MIP	Micro Information Processing
MITA	Medicaid Information Technology Architecture
MMA	Medicare Modernization Act
MMIS	Medicaid Management Information System
NCPDP	National Council for Prescription Drug Programs
NDC	National Drug Codes
NIEM	National Information Exchange Model
NIST	National Institute of Standards and Technology
NTP	Network Time Protocol
OBC	Outcomes-Based Certification
ORR	Operational Readiness Review
PBM	Pharmacy Benefits Manager
PCP	Primary Care Provider
PERM	Payment Error Rate Measurement
PHI	Protected Health Information
PII	Personally Identifiable Information
PKI	Public Key Infrastructure
PMBOK	Project Management Body of Knowledge
PMI®	Project Management Institute®
PMPM	Per Member Per Month
PRDoH	Puerto Rico Department of Health
PRMP	Puerto Rico Medicaid Program
QC	Quality Control
RBAC	Role-Based Access Control
RCA	Root Cause Analysis
REST	Representational Department Transfer
RFP	Request for Proposal

Acronym	Term
RHC	Rural Health Clinic
RTM	Requirements Traceability Matrix
SDX	Commonwealth Data Exchange
SI	System Integrator
SLA	Service-Level Agreement
SME	Subject Matter Expert
SNMP	Simple Network Management Protocol
SNTP	Simple Network Time Protocol
SOA	Service Oriented Architecture
SOAP	Simple Object Access Protocol
SOC	Security Operations Center
SQL	Structured Query Language
SSA	Social Security Administration, Single State Agency
SS-A	State Self-Assessment
SSAS	SQL Server Analytic Services
SSI	Supplemental Security Income
SSIS	SQL Server Integration Services
SSL	Secure Socket Layer
SSRS	SQL Server Reporting Services
SURI	Internal Revenue Unified System (Spanish Acronym)
TCS	Transactions and Code Sets
T-MSIS	Transformed Medicaid Statistical Information System
TPL	Third Party Liability
UAT	User Acceptance Testing
UDDI	Universal Description, Discovery and Integration
UPS	Uninterruptible Power Supply
UTC	Universal Time Coordinated
VPN	Virtual Private Network
WAN	Wide Area Network
WCAG	Web Content Accessibility Guidelines
WS	Web Services
WSDL	Web Services Description Language
WSFL	Web Services Flow Language
WS-I	Web Services Interoperability

Acronym	Term
X12	American National Standards Institute Accredited Standards Committee Electronic Data Interchange Standard
XHTML	Extensible HyperText Markup Language
XML	Extensible Markup Language
XPDL	XML Process Definition Language
XSD	XML Schema Definition
XSD	XML schema definitions
XSLT	Extensible Stylesheet Language Transformations
Premium Payment	A payment for the monthly cost of the premium for a family health insurance policy that covers the applicant as well as other dependents.
Capitation Payment	A payment for a specified amount of money paid to a health plan or doctor. This is used to cover the cost of a health plan member's health care services for a certain length of time.

Appendix 6: IT Terms and Conditions

Note that vendors may take exception to Appendix 6. In the event of a conflict between Appendix 6 and 7, Appendix 7 would take precedence.

1. CONFIDENTIALITY

Confidential Information

The State may disclose to the vendor written material, oral, and other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the vendor will remain with the State. The vendor should treat Confidential Information as secret if it is marked, identified as such, or when by its very nature it deals with matters that if generally known would be damaging to the best interest of the public, other vendors, potential vendors with the State, or individuals or organizations about whom the State keeps information. By way of example, information must be treated as confidential if it includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, trade secrets, data, business records, marketing information, personally identifiable information, protected health information, federal tax information, or payment card information. This is not an exhaustive list, and other types of information may be deemed confidential.

The vendor may not disclose any Confidential Information to third parties and must use it solely to perform the scope of services under this Contract. The vendor will restrict circulation of Confidential Information within its organization and then only to people in the vendor's organization that have a need to know the Confidential Information in order to do the Project. The vendor will be liable for the disclosure of such information, whether the disclosure is intentional, negligent, or accidental, unless otherwise provided below.

The vendor will not incorporate any portion of any Confidential Information into any work or product, other than a deliverable, and will have no proprietary interest in any of the Confidential Information. Furthermore, the vendor must cause all of its personnel who have access to any Confidential Information to execute a confidentiality agreement in a manner and format created by the State, incorporating the obligations in this section.

The State, in its sole discretion, reserves the right to permit the vendor to release confidential information in certain situations, including, but not limited to, a Court order mandating release of the same. To invoke this exception, the vendor must make the request for releasing the information in writing to the State, including the reason for the request, and receive written permission from the State prior to releasing the same. The vendor must return all originals of any Confidential Information and destroy any copies, provide certification of destruction to the State, upon termination or expiration of this Contract.

Personally Identifiable Information (PII), including, but not limited to, medical records, addresses, phone numbers, social security numbers, credit card information, federal or state tax information, and Protected Health Information (PHI), as define by the PRDoH Business Associate Agreement, that may be available publicly through other sources, is nevertheless

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sensitive in nature and may not be disclosed or used in any manner except as expressly authorized in this Contract and in compliance with the requirements in the PRDoH Business Associate Agreement.

The vendor may disclose Confidential Information to its subcontractors on a need-to-know basis, but the vendor first must obligate them to the requirements of this section through an appropriate business associate agreement or other similar written agreement. Vendors should refer to the PRDoH Business Associate Agreement

In addition to any liquidated damages or other damages provisions in this contract, the State is entitled to damages for any breach of its duty to protect confidential information under this section or any other provision under this contract, including, but not limited to, general, special and consequential damages. The vendor further agrees to indemnify and hold harmless the State and any of its agencies for any claim related to failure to protect confidential information as described in this section.

Confidentiality Agreements

When the vendor performs services under this Contract that require the vendor's and its subcontractors' personnel to access facilities, data, or systems that the State in its sole discretion deems sensitive, the State will require the vendor's and its subcontractors' personnel with such access to sign individual confidentiality agreements, non-disclosure agreements, and policy acknowledgements before accessing those facilities, data, or systems. The State reserves the right to require certain employees of the vendor or the vendor's subcontractor(s) with access to certain facilities, data, or systems to undergo fingerprint based state and federal background checks. Each State agency, board, and commission may require the vendor and its subcontractors to sign different confidentiality agreement or acknowledgement forms and non-disclosure agreements. The vendor must immediately replace any of its or its subcontractors' personnel who refuse to sign a required confidentiality agreement or acknowledgment, non-disclosure agreement, or have a fingerprint-based background check (if applicable) performed.

2. INTELLECTUAL PROPERTY

Ownership of Work Product

"Work Product" means any tangible or intangible ideas, inventions, improvements, modifications, discoveries, development, customization, configuration, methodologies or processes, designs, models, drawings, photographs, reports, formulas, algorithms, patterns, devices, compilations, databases, computer programs, work of authorship, specifications, operating instructions, procedures manuals or other documentation, technique, know-how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection), that is specifically made, conceived, discovered or reduced to practice by the vendor, either solely or jointly with others, pursuant to this Contract. Work Product does not include Pre-existing Materials or third party intellectual property.

The State owns all "Work Product" (or "Deliverables") the vendor produces under this Contract, including any software modifications, and documentation, with all rights, title, and interest in all intellectual property that come into existence through the vendor's work being assigned to the State. Additionally, the vendor waives any author rights and similar retained interests in Work Product. The vendor must provide the State with all assistance reasonably needed to vest such rights of ownership in the State. The vendor will retain ownership of all tools, methods, techniques, standards, and other development procedures, as well as generic and preexisting shells, subroutines, and similar material incorporated into any Deliverables ("Pre-existing Materials"), if the vendor provides the non-exclusive license described in the next paragraph.

The vendor will grant the State a worldwide, nonexclusive, royalty free, perpetual license to use, modify, and distribute all Pre-existing Materials that are incorporated into any Deliverables rather than grant the State ownership of the Pre-existing Materials. The State may distribute such Pre-existing Materials to third parties only to the extent required by governmental funding mandates. The vendor may not include in any Deliverables any intellectual property unless such has been created under this Contract or qualifies as Pre-existing Material. If the vendor wants to incorporate any Pre-existing Materials into Deliverables, the vendor must first disclose that desire to the State in writing and seek the State's approval for doing so in advance. The State will not be obligated to provide that approval unless the vendor disclosed its intention to do so in their Proposal.

The State, at its sole discretions, may make all Work Product available to the general public without any proprietary notices of any kind.

For Work Product that include custom materials such as software, scripts, or similar computer instructions developed for the State, the State is entitled to the source material. Scripts and similar functionality may not be locked or otherwise protected from access by the State unless the State has any passwords or other tools necessary to access the material. Source material must include annotations or comments according to industry standards. Further, the State is entitled to any working papers the vendor has developed during the performance of the Project that would reasonably assist the State in using the Deliverables that include source materials or that would help the State protect its interests in the Deliverable or update, modify, or otherwise maintain the Deliverable. This also includes all design and architectural materials, such as schemas.

The vendor may use Confidential Information only as necessary for vendor's performance under or pursuant to rights granted in this Contract and for no other purpose. The vendor's limited right to use Confidential Information expires upon expiration or termination of this Agreement for any reason. The vendor's obligations of confidentiality and non-disclosure survive termination or expiration for any reason of this Agreement.

Use of State Intellectual Property

The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any Agency, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this

Contract as a result of the use by vendor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by vendor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State User name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, "State Intellectual Property").

The vendor may not use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, the vendor shall return or destroy all State Intellectual Property and all copies thereof, and the vendor shall have no further right or license to such State Intellectual Property. If the vendor opts to destroy, the vendor shall provide a certificate of destruction to the State.

The vendor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the vendor claim any security interest in State Intellectual Property.

3. COMMERCIAL MATERIALS, LICENSES, WARRANTIES, AND MAINTENANCE

Licenses in Commercial Materials

"Commercial Material" means anything the vendor, or a third party developed at private expense, is commercially available in the marketplace, subject to intellectual property rights, and readily copied through duplication on magnetic media, paper, or other media. Examples include written reports, books, pictures, videos, movies, computer programs, and computer source code and documentation

Any Commercial Material that the vendor intends to deliver as a Deliverable, or as part of a deliverable, should have the scope of the license granted in such material disclosed in the vendor's Proposal, if that scope of license is different from the scope of license contained in this section for Commercial Materials. Failure to make such disclosure in the proposal will cause the scope of the license to revert to the scope of license contained in this section for Commercial Materials.

Except for Commercial Material that is software ("Commercial Software"), if the Commercial Material is copyrighted and published material, then the State will have the rights permitted under the federal copyright laws for each copy of the Commercial Material delivered to it by the vendor.

Except for Commercial Software, if the Commercial Material is patented, then the State will have the rights permitted under the federal patent laws for each copy of the Commercial Material delivered to it by the vendor.

For Commercial Software, the State will have the rights in items (1) through (7) of this section with respect to the software. The State will not use any Commercial Software except as provided in the six items below or as expressly stated otherwise in this Contract. The Commercial Software may be:

1) Used or copied for use in or with the computer or computers for which it was acquired, including use at any State installation to which such computer or computers may be transferred

2) Used or copied for use in or with a backup computer for disaster recovery and disaster recovery testing purposes or if any computer for which it was acquired is inoperative

3) Reproduced for safekeeping (archives) or backup purposes

4) Modified, adapted, or combined with other computer software, but the modified, combined, or adapted portions of the derivative software incorporating any of the Commercial Software will be subject to same restrictions set forth in this Contract

5) Disclosed to and reproduced for use on behalf of the State by support service contractors or their subcontractors, subject to the same restrictions set forth in this Contract

6) Used or copied for use in or transferred to a replacement computer

7) Used or copied for any other purpose as necessary to ensure performance of the contract and all deliverables thereunder

Commercial Software delivered under this Contract is licensed to the State without disclosure restrictions unless it is clearly marked as confidential or secret.

Software Licenses

The vendor should provide or arrange Enterprise perpetual software licenses for all Commercial Software necessary to meet the specifications of the Contract. For the Commercial Software, the State requires Enterprise license rights to ultimately serve its entire enterprise, which consists of hundreds of personnel workers, and hundreds of technical administrators and third-party vendors who may work with the software. Sufficient seats for all such individuals will be required, and if multiple copies of the system will be needed, the right to copy and deploy multiple copies of the software in production, test, and development environments. For all other Commercial Software, the State requires a license that provides adequate usage rights to meet the State's current need, as identified in the RFP and as disclosed in the selected vendor's Cost Proposal. The State may also copy the software for use on computers owned and controlled by third parties, if the purpose of doing so is to facilitate disaster recovery, emergency needs, including testing and training for such purposes, and to permit a third party to host the Key Commercial Software on behalf of the State in an outsourcing arrangement. This license also gives the State the right to provide the authorized individuals described above access to the Key Commercial Software remotely through a browser or client software and an Internet or similar connection for all uses and purposes identified above.

NOTE: The State will retain all licenses, software, and systems procured through the RFP.

Software Warranty

If this Contract involves software as a Deliverable, then, on acceptance and for 12 months after the date of acceptance of any Deliverable that includes software, the vendor warrants as to all software developed under this Contract that: (a) the software will operate on the computer(s) for which the software is intended in the manner described in the relevant software documentation, the vendor's Proposal; (b) the software will be free of any material defects; (c) the vendor will deliver and maintain relevant and complete software documentation, commentary, and source code; and (d) the source code language used to code the software is readily available in the commercial market, widely used and accepted for the type of programming involved, and support programming in the language is reasonably available in the open market; and (e) the software and all maintenance will be provided in a professional, timely, and efficient manner.

For Commercial Software licensed from a third party that is incorporated into Deliverables, and for which the State has not approved a separate license agreement governing that Commercial Software's warranties as part of the RFP process, the vendor represents and warrants that it has done one of the following things: (a) obtained the right from the third-party licensor to commit to the warranties and maintenance obligations in this Section; (b) obtained a binding commitment from the licensor to make those warranties and maintenance obligations directly to the State; or (c) fully disclosed in the vendor's Proposal any discrepancies between the requirements of this section and the commitment the third-party licensor has made. The vendor agrees to hold harmless and indemnify the State and any of its agencies for any claim related to improper use of software licensed from a third party.

In addition, for Commercial Software that is incorporated into Deliverables, the vendor will: (a) maintain or cause the third-party licensor to maintain the Commercial Software so that it operates in the manner described in the vendor's Proposal (or any attachment referenced in the Proposal) and relevant Commercial Software documentation; (b) supply technical bulletins and updated user guides; (c) supply the State with updates, improvements, enhancements, and modifications to the Commercial Software and documentation and, if available, the commentary and the source code; (d) correct or replace the Commercial Software and/or remedy any material programming error that is attributable to the vendor or the third-party licensee; (e) maintain or cause the third-party licensor to maintain the Commercial Software and documentation to reflect changes in the subject matter the Commercial Software deals with; (f) maintain or obtain a commitment from the third-party licensor to maintain the Commercial Software so that it will properly operate in conjunction with changes in the operating environment in which it is designed to operate.

For purposes of the warranties and the delivery requirements in this Contract, software documentation means well written, readily understood, clear, and concise instructions for the software's users as well as a system administrator. The software documentation will provide the users of the software with meaningful instructions on how to take full advantage of all of the capabilities designed for end users. It also means installation and system administration documentation for a system administrator to allow proper control, configuration, and management of the software. Source code means operating instructions for the software. In addition to any liquidated damages or other damages provisions in this contract, the State is entitled to damages for the vendor's failure to comply with any of the software warranty

provisions, whether express or implied, contained in this section or elsewhere in this contract, including, but not limited to, general, special and consequential damages.

Software Maintenance

If this Contract involves software as a Deliverable, then, during the warranty period, as well as any optional maintenance periods that the State exercises, the vendor must correct any material programming errors that are attributable to the vendor within a reasonable period of time, beginning when vendor receives any notification of the error.

For all programming errors, the vendor will make its initial response within two business hours of notice. The vendor must also begin working on a proper solution for the problem immediately after responding and, if requested, provide on-site assistance and dedicate all available resources to resolving the problem. In addition to any liquidated damages or other damages provisions in this contract, the State is entitled to damages for software errors, and/or failure to remediate software errors timely under this contract, including, but not limited to, general, special and consequential damages.

For software classified as Commercial Software in the Ownership of Work Product section and for which the State has not signed a separate license agreement, the vendor must acquire for the State the right to maintenance for a five-year period. That maintenance must be the third-party licensor's standard maintenance program, but at a minimum, that maintenance program must include all, updates, patches, and fixes to the software. It must also include a commitment to keep the software current with the operating environment in which it is designed to function (and, if applicable, the subject matter covered by the software) and to correct material defects in the software in a timely fashion. Additionally, the vendor must obtain a commitment from the licensor to make maintenance available for the product for at least five years after the first year of maintenance. The vendor must also obtain a commitment from the licensor to limit increases in the annual Fee for maintenance to no more than seven (7)% annually. If the licensor is unable to provide maintenance during that five (5)-year period, then the licensor should be committed to doing one of the following two things: (a) give the State a pro rata refund of the license fee based on a five-year useful life; or (b) release the source code for the software (except third party software) to the State for use by the State solely for the purpose of maintaining the copy(ies) of the software for which the State has a proper license.

Appendix 7: Proforma Contract Draft

The following details a draft of the contract that the awarded Vendor will be required to sign. A finalized version of this contract will be provided prior to contract execution.

**COMMONWEALTH OF PUERTO RICO
DEPARTMENT OF HEALTH
SAN JUAN, PUERTO RICO**

**PROFESSIONAL SERVICES CONTRACT FOR THE PUERTO RICO MEDICAID PROGRAM
FOR THE PROVISION OF OPERATIONS SERVICES OF THE MEDICAID MANAGEMENT
INFORMATION SYSTEM**

APPEARING

FOR THE FIRST PARTY: The Puerto Rico Department of Health, herein represented by the Secretary of Health**, CARLOS MELLADO LÓPEZ, MD,** of legal age, married, a medical doctor and resident of San Juan, Puerto Rico, or by the Undersecretary of Health, **FÉLIX RODRÍGUEZ SCHMIDT, MD**, of legal age, married, a medical doctor and resident of Caguas, Puerto Rico, or by Chief Executive Administrator Officer, **ESDRAS VÉLEZ RODRÍGUEZ, ESQ.**, of legal age, married, attorney and resident of Guaynabo, Puerto Rico who may appear in representation of the Secretary of Health and are duly authorized to sign this Agreement by delegation made on March 16, 2021 by the Secretary of Health, in accordance with Act No. 81 of March 14, 1912, henceforth referred to as the **FIRST PARTY**

FOR THE SECOND PARTY: XXXXX duly organized under the laws of the Commonwealth of Puerto Rico, represented in this act by its Legal Representative, **XXXXX,** of legal age, single and resident **XXXXXX** and duly authorized to execute this contract, hereinafter denominated as the **SECOND PARTY**.

NOW THEREFORE, pursuant to Act 81 of March 14, 1912, as amended, Circular Letter Number 07-93, issued on March 8, 1993, and the Administrative Bulletin No. OE-1991-24 issued on June 18, 1991 as amended by Administrative Bulletin No. OE-1992-52 issued on August 28, 1992, **BOTH PARTIES** agree as follows:

WITNESSETH

WHEREAS, the **FIRST PARTY** has the authority to engage professional, technical and consulting services that are necessary and convenient to advance, promote and benefit

its activities, programs and operations;

WHEREAS, BOTH PARTIES agreed to this contract under the following:

<u>**CLAUSES AND CONDITIONS**</u>

1. <u>**SERVICES**</u>:

The **SECOND PARTY** will provide the following:

2. <u>**INTERAGENCY SERVICES**</u>: **BOTH PARTIES** acknowledge and agree that the contracted services can be rendered to any entity part of the Executive Branch, with which the **FIRST PARTY** has entered into an interagency agreement or by direct order of the Governor's Chief of Staff. Said services will be rendered under the same terms and conditions as agreed upon in this Contract.

3. <u>**TIMETABLE AND WORK SITE AND ASSIGNED STAFF:**</u> The **SECOND PARTY** will work for the **FIRST PARTY** on a flexible schedule in its own facilities or those of the **FIRST PARTY** and complete the enhancements according to the terms stipulated in the proposal. Any change will be notified to the **FIRST PARTY**.

Within fifteen (15) calendar days after the execution of this contract, the **SECOND PARTY** will deliver to the **FIRST PARTY** a Staff Roster. The Staff Roster will disclose all staff assigned to work under the contract and it will contain at a minimum the following:

Full Name	Contact Information	Physical Location	US Citizen (Y/N)	Allocation percentage (%)	Role & Responsibilities	Expertise

The **SECOND PARTY** must keep the Staff Roster updated and will deliver an updated copy to the **FIRST PARTY** within seven (7) calendar days of each change.

4. <u>**COMPENSATION:**</u> The **FIRST PARTY** shall be obligated to pay the **SECOND PARTY** up to a maximum of <u>**XXX**</u>

Invoices will be submitted to the **FIRST PARTY** on a monthly basis, within the first ten (10) days following the period invoiced. The invoices will be detailed according to the services provided, as defined in the **FIRST CLAUSE** of this agreement.

The **FIRST PARTY** will not honor invoices submitted ninety days (90) or more after the services were rendered. The **SECOND PARTY** accepts and agrees to comply with this requirement and understands that if the invoices are not submitted on a timely manner it waives the right to get paid for services rendered.

BOTH PARTIES agree that the payment established in this agreement shall entail the discount of one point five percent (1.5%) to the General Fund of the State Treasury, pursuant to Article 1 of Act No. 48 of June 30, 2013, Law which establishes a special contribution on government contracts.

Invoices must include a written certification stating that no officer or employee of the **FIRST PARTY**, its subsidiaries or affiliates, will derive or obtain any benefit or profit of any kind from this Agreement, with the acknowledgment that invoices which do not include this certification will not be paid. This certification must read as follows:

> "We certify under penalty of nullity that no public employee of the Department of Health will derive or obtain any benefit or profit of any kind from the contractual relationship which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Agreement. The only consideration to be received in exchange for the delivery of goods or for services provided is the agreed-upon price that has been negotiated with an authorized representative of the Department of Health. The total amount shown on this invoice is true and correct. The services have been rendered, and no payment has been received."

The **FIRST PARTY** shall verify the invoices within twenty (20) working days of the receiving date of the invoice and, if they comply with the requirements set forth in this Agreement, it will process the payment to the **SECOND PARTY** within thirty (30) days of the approval of the invoice. The **FIRST PARTY** will promptly notify the **SECOND PARTY** any questions regarding invoices so that the **SECOND PARTY** can receive timely payment. Any edits or resubmittal of invoices requested by the **FIRST PARTY** shall restart the clock for time for submittal. The procedure for acceptance of deliverables is defined in the **FIFTH CLAUSE**, from which invoices must include, as attachments, all receipts of accepted final deliverables as proof of acceptance.

5. RESOURCES TO PAY FOR THE SERVICES: The services provided under this contract will be paid from the Allowance for Professional and Consulting Services, account number:

6. INDEPENDENT CONTRACTOR: **BOTH PARTIES** freely and voluntarily agree that under the terms of this agreement, no employer/employee relationship will be established and that the **SECOND PARTY** will act and render services as an independent contractor and further convene not to claim the **FIRST PARTY** for vacation or sick leave, retirement benefits, Christmas bonus, or for professional responsibility insurance policy. Nevertheless, the **FIRST PARTY** will make all discounts and allocations for Federal Social Security required by the Federal Internal Revenue Service Office, but **BOTH PARTIES** accept and acknowledge that with these discounts and allocations, no employer/employee relationship is established between the parties.

The **FIRST PARTY** may withhold from payment due to the **SECOND PARTY** for services rendered up to the 10% provided by act no. 257 of the year 2018 to amend section 1062.3 of the Internal Revenue Code (2011), as amended, in accordance with the regulations approved by the Secretary of the Treasury. In the case of partial relief provided in section (g) of section 1062.03 of the Code, the amendments introduced by act 257-2018 establish that the applicable retention shall be 6% percent.

The **SECOND PARTY** is obligated, as a necessary stipulation for this agreement, to submit the certifications, releases and documents that corroborate his/her tax status, as required by the **FIRST PARTY** or its authorized representative.

The **SECOND PARTY** is responsible for submitting his tax declaration and paying the corresponding taxes to the Bureau of Income Tax of the Puerto Rico Department of the Treasury, for any taxable amounts resulting from any income accrued under this agreement. The **FIRST PARTY** shall notify the Bureau of Income Tax of any payments and reimbursements made to the **SECOND PARTY**.

7. REPORTS: The **SECOND PARTY** must submit all reports requested by the **FIRST PARTY** or its authorized representative concerning the services pledged and provided under the terms of this contract.

8. The **SECOND PARTY** is bound by the Administrative Policies established by the **FIRST PARTY** and it cannot change or act against said policies, without prior approval and permission from the **FIRST PARTY**.

9. NEGLIGENCE OR ABANDONMENT: The **FIRST PARTY** reserves the right to terminate this contract without prior notice or approval, in any case the **FIRST PARTY** deems that the **SECOND PARTY** has acted negligently and/or abandoned its duties and/or obligations under this contract. The **SECOND PARTY'S** negligence and abandonment would be considered just cause for the termination of this contract without being subject to this contract's **RESOLUTION CLAUSE**, and the **SECOND PARTY'S** actions or omissions will relieve the **FIRST PARTY** from any obligation to the **SECOND PARTY** or any other party affected by the **SECOND PARTY'S** actions. The **SECOND PARTY** will finish all pending matters and jobs at the time of the contract termination without the **FIRST PARTY** incurring in any responsibility to pay for any additional amounts concerning pending matters or jobs.

10. DISCRIMINATION IN RENDERING OF SERVICES: The **SECOND PARTY** pledges to abstain from discriminatory practices in the provision of the services, for reasons of a political or religious nature, race, social status, sex, age, nationality, as well as physical or mental limitations or for sexual orientation or gender identity.

11. INTELLECTUAL PROPERTY: BOTH PARTIES agree that any work, report and/or product resulting from the services provided by the **SECOND PARTY**, including but not limited to studies, research, consultations, or any other shape or form that they may take, will always be the personal and intellectual property of the **FIRST PARTY**. The **FIRST PARTY** will not be obligated to pay any monetary amount in addition to the payment specified in the **FOURTH CLAUSE** of this contract nor it would be in any obligation to the **SECOND PARTY** as a result of any intellectual rights, services and work performed including, but not limited to studies, research, consultations, or any other shape or form that they may take. The **FIRST PARTY** is also authorized and has the full right to give the aforementioned work product the official use it deems necessary.

The **SECOND PARTY** may not use work, reports and/or products resulting from services rendered in this contract for any other purposes other than the ones stated in this contract or authorized by the **FIRST PARTY**.

12. VALIDITY AND DURATION: This Contract will remain in effect upon **BOTH PARTIES signatures until XXXXC** and may be renewed for an additional period of time with prior written amendment duly signed by **BOTH PARTIES** and subject to the confirmation of available funds**.**

13. RESOLUTION AND TERMINATION:

 A. General Terms

This contract may be resolved prior to its termination date by any of the **PARTIES**, through written notification to the **OTHER PARTY**, with thirty (30) days previous notice

from the date of the intended resolution, with no additional obligations from either **PARTY** (other than any payment obligations of the **FIRST PARTY** for any completed Deliverables by the **SECOND PARTY** and in the case of a termination by the **FIRST PARTY** hereunder, reimbursement of any wind-down costs (such costs are subject to the **FIRST PARTY'S** approval) incurred by the **SECOND PARTY**, as described in **Appendix A**.

In the event that the **FIRST PARTY** determines that the **SECOND PARTY** has failed to comply with the conditions of this contract in a timely manner or is in breach of this contract, the **FIRST PARTY** has the right to suspend or terminate the Services and/or Deliverables set forth under this contract and/or in the applicable Statement of Work, in part or in whole, or at its sole discretion, the **FIRST PARTY** may require the **SECOND PARTY** to take corrective action. The **FIRST PARTY** shall notify the **SECOND PARTY**, in either instance, in writing by giving thirty (30) calendar days written notice. In case corrective action has been required and is not taken within thirty (30) calendar days, or if such corrective action is deemed by the **FIRST PARTY** to be insufficient, the Services and/or Deliverables set forth under this contract and/or in the applicable Statement of Work may be terminated in part or in whole.

The insufficiency of funds shall be just cause for the immediate termination or modification of the Compensation Clause of this contract. In the case of a modification of the Compensation Clause, the Services to be provided by the **SECOND PARTY** will be adjusted accordingly. However, in the case of an immediate termination for insufficiency of funds, reimbursement of wind-down costs (such costs are subject to the **FIRST PARTY'S** approval) incurred by the **SECOND PARTY** as detailed in **Appendix A** shall be payable.

An infraction or failure to comply with the following conditions by the **SECOND PARTY** shall construe just cause for the termination of this contract by the **FIRST PARTY**, and the **FIRST PARTY** shall not be liable for any obligations or responsibilities under this contract other than any payment obligations of the **FIRST PARTY** for any completed Services and/or Deliverables by the **SECOND PARTY**:

1. The infringement or infringements by the **SECOND PARTY** of Act No. 1 of January 3, 2012, as amended, known as the "Puerto Rico Government Ethics Act", as amended.
2. The **SECOND PARTY'S** uncured material breach of its responsibilities, or the abandonment of its material responsibilities as set forth in **CLAUSE ELEVENTH: MATERIAL BREACH OF OBLIGATIONS OR ABANDONNEMENT**.
3. The non-compliance by the **SECOND PARTY** of the regulations and procedures established by the **FIRST PARTY** communicated in writing and with reasonable advance notice to the **SECOND PARTY**.

4. The conviction or the determination of probable cause against the **SECOND PARTY** for the commission of a crime or offense against the public treasury or government administration or that involves public funds or properties, be it in the federal or state levels.
5. If the **SECOND PARTY** incurs and acts as described in **CLAUSE TWENTY THIRD** of this contract.
6. If the **SECOND PARTY** is accused, administratively or criminally, or convicted, of the fraudulent acquisition of any credentials.
7. If the **SECOND PARTY** loses its professional license or does not maintain its professional license up to date.
8. Cancellation of the professional liability policy of the **SECOND PARTY**, described in **CLAUSE TWENTY NINTH** of this contract.
9. If the **SECOND PARTY** violates HIPAA requirements as defined in **CLAUSE THIRTEENTH** of this contract.
10. The Secretary of the Interior shall have the power to terminate this contract at any time.
11. The breach of any of the established policies by the Financial Oversight and Management Board related to contractual relations with the Government of Puerto Rico and its instrumentalities, applicable to the **SECOND PARTY**. (FOMB POLICY: REVIEW OF CONTRACTS of November 6, 2017, modified on April 30, 2021).
12. The breach with the provisions of Executive Order OE2021-029 of April 27, 2021 or any subsequent amendment to it when applicable

Furthermore, the Governor's Chief of Staff will have the power to terminate this contract at any moment during its term. However, in the case of an immediate termination, reimbursement of wind-down costs (such costs are subject to the **FIRST PARTY'S** approval) incurred by the **SECOND PARTY** as detailed in **Appendix A** shall be payable.

It is expressly agreed upon, that the **SECOND PARTY** shall complete any work pending at the time of resolution without the **FIRST PARTY** being obligated to pay or additionally compensate the **SECOND PARTY** beyond amounts due for the Deliverables received and accepted by the **FIRST PARTY**.

B. Termination Assistance

Within six (6) months of the end of the final term of this Contract, or upon notice of termination of the Contract, whichever is shorter, and without respect to either the cause or time of such termination, the **SECOND PARTY** will take all necessary measures to facilitate an uninterrupted transition to a successor, to the extent required by the **FIRST PARTY** based on the Transition Services detailed in Section C. The **SECOND PARTY** will, at any time during the six (6) months preceding contract termination, provide such information about the System under this maintenance and operations contract as will be

required by the **FIRST PARTY** and/or the successor for purposes of planning the transition. In addition, the **SECOND PARTY** will within seven (7) calendar days provide historical records to the **FIRST PARTY** in a form acceptable to the **FIRST PARTY** for the preceding years during which the **SECOND PARTY** was under contract with the **FIRST PARTY**, and any other information necessary for a seamless transition.

The **SECOND PARTY** agrees, after receipt of a notice of termination, and except as otherwise directed by the **FIRST PARTY**, that the **SECOND PARTY** will:

1. Stop work under the Contract on the date, and to the extent, specified in the notice.
2. Within seven (7) calendar days deliver copies of all subcontracts and all third-party contracts executed in connection with the performance of the Services.
3. Within seven (7) calendar days, provide the list of services provided by subcontractors in connection with the performance of the Service including the names of the subcontractors.
4. Place no further orders or subcontracts for Services, except as may be necessary for completion of such portion of the work under the Contract that is not terminated as specified in writing by the **FIRST PARTY**.
5. Assign, to the extent applicable or as the **FIRST PARTY** may require, all subcontracts and all third-party contracts executed in connection with the performance of the Services to the **FIRST PARTY** and/or a successor provider. Should any subcontractor or third-party require an assignment fee, the **FIRST PARTY** agrees to pay such fee to the subcontractor or third-party
6. Perform, as the **FIRST PARTY** may require, such knowledge transfer and other services as are required to allow the Services to continue without interruption or adverse effect and to facilitate orderly migration and transfer of the services to the successor.
7. Promptly supply all materials necessary for continued operation of the System, including:
   a. Computer programs

   b. Data files

   c. User and operations manuals

   d. System and program documentation

   e. Training programs related to the operation and maintenance of the System
      [42 CFR 434.10 (b) & SMM 2082.2]
8. Take such action as may be necessary, or as the **FIRST PARTY** may direct, for the protection and preservation of the property related to this Contract, which is in the possession of the **SECOND PARTY** and in which the **FIRST PARTY** has or may acquire an interest, and to transfer that property to the **FIRST PARTY** or a successor.
9. Cooperate with the successor **SECOND PARTY**, other contractors, and the **FIRST PARTY** in the planning and transfer of operations.

The **SECOND PARTY** acknowledges that, if it were to breach, or threaten to breach, its obligation to provide the **FIRST PARTY** with the foregoing assistance, the **FIRST PARTY** might be immediately and irreparably harmed and monetary compensation might not be measurable or adequate. In such circumstances, the **FIRST PARTY** shall be entitled to obtain such injunctive, declaratory, or other equitable relief as the **FIRST PARTY** deems necessary to prevent such breach or threatened breach, without the requirement of posting any bond, and the **SECOND PARTY** waives any right it may have to allege or plead or prove that the **FIRST PARTY** is not entitled to injunctive, declaratory, or other equitable relief. If the court should find that the **SECOND PARTY** has breached (or attempted or threatened to breach) any such obligations, the **SECOND PARTY** agrees that without any additional findings of irreparable injury or other conditions to injunctive or any equitable relief, the **SECOND PARTY** will not oppose the entry of an order compelling its performance and restraining the **SECOND PARTY** from any further breaches (or attempted or threatened breaches).

C. <u>Transition Services</u>

The **SECOND PARTY** shall provide assistance in turning over some (subject to shared services components) or all System Services to the **FIRST PARTY** and/or to another contractor. This section describes the facets of turnover planning and activities that are to start six (6) months preceding contract termination or upon request. Turnover must be smooth, timely, and without adverse impact on Providers, beneficiaries and users. The **SECOND PARTY** shall provide a Turnover Results Report that documents completion and results of each step of the Turnover and Closeout Management Plan.

C.1 Turnover and Closeout Management Plan

Prepare, or update, and submit to the **FIRST PARTY** the Turnover and Closeout Management Plan six (6) months preceding contract termination or upon request. The Turnover and Closeout Management Plan shall be based on all facets of a smooth turnover occurring within six (6) months prior to contract expiration, including but not limited to:

    i.   Transition Approach;
    ii. Staffing;
    iii. Tasks;
    iv. Schedule;
    v. Operational documentation and work artifacts, and
    vi. Code, hardware, software, licenses.

The Turnover and Closeout Management Plan will include:
    1) Knowledge transfer activities to new vendor and/or **FIRST PARTY** staff.

2) Delivery of project documentation, including, but not limited to technical design, business design, business standard operational procedures, testing, pending findings, defects, change requests and others.

3) Job shadowing and training activities.

4) Transfer of assets (i.e., software, licenses, subscriptions, trademarks, branding, hardware, furniture, toll free numbers, hostnames/ internet protocol [IP] addresses, lockboxes, etc.)

5) Escrow, if applicable.

6) All data and backups, including data and reference tables, scripts, and applications, delivered in a format specified by the **FIRST PARTY.**

7) Statement of **FIRST PARTY** ownership.

8) Certificates of destruction.

9) Project closeout report.

10) Detailed description of the transition process the **SECOND PARTY** will use to facilitate the smooth transition of operations within timelines as directed by the **FIRST PARTY.**

11) Key personnel and their responsibilities during transition activities.

12) List of product documentation and other System artifacts that will be turned over to the **FIRST PARTY** as part of the transition process.

13) Work Breakdown Structure (WBS) identifying the activities necessary to successfully complete the transition, including resources and schedule for each task under the responsibility of the **SECOND PARTY**.

14) Weekly risk management and project status reporting on transition milestones identified in the WBS.

15) Dependencies on non-**FIRST PARTY** resources (e.g., **FIRST PARTY** staff, other vendors, System component availability) necessary to complete the transition activities.

16) Delegation of logical and physical security.

17) System's Interface listing.

18) Process and procedures / policies / desk-side manuals maintained by the **SECOND PARTY** required for the operation, maintenance and use of the System.

19) Transition or closure of active correspondence.

20) Transition of interfaces security key details like user identification / log-in to successor vendor.

The **SECOND PARTY** will at a minimum update the Turnover and Closeout Management Plan annually.

C.2 Statement of Resources

As requested by the **FIRST PARTY** or its designated agent, the **SECOND PARTY** must furnish a Statement of Resources based on the **SECOND PARTY'S** actual experience

and resources with a detailed and comprehensive organizational chart depicting the **SECOND PARTY'S** entire operation. At a minimum, the statement must identify all staff by type of activity, number, and include all facilities and any other resources required to operate the System. The **SECOND PARTY** will, at the request of the **FIRST PARTY**, meet with the **FIRST PARTY** and/or another Contractor for coordinating turnover of knowledge and turnover of duties within the last six (6) months prior to contract expiration.

C.3 Technology Turnover

The **SECOND PARTY** will transfer all up-to-date source code for those customized components of the **FIRST PARTY** Solution that are developed and/or maintained under this contract and its amendments and paid for by the **FIRST PARTY**. This includes, but is not limited to:

i.   All necessary data and reference files on electronic media;
ii. All production computer programs and scripts on electronic media;
iii. All other documentation, including, but not limited to: user, provider, and operation manuals needed to operate and maintain the System;
iv. Procedures for updating computer programs, batch job scripts, and other documentation; and
v.   Arrange for the transfer of equipment and software leases, licenses and maintenance agreements to the **FIRST PARTY** to the extent allowed under the third-party license agreement.

Transition services do not include implementing transferred or new replacement solutions of System technologies. Transition services do not include the transfer of shared service components. Shared service components are where multiple Medicaid states are supported by the **SECOND PARTY** to leverage the same software product component licenses and shared **SECOND PARTY** support staff. Technology projects may be supported by the **SECOND PARTY'S** technical staff by utilizing the Change or Enhancement Order processes. The **SECOND PARTY** will include technical transition activities and transition project management as a component of Project Management Plans, as requested by the **FIRST PARTY**. The **SECOND PARTY** will train a designated **FIRST PARTY** staff and/or a designated new contractor staff for each area in the operation of the System. The **SECOND PARTY** will provide up to two hundred (200) hours of such training to be completed at least two (2) months prior to the end of this Agreement or as mutually agreed. Training includes, but not limited to:

vi. Use, management, monitoring and control of the different modules, Systems and operational tools
vii. Cycle monitoring and control procedures;
viii. Other manual procedures

The **SECOND PARTY** shall provide post-turnover services, at no additional charge to the **FIRST PARTY**, including the services of an on-site Systems Engineer, who has worked on the **FIRST PARTY** System at least one year, to work on-site for ninety (90) workdays following termination of this Agreement. The proposed Systems Engineer must be approved by the **FIRST PARTY** and would only provide consulting services (excluding any operational Services). Until conclusion, the post-turnover services will still be governed by the applicable terms, conditions and obligations on this agreement to guarantee an uninterrupted and timely turnover transition from the **SECOND PARTY** and without adverse impact on providers, beneficiaries and users. The **FIRST PARTY** will provide workspace and assign work to be done on a fulltime basis to support post-turnover activity. The **FIRST PARTY** agrees not to hire or subcontract the Systems Engineer, for twelve (12) months following the expiration of the services.

Ninety (90) calendar days prior to termination, there should be a System freeze to allow the **SECOND PARTY** to correct, at no charge, any malfunctions caused by the **SECOND PARTY** prior to the System turnover. Within thirty (30) calendar days, the **SECOND PARTY** shall correct, at no charge, any malfunctions caused by the **SECOND PARTY** not meeting the Turnover requirements.

C.4 Transition Deliverables

    i. Turnover and Closeout Management Plan;
    ii. Statement of Resources;
    iii. Module and System software, files, including but not limited to business design, technical design, testing and other operations documentation;
    iv. Turnover Results Report;
    v. Operational infrastructure; and
    vi. Web-portal, translator, and translator software.

D. In the event the **FIRST PARTY** elects to pursue any of the two (2) optional years as set forth in **Clause Second** of this Contract, the **SECOND PARTY** agrees to the prices for its work indicated in its Statement of Work (SOW) to the **FIRST PARTY** as follows:

14. <u>MONETARY INTEREST</u>:

_____The **SECOND PARTY** certifies that to the best of its knowledge, no official or employee of the **SECOND PARTY**, nor any member of their family unit has, directly or indirectly, a pecuniary interest in this contract.

_____ The **SECOND PARTY** certifies that to the best of its knowledge, no official or employee of the **DEPARTMENT OF HEALTH** has had during the preceding two (2) years before occupying his current position, any direct or indirect pecuniary interest in this contract.

_____ The **SECOND PARTY** certifies that to the best of its knowledge, there is no family relationship with any of its partners, officials or employees that has decision-making authority or influence or participation in the institutional decision-making process of the **FIRST PARTY**.

_____The **SECOND PARTY** certifies that one or some of its officers, directors or employees have a family relation with an official or employee of the **FIRST PARTY** but the Government Ethics Office issued a waiver. The **SECOND PARTY** is hereby obligated to inform of any family relationship and name and place of work of said officer or employee, as expressly established in the certification. Copy of the certification and waiver are made part of this contract.

The **FIRST PARTY** certifies that, to the best of its knowledge, no employee or official of the **DEPARTMENT OF HEALTH** or any member of their family unit has, directly or indirectly, any pecuniary interest in this agreement and that no official or employee of the Executive Branch of the government of the Commonwealth of Puerto Rico has any interest in the earnings and benefits resulting from this contract.

15. <u>INTERPRETATION</u>: This contract will always be subject to the Laws and Regulations of the Commonwealth of Puerto Rico and will be interpreted accordingly. If any of the clauses, paragraphs, sentences, words or parts of this contract is declared invalid or unconstitutional by a court of law, the remaining provisions, paragraphs, sentences, words or parts of this contract shall continue in effect to ensure the intent of the contracting parties, which may be interpreted in accordance with the applicable provisions of the Civil Code of Puerto Rico and the laws governing the contracting parties with the Commonwealth of Puerto Rico.

16. <u>FORMER GOVERNMENT EMPLOYEES</u>:

_____ The **SECOND PARTY** certifies that to the best of its knowledge none of its partners, officers and/or directors have been public servants.

_____The **SECOND PARTY** certifies that to the best of its knowledge more than two (2) years have passed from the termination of the functions of some of its partner(s) and/or incorporators as a public servant and that he/she has not offered information, intervened, cooperated, assessed in any way or represented directly or indirectly any natural person, legal person or public entity before the agency he/she worked, according to the provisions of Section 4.6 of the Governmental Ethics Act, Act Number 1 of January 3rd, 2012.

_____ The **SECOND PARTY** certifies that not more than two (2) years have elapsed since the end of duties as public servant of one or more of its partners, officers or directors and/or one or more of its partners, officers or directors continue rendering services as a public servant. Notwithstanding these facts, services rendered were performed under the provisions of the Political Code of 1902, as amended, Article 177 (3 L.P.R.A. §551) which

exempts doctors, dentists, pharmacists, dental assistants, nurses, trainees, x-ray technicians and laboratory personnel from this double compensation prohibition for those who have been public servants with any of Commonwealth of Puerto Rico's instrumentalities or its municipalities.

_____ The **SECOND PARTY** certifies that not more than two (2) years have passed from the termination of the functions of one or some of its officers, directors and/or partners as public servants, nevertheless *ad honorem* services were being rendered according to the provisions of Section 4.6 of the Governmental Ethics Act, Act Number 1 of January 3, 2012.

_____ The **SECOND PARTY** certifies that one or some of its officers, director and/or partners have been public servants for the **FIRST PARTY**, and that not more than two (2) years have passed from the termination of their functions.

In the event of exceptional circumstances and at the sole discretion of the Office of Governmental Ethics, it may issue a waiver, if contracting the former public servant within the two (2) year period results in benefit for the public service.

17. <u>CRIMES AGAINST THE PUBLIC TREASURY</u>:

The **SECOND PARTY** certifies that neither it or its shareholders, partners, officials, principal, employees, subsidiaries or its parent company has been convicted or found with probable cause for arrest for any crime against the public treasury, the public faith and duty, nor one that involves public property or funds, whether state or federal.

The **SECOND PARTY** acknowledges its obligation to inform, on a continuous basis and while this contract is on effect, of any circumstance related with the status of an ongoing investigation based on a commission of a crime against the public treasury, the public faith and duty, against government execution or that involves public property or funds, whether state or federal.

The **SECOND PARTY** certifies that ten (10) years prior to the formalization of this contract, it has not been involved in the commission of any crime against the public treasury, the public faith and duty, or one that involves public property or funds, whether state or federal.

18. <u>**CONFIDENTIALITY**</u>: The **SECOND PARTY** agrees to maintain in strict confidentiality and shall not make public all the **SECOND PARTY'S** disclosed information related to the services to be rendered under this contract.

19. <u>**AUDITS**</u>: The **SECOND PARTY** agrees to make viable any audits that the **FIRST PARTY** and/or the Office of the Comptroller of Puerto Rico may deem necessary and, accordingly, it must:

1. Maintain available for examination by the **FIRST PARTY** or the Office of the Comptroller of Puerto Rico at all times, all files, documents, books and data pertaining to all matters covered by this contract.

2. Preserve all files and any other document pertaining to this contract for a period of six (6) years after the expiration of this contract. If an audit has been started and it has not been completed at the end of the six (6) years, the files must be preserved until the final results of the audit are issued.

20. NON-TRANSFERABILITY: The services to be provided by the **SECOND PARTY** under this contract shall not be transferable without previous notice and approval of the **FIRST PARTY**. Their delegation to other parties will be just cause for the immediate termination of this contract. The **SECOND PARTY** will be responsible for any direct or indirect damages or detriment which might be caused to the **FIRST PARTY** because of the breach of this clause.

21. INSURANCE POLICIES:

The **SECOND PARTY** will maintain in force during the period of this Agreement the following insurance policies:

1. Commercial General Insurance with limits non less than $1,000,000.00.

2. Commercial Auto Liability with limits non less than $500,000.00 and the following forms: Non-Owned Autos, Hired Autos.

3. Professional Liability Insurance with limits non less than $500,000.00

The policies must have the following endorsements:

> ➢ Naming the **DEPARTMENT OF HEALTH** of Puerto Rico, as an additional insured.

> ➢ Including the Hold Harmless Agreement.

> ➢ Policies cannot be cancelled or modified without providing thirty (30) days prior written notice to the **DEPARTMENT OF HEALTH**, Office of Insurance and Risks ("Oficina de Seguros y Riesgos"), P. O. Box 70184, San Juan, Puerto Rico 00936-8184.

Copy of all policies will be part of this Agreement's file.

22. RESPONSIBILITY FOR TORT DAMAGES: The **SECOND PARTY** will be responsible for any damages and injuries caused by the negligent handling or the abandonment of the responsibilities under this contract, and will thus exempt the **FIRST PARTY** from any obligation or responsibility from such actions.

23. <u>**INCOME TAX CERTIFICATION**</u>:

_____The **SECOND PARTY** certifies and warrants that it has fulfilled its income tax obligations and does not have any tax debts with the Commonwealth of Puerto Rico for the past five (5) years prior to the signing of this contract. It further certifies that it has no outstanding debts with the government, such as any income tax debts, excise taxes, real estate or property taxes, including any special liens, license rights, payroll source taxes payment withholdings, interest income, dividend income, annuities income, salaries and any other income for any other concept.

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_____The **SECOND PARTY** certifies and warrants that, at the time of executing this contract, it has filed its tax declarations for the five (5) previous years, and that it has adhered to an installment repayment agreement, and that it is complying with its terms and conditions. **Copy of the payment plan or plans shall be included and made part of this contract**.

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_____The **SECOND PARTY** certifies that at the time of entering into this contract, it has NOT submitted its tax declaration for some of the tax periods within the five (5) years prior to this contract, and that it does not owe any taxes to the Commonwealth of Puerto Rico. The **SECOND PARTY** also certifies that it does not owe any taxes, in the form of income taxes, sales taxes, real and personal property taxes, including any special liens, license rights, dividends, rents, salaries and other fees owed for any other reason.

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The **SECOND PARTY** shall submit, in original format, a Department of the Treasury's Income Tax Return Filing Certification, Form SC 6088, if pertinent, a Manual Correction to the Income Tax Return Filing Certification (Form SC 2888) and Tax Return Filing Certification (Form SC 6096), and the Center for Municipal Revenue Collection (CRIM) Certification of Property Tax Payment. In the event the **SECOND PARTY** does not own property, and does not pay property taxes, the **SECOND PARTY** shall submit a sworn statement, pursuant to the requirements of terms on Circular Letter 1300-16-16 of the Department of the Treasury, and a Debt Certification for all concepts that are part of this contract.

The **SECOND PARTY** also agrees to submit with its last invoice, Form SC-6096, a Debt Certification issued by the Department of the Treasury. The **SECOND PARTY** accepts and acknowledges that the last payment under this contract shall only be issued if the Debt Certification states that the **SECOND PARTY** owes no debts to the Department of the Treasury. In the event of debt, the **SECOND PARTY** agrees to cancel such debt through withholdings on the payments due to him for services rendered under this contract.

In fulfillment with Section VII, General Provisions, Item F of Circular Letter 1300-16-16 of January 19th, 2016 from the Commonwealth of Puerto Rico Department of the Treasury,

which provides that when the cost of a contract does not exceed the amount of $16,000.00, the **SECOND PARTY** shall certify that it has fulfilled all of its tax responsibilities or in the case of an existing tax debt, it is currently subscribed to a payment plan which terms and conditions are being met and shall not be required to present to the **FIRST PARTY** any documents required under the aforementioned Circular Letter.

It is expressly accepted that these are essential conditions of this contract, and if the above certification is not accurate in any or all of its parts, this may construe sufficient grounds for the annulment of this contract by the **FIRST PARTY**, and for the **SECOND PARTY** to be liable for the reimbursement of all sums of money paid under this contract.

24. <u>CERTIFICATION OF SALES AND USE TAX - SUT</u>:

_____ The **SECOND PARTY** certifies and warrants that at the time of this contract's execution it has filed its monthly return of the sales and use tax - SUT during the five (5) years prior to this contract and that it does not owe taxes to the Commonwealth of Puerto Rico.

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_____ The **SECOND PARTY** certifies and warrants that at the time of this contract's execution it has filed its monthly tax return during the five (5) years prior to this contract and that is subject to a payment plan with the terms and conditions being met. Copy of the Payment Plan or Plans, are part of the file of this contract.

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_____ The **SECOND PARTY** certifies that at the time of this contract's execution it is NOT required to file any monthly tax return as a Withholding Agent of the SUT.

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_____ The **SECOND PARTY** certifies that it has no obligation to file the monthly or annual tax return on sales and use IVU and / or the monthly or annual import tax return because it is considered a non-withholding agent at the time of signing this contract.

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The **SECOND PARTY** shall submit an original of the Department of the Treasury "Certification of Filing of the Return of Sales and Use Tax – SUT" (Form SC 2942), "Certification of Debt of the Sales and Use Tax" (Form SC 2927) in compliance with the requirements stated in Circular Letter 1300-16-16 issued by the Department of the Treasury.

The **SECOND PARTY** also undertakes to submit, with its latest invoice, Model SC-2927, IVU Debt Certification issued by the Department of the Treasury. The **SECOND PARTY** accepts and acknowledges that the last payment to be made under the contract will only be processed if the Debt Certification indicates that the **SECOND PARTY** has no debt

with the Department of the Treasury. If there is debt, the **SECOND PARTY** undertakes to cancel it by withholding the payments to which it is entitled to receive for the services that are the object of this contract.

In fulfillment with Section VII, General Provisions, Item F of Circular Letter 1300-16-16 of January 19th, 2016 from the Commonwealth of Puerto Rico Department of the Treasury, which provides that when the cost of a contract does not exceed the amount of $16,000.00, the **SECOND PARTY** shall certify that it has fulfilled all of its tax responsibilities or in the case of an existing tax debt, it is currently subscribed to a payment plan which terms and conditions are being met and shall not be required to present to the **FIRST PARTY** any documents required under the aforementioned Circular Letter.

It is expressly acknowledged that these are essential conditions to this contract, and if the aforementioned certification is not correct at all, or in part, it shall be sufficient cause for the **FIRST PARTY** to cancel the contract and the **SECOND PARTY** shall have to repay to the **FIRST PARTY** any sum of money received under this contract.

25. <u>CONFLICT OF INTERESTS</u>: The **SECOND PARTY** acknowledges that in the fulfillment of its professional functions it has the duty to be completely loyal to the **FIRST PARTY**, a duty that includes not having any interests that run counter to those of the **FIRST PARTY**. These conflicting interests include the representation of clients who have or might have interests that conflict with those of the **FIRST PARTY**. This duty also includes the unceasing obligation to keep the **FIRST PARTY** fully informed regarding its relationship with its clients and other third parties, and about any interest that might have an influence on the **FIRST PARTY** at the moment of awarding the contract or while the contract is in force.

The **SECOND PARTY** certifies that it is not representing, nor will it represent, while this contract is in force, any private interests in cases or matters involving conflicts of interest, or of public policy, against the **FIRST PARTY**.

The **SECOND PARTY** represents conflicting interests when, in order to benefit a client, it has the duty to promote or advance something which, in fact, it should oppose in the fulfillment of its duty toward another previous, present or potential client. It also represents conflicting interests when its behavior is so described in the ethical standards that are generally accepted in its profession, or in the laws and regulations of the Commonwealth of Puerto Rico.

In the matter of contracts with societies and companies, the fact that one of its managers, associates or employees incurs in the conduct described here will constitute an infringement of the ethical clause. The **SECOND PARTY** will avoid even the impression that a conflict of interest exists.

The **SECOND PARTY** acknowledges the investigatory and supervisory powers of the **FIRST PARTY'S** head concerning the restrictions included here. If the **FIRST PARTY'S**

head concludes that interests that run counter to those of the **FIRST PARTY** are present or taking shape he will send a written report to the **SECOND PARTY**, detailing his or her findings and expressing his intention to annul the contract within a period of thirty (30) days. Within that time span the **SECOND PARTY** may request a meeting with the **FIRST PARTY'S** head, in order to present its points of view regarding the determination of conflict of interest; the request will always be granted. If there is no request of a meeting within those thirty (30) days, or in case no agreement is reached in the meeting, this contract will be declared null and void.

26. **CERTIFICATION BY THE CHILD SUPPORT ADMINISTRATION**: The **SECOND PARTY** shall submit to the **FIRST PARTY** a certification of compliance issued by the Child Support Administration ("ASUME", for its acronym in Spanish).

This certification is issued to legal entities (companies, corporations, LLCs) to verify compliance with any orders issued to them as employers for salary retention for payment of child support obligations of its employees.

27. **COMPLIANCE WITH ACT NUMBER 168 OF AUGUST 12, 2000**:

When applicable and for the duration of this contract, the **SECOND PARTY** will maintain the **FIRST PARTY** informed of any change in its status related to its obligations, if any, in compliance with the provisions of Act No. 168 of August 12, 2000, as amended, known as the "Act for the Enhancement to the Support of the Elderly in Puerto Rico", by which the Program for the Support of the Elderly is established and ascribed to the Child Support Enforcement Administration ("ASUME", for its acronym in Spanish), the breach of this clause shall result in immediate termination of this contract.

It is expressly acknowledged that the aforementioned certification is an essential condition to this contract, and if it is not accurate at all, or in part, it shall be sufficient cause for the **FIRST PARTY** to terminate the contract and the **SECOND PARTY** shall have to refund to the **FIRST PARTY** any sum of money received under this contract.

_____ The **SECOND PARTY** certifies and warrants that it is not required to comply with the provisions of Act No. 168 of August 12, 2000, known as the "Act for the Enhancement to the Support of the Elderly in Puerto Rico", by which the Program for the Support of the Elderly is established and ascribed to the ASUME, the breach of this clause shall result in immediate termination of this contract.

It is expressly acknowledged that the aforementioned certification is an essential condition of this contract, and if it is not accurate at all, or in part, it shall be sufficient cause for the **FIRST PARTY** to terminate the contract and the **SECOND PARTY** shall have to refund to the **FIRST PARTY** any sum of money received under this contract.

28. **CERTIFICATION REGARDING DEPARTMENT OF LABOR AND HUMAN RESOURCES MATTERS**:   The **SECOND PARTY** certifies and warrants that at the moment of executing this contract it has paid:

_____ Unemployment Insurance

_____ Temporary Disability

_____ Chauffeur's Insurance

It is hereby acknowledged that this is an essential condition for the execution of the contract, and if the previous certification is not correct, in all or in part, shall be sufficient cause for the contracting party to set aside this contract and the **SECOND PARTY** having to reimburse to the **FIRST PARTY** all sums of money received under this contract.

29. ANTI-CORRUPTION CODE FOR THE NEW PUERTO RICO: The **SECOND PARTY** certifies knowing and complying with the ethical provisions established in Act Number 2 of January 4, 2018, known as the "Anti-Corruption Code for the New Puerto Rico.

30. COMPLIANCE WITH THE FEDERAL HEALTH INSURANCE AND PORTABILITY AND ACCOUNTABILITY ACT OF 1996:

A.   The federal law, Health Insurance Portability and Accountability Act of 1996 (known by its acronym, "HIPAA") and its Privacy and Security Rule require that any entity that is covered by this statute trains its employees and establish policies and procedures related to provisions as to privacy, confidentiality and information security requirements regarding patient health information, whether that information is created, stored, managed, accessed or transmitted either on paper or by electronic means.

B.   HIPAA defines 'labor force' as those regular employees, independent contractors, transitory employees, volunteers, students, interns and any person who works in the area assigned by the **FIRST PARTY**, whether or not that person is compensated for work performed.

C.   The **SECOND PARTY** is part of that labor force and as such, is subject to complying with the policies and procedures established by the **FIRST PARTY** relative to HIPAA compliance and its accompanying regulations. As such, the **SECOND PARTY** shall:

i.   Be trained on said law, its Privacy Rule, Codes Transactions and Identifiers and its Security Rule regarding protected health information that is accessed, created, maintained or transmitted through electronic means (ePHI).

ii.   Learn about and comply with the requirements established in the **FIRST PARTY'S** Policies and Procedures Regarding Privacy and Security Practices.

iii.   Immediately report to the **FIRST PARTY**, in writing, any PHI use and/or disclosure which do not comply with the terms of this contract as detailed in 45 C.F.R.§ 164.504(e)(2)(ii)(C).

iv.   The **SECOND PARTY** shall ensure that any agent(s) or subcontractor(s) agree, in writing, to the same conditions and restrictions that apply to the **SECOND PARTY** regarding the privacy of said information as detailed in 45 C.F.R. § 164.502 (e)(1)(ii), § 164.504(b)(2) and §164.504(e)(2)(ii)(D).

v.   If the **SECOND PARTY** has to disclose PHI to third parties, in order to comply with the terms and conditions of this contract as well as its duties and responsibilities, before disclosing any PHI, the **SECOND PARTY** will obtain assurances from the third party that the information will remain confidential and secure, that it will only be disclosed as required by law and only for the purposes for which it was provided, and that it will immediately notify the **FIRST PARTY** of any known confidentiality violations. 45 C.F.R. §164.504(e)(2)(i), §164.504(e)(2)(i)(B), §164.504(e)(2)(ii)(A) and §164.504(e)(4)(ii).

vi.   Comply with the HIPPA requirements that apply to participants regarding their PHI rights as established in 45 C.F.R. §164.524, provide designated record sets to the **FIRST PARTY** as developed during the course of furnishing health care services as required by 45 C.F.R. § 164.524.

vii.   Comply with all the **FIRST PARTY'S** policies regarding the protection of privacy, confidentiality, and security of patient PHI, whether this information is on paper or stored in electronic media. Comply with federal regulations regarding the management and custody of PHI relative to administrative, physical and technical requirements as required by 45 C.F.R. § 164-308, 164.310, 164.312 and 164.316.

D.   With regards to shared PHI between the **PARTIES**, the **SECOND PARTY** will be required to maintain the following PHI managing standards:

1.   Maintain systems that protect PHI, either through physical or electronic means, from unauthorized access and maintain compliance with the HIPAA electronic security rules, including but not limited to, electronic risk analysis.

2.   Previous written request to the **FIRST PARTY**, to allow access to the PHI owner individual to his/her health information, in compliance with the **FIRST PARTY'S** policies that only the minimum necessary information be disclosed with any PHI request.

3.   Maintain a registry of shared PHI, with access to the **FIRST PARTY**, as required by 45 C.F.R. § 164.528.

4.   Immediately inform the **FIRST PARTY** of any unauthorized use or disclosure as soon as it has knowledge.

5.   Require that any sub-contractor or agent follow the restrictions and conditions that are applicable to the **FIRST PARTY** in the management of PHI, including electronic medical information. The **SECOND PARTY** shall, upon request from the **FIRST**

PARTY, share the flow-down process undertaken with contractors in the management of PHI.

6.   Incorporate any amendment to the individual information that is transmitted by the **FIRST PARTY**.

7.   Make available for inspection by DHHS personnel its internal practices, books and records related to the use and disclosure of PHI received from the **FIRST PARTY**.

8.   The **SECOND PARTY** shall return to the **FIRST PARTY,** all the PHI that it possesses upon contract termination.

9.   The **SECOND PARTY** will be responsible for maintaining the security and integrity of the **FIRST PARTY'S** patients, in particular the information that is shared through mobile electronic devices. Therefore, the **SECOND PARTY** shall be obligated to comply with the following requirements:

a.   The management of PHI by electronic means of the **FIRST PARTY'S** patients, the **FIRST PARTY'S** programs, clinics, hospitals and other direct service areas, shall be done through the equipment provided by the **FIRST PARTY.**
b.   The management of PHI through other mobile methods is limited to extreme circumstances in which its exchange is necessary to preserve the health and security of the patients and when the communication is between duly authorized health care professionals by the covered entity that is sharing the PHI. In these circumstances, the information to be shared will be identified in such manner that it does not identify the patient receiving health services.
c.   In any other case, the exchange, possession and/or use of PHI under the custody of the Department of Health and its employees through the use of electronic means is prohibited, such as:
        i.   Cell phones
        ii.   Portable computers (when their use is outside of the **FIRST PARTY'S** premises and/or the device does not have encryption capabilities, acceptable to the **FIRST PARTY**) or any other portable electronic device
        iii.   Flash drives
        iv.   Portable discs
        v.   Any other method of information exchange that is not authorized by the **FIRST PARTY**
E.   The **SECOND PARTY** shall be responsible for the requirements listed in subpart C of 45 C.F.R. § 164 relative to compliance with electronic PHI (ePHI). The **SECOND PARTY** shall immediately inform the **FIRST PARTY** as soon as it has knowledge regarding the use or disclosure of any electronic security incident where the PHI of program participants may be compromised as required by 45 C.F.R. § 164.410. Any expense generated because of the violation of PHI or ePHI management requirements shall be the responsibility of the **SECOND PARTY**.

F.   The **SECOND PARTY**, at its own expense, shall be responsible for notifying each patient and participant that an electronic security breach has occurred that affects or compromises their PHI, and will proceed to report the incident to the U.S. Department of Health and Human Services Office of Civil Rights in compliance with the Health Information Technology for Economic and Clinical Health Act, and the Genetic Information Nondiscrimination Act, and will report to the **FIRST PARTY** of all activities undertaken to resolve the incident. Additionally, the **SECOND PARTY** shall file a report with the **FIRST PARTY'S** HIPAA Office.

G.   If the **SECOND PARTY** does not comply with the standards established under HIPAA and its regulations or the Government of Puerto Rico privacy, confidentiality, and security laws, it will be exposed to sanctions from the Department of Health and Human Services and its contract could be terminated immediately. The **FIRST PARTY** reserves the right to terminate this contract in accordance with the termination clause.

H.   The **SECOND PARTY** recognizes that if a violation of federal law has taken place, its regulations, as well as the Government of Puerto Rico law regarding the management of confidential information, it will be responsible for the payment of any fines that may be imposed by the U.S. Department of Health and Human Services.

I.   If the **SECOND PARTY'S** personnel who are rendering services under this contract, do not comply with the standards established under the HIPAA and its regulations, the Government of Puerto Rico laws and regulations that protect the privacy, confidentiality, and security of PHI and Privacy, Confidentiality and Security Policies and Procedures, these can be sanctioned and this contract could be terminated immediately.

31. PUBLIC POLICY COMPLIANCE: If the **SECOND PARTY** incurs in any conduct that contravenes with legislation and/or Public Policy for the protection and prohibition of Sexual Harassment, Discrimination of Any Kind, Use and/or Abuse of Controlled Substances, this contract shall be deemed terminated immediately.

32. COMPLIANCE WITH ACT NUMBER 127 OF MAY 31, 2004: BOTH PARTIES acknowledge and accept that none of the obligations and stipulations in this contract are enforceable until this contract is dully presented and registered by the Comptroller of the Commonwealth of Puerto Rico as per Act Number 18 of October 30, 1975, as amended, by Act Number 127 of May 31, 2004.

33. LITIGATION: The **SECOND PARTY** certifies that there is no ongoing civil or criminal action against the Puerto Rico Department of Health or any government agency, office or instrumentality at the moment of this contract signing.

34. SMOKE FREE WORKPLACE ENVIRONMENT: The **SECOND PARTY** hereby agrees to comply with the dispositions of Act No. 40 of August 3, 1993, as amended, known as the "Law to Regulate Smoking in Public and Private Places" and with the regulations of the Secretary of Health and the Puerto Rico Police Department number

7304, as amended, which prohibits smoking in their facilities, including external and internal areas, both open and enclosed, among others.

35. SUBCONTRACTING:

The **SECOND PARTY** shall not subcontract with any private entity with the purpose of delegating the essential services object of this contract. The **SECOND PARTY** shall only subcontract for personal services and professional and consulting services with the only purpose to fulfill the essential services object of this contract. Under no circumstance **FIRST PARTY's** consent to authorize such subcontracts shall be interpreted that the **FIRST PARTY** would incur in additional obligations as to the total compensation in dollars convened in this contract, or that the **SECOND PARTY** will be relieved of its responsibility for any damages that the subcontracted party would cause.

Any subcontracting the **SECOND PARTY** deem necessary to engage, not included on the allowed types of subcontracting, shall require **FIRST PARTY's** written authorization. Every subcontract shall be subject to all special conditions established on this contract and to any additional condition the **FIRST PARTY** deems necessary for its approval, and to all law and regulations (state and federal) applicable to the contract originated and subscribed by the **FIRST PARTY** and the **SECOND PARTY**.

36. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE:

The **SECOND PARTY** agrees to provide all necessary documentation and to provide the **FIRST PARTY** evidence of having the Data Universal Numbering System (DUNS) number. In addition, the **SECOND PARTY** must be registered and have an active account in the System for Award Management (SAM). After receiving the aforementioned information, the First Party will register the **SECOND PARTY** in the FFATA Sub-award Reporting System (FSRS) in order to comply with the Federal Funding Accountability and Transparency Act (FFATA).

37. OTHER PROVISIONS:

_____The **SECOND PARTY** acknowledges that it renders services under contract for _____ and that the services provided under such contract do not enter in conflict in any way, with the services to be provided under the terms of this contract.

38. ULTRAVIRES: IN ACCORDANCE WITH THE RULES OF LAW AND THE STANDARDS THAT GOVERN THE CONTRACTING OF SERVICES, THE PERSONS APPEARING FOR THIS CONTRACT ACKNOWLEDGE THAT NO SERVICES SHALL BE PROVIDED UNDER THIS CONTRACT UNTIL IT IS SIGNED BY BOTH PARTIES. LIKEWISE, NO SERVICES WILL BE PROVIDED UNDER THIS CONTRACT AFTER THE EXPIRATION DATE, EXCEPT IN THE CASE THAT AT THE EXPIRATION DATE, AN AMENDMENT IS ALREADY IN PLACE SIGNED BY BOTH PARTIES. THE

SERVICES PROVIDED IN VIOLATION OF THIS CLAUSE SHALL NOT BE PAID, DUE TO THE FACT THAT ANY OFFICIAL WHO MIGHT REQUEST AND RECEIVE SERVICES FROM THE OTHER PARTY, IN VIOLATION OF THIS PROVISION, WILL BE DOING IT WITHOUT ANY LEGAL AUTHORITY.

CLAUSE 40. <u>CERTIFICATION OF COMPLIANCE WITH ACT NO. 73 OF JULY 19, 2019, AS AMENDED</u>: SINGLE REGISTRY FOR PROFESSIONAL SERVICES PROVIDERS (RUP, FOR ITS SPANISH ACRONYM):

The **SECOND PARTY** will submit to the **FIRST PARTY** the compliance certification (Eligibility Certificate) of the RUP, issued by the General Services Administration (ASG, for its Spanish acronym), under the pertinent category for the services to be provided under this contract.

The **SECOND PARTY** hereby recognizes and accepts that no services shall be rendered nor any payment shall be due under this contract until the **SECOND PARTY** is registered under the RUP and the Eligibility Certificate is submitted to the **FIRST PARTY**.

CLAUSE 41. <u>CERTIFICATION OF COMPLIANCE WITH THE POLICIES ESTABLISHED BY THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD (FOMB)</u>:

The **SECOND PARTY** certifies knowledge of the policies established by the **FOMB** (FOMB POLICY: REVIEW OF CONTRACTS of November 6, 2017, modified on April 30, 2021, available at www.oversightboard.pr.gov/contract-review/), related to contracts, inclusive of any amendments, modifications or extensions, with an aggregate expected value of **$10,000,000.00** or more, which must be submitted to the **FOMB** for review and approval prior to its execution, subject to the following requirement:

- The information included in Appendix C of the **FOMB** (Contractor Certification Requirement) is complete, accurate and correct. When applicable, the information provided shall include, the name of every principal (individuals and/or entities with full authority to act on behalf of the **SECOND PARTY**) and principal interested party (individuals or entities with a property or membership interest, equal or higher than ten percent (10%)), including **SECOND PARTY'S** subcontractors.

The **SECOND PARTY** also acknowledges that the **FOMB** may select on a random basis or otherwise in its sole discretion, contracts below the **$10,000,000.00** threshold, to assure that they promote market competition and are not inconsistent with the approved Fiscal Plan, consistent with PROMESA Sections 104(c) and (k) and 204(b)(5).

The **SECOND PARTY** acknowledges and accepts that if any of the information provided to the **FOMB** is not complete, precise and correct, will render this Contract null and void and the **SECOND PARTY** will have the obligation to reimburse immediately to the **FIRST PARTY** any amount, payment or benefit received under this Contract.

CLAUSE 42. TRANSFER OF SKILLS AND TECHNICAL KNOWLEDGE CERTIFICATION: The Certified Fiscal Plan requires that all professional services contracts include the adequate transfer of skills and technical knowledge from the **SECOND PARTY** to the **FIRST PARTY'S** pertinent personnel, to the extent that such contract contemplates recurring professional services that could be performed by appropriately trained **FIRST PARTY'S** staff. To those effects, the **SECOND PARTY** certifies that:

_____ Adequate skills and technical knowledge will be transferred to the pertinent **FIRST PARTY'S** personnel, as stipulated under this Contract.

_____ Skills and technical knowledge are not required to be transferred, due to the fact that the professional services contemplated under this Contract are non-recurring and they may not be performed by existing staff of the **FIRST PARTY**.

_____ Skills and technical knowledge are not required to be transferred, due to the fact that the professional services contemplated under this Contract are specialized and/or require independence in order to be performed, as defined by the Financial Oversight and Management Board's Code of Conduct and they may not be performed by existing staff of the **FIRST PARTY**.

CLAUSE 43. CERTIFICATION IN COMPLIANCE OF EXECUTIVE ORDER OE2021-029 OF APRIL 27, 2021, ISSUED BY THE HONORABLE GOVERNOR OF PUERTO RICO, PEDRO R. PIERLUISI:

The **FIRST PARTY** hereby certifies that the **SECOND PARTY** was selected as the provider of the professional services described in this Contract in accordance to the provisions of Executive Order 2021-029 or any subsequent amendment to the same when applicable. Likewise, **BOTH PARTIES** certify that they know what is provided in said Executive Order and that all contractual relation covered under its provisions that has not followed the established processes and requirements therein, shall be rescinded.

ATTESTING TO WHICH, THE CONTRACTING PARTIES SIGN THIS CONTRACT, THUS BINDING THEM TO ABIDE BY ITS CLAUSES AND CONDITIONS.

In San Juan, Puerto Rico, today _____, 2021.

_____   _____
      SECOND PARTY   **FIRST PARTY**

This contract was presented for registration at the Office of the Comptroller of the Commonwealth of Puerto Rico, today, _____.

CERTIFICATION

I, _____ Attorney for the Legal Division of the Puerto Rico Department of Health, hereby I certify that I have reviewed the contract, it complies with the format and mandatory clauses of rigor.

Proforma Contract Appendix B

Business Associate Agreement

In the event of any conflict among the terms of the Agreement (excluding Proforma Contract Appendix B (*Business Associate Agreement*)) and the terms and conditions of this Proforma Contract Appendix B (*Business Associate Agreement*), the terms and conditions that are more protective of the PHI shall govern to the extent of that conflict.

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is entered into by and between the Puerto Rico Department of Health, with offices at Departmento de Salud, Antiguo Hospital de Psiquiatria, Edif. A, Centro Médico, San Juan, PR 00936 ("Covered Entity"), and _____("Business Associate"), with offices at _____ (individually a "Party" and collectively the "Parties"), is applicable when referenced in or attached to a Professional Services Contract for Business Consultant Services for the Puerto Rico Medicaid Program for the Provision of Services ("Transaction Document"), and is effective on the last signature date below ("Effective Date").

RECITALS:

WHEREAS, the Covered Entity is subject to the federal Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. §§ 1320d – 1320d-8 ("HIPAA"), as amended from time to time, and is required to safeguard individually identifiable health information that the Covered Entity creates, receives, maintains, or transmits (hereinafter "Protected Health Information" or "PHI") in accordance with the requirements HIPAA establishes and also the requirements set forth in the Health Information Technology for Economic and Clinical Health ("HITECH") Act and their respective implementing regulations;

WHEREAS, Covered Entity desires to disclose PHI to Business Associate and/or allow others to disclose PHI to Business Associate, on Covered Entity's behalf, to perform functions or activities on behalf of, and/or provide services as described in the Transaction Document to Covered Entity; and164

WHEREAS, Covered Entity and Business Associate understand that they must enter into this Agreement so that PHI may be disclosed to Business Associate and to allow Business Associate to perform functions or activities on behalf of, and/or provide services as described in the Transaction Document to Covered Entity that requires the use or disclosure of PHI.

NOW, THEREFORE, in consideration of the Parties' continuing obligation to each other and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. **Definitions**

The following terms shall have the meaning ascribed to them in this Section. Other capitalized terms shall have the meaning ascribed to them in the context in which they first appear. Terms used but not otherwise defined in this Agreement shall have the same meaning as those terms in the federal Standards for Privacy of Individually Identifiable Health Information, 45 CFR Parts 160 subpart A and 164 subparts A and E (the "Privacy Rule"); the federal Security Standards for the Protection of Electronic Protected Health Information, 45 CFR Parts 160 subpart A and 164 subparts A and C (the "Security Rule"); and the Notification in the Case of Breach of Unsecured Protected Health Information, 45 CFR Part 164 subpart D (the "Breach Notification Rule") (collectively the "HIPAA Rules").

(a) <u>Breach.</u> "Breach" shall have the same meaning as the term "Breach" as defined in 45 CFR 164.402.

(b) <u>Business Associate</u>. "Business Associate" shall have the same meaning as the term "Business Associate" in 45 CFR 160.103 and, as used in this Agreement, refers to Business Associate in its capacity as an entity that creates, receives, maintains, or transmits Protected Health Information in providing services to a Covered Entity.

(c) <u>Covered Entity</u>. "Covered Entity" shall have the same meaning as the term "Covered Entity" in 45 CFR 160.103 and, as used in this Agreement, refers to the Covered Entity identified above.

(d) <u>Individual</u>. "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).

(e) <u>Protected Health Information</u>. "Protected Health Information" or "PHI" shall have the same meaning as the term "Protected Health Information" in 45 CFR 160.103, and shall refer to PHI obtained from Covered Entity or created, received, maintained, or transmitted by Business Associate on behalf of Covered Entity, including any PHI that is created, received, maintained, or transmitted in an electronic form ("Electronic PHI").

(f) <u>Required By Law</u>. "Required By Law" shall have the same meaning as the term "Required By Law" in 45 CFR 164.103.

(g) <u>Secretary</u>. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.

(h) <u>Security Incident</u>. "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system" as defined at 45 CFR 164.304.

(i) <u>Unsecured Protected Health Information.</u> "Unsecured Protected Health Information" or "Unsecured PHI" shall mean Protected Health Information that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of Pub. L. 111-5, as defined at 45 CFR § 164.402.

II.   <u>Obligations and Activities of Business Associate</u>

(a) <u>Uses and Disclosure of PHI</u>. With respect to each use and disclosure of PHI Business Associate makes pursuant to this Agreement, or otherwise, Business Associate agrees as follows:

(1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Agreement or as Required By Law. To the extent that Business Associate performs any of Covered Entity's obligations under the Privacy Rule, Business Associate will comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligation.

(2) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

(3) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Agreement of which it becomes aware.

(4) If applicable, in accordance with 45 CFR 164.504(e)(1)(ii) and 164.308(b)(2), Business Associate agrees to enter into written agreements with any subcontractors that create, receive, maintain, or transmit Protected Health Information on behalf of Business Associate, and the terms of such agreements shall incorporate substantially similar restrictions, conditions, and requirements that apply to Business Associate through this Agreement.

(5) At the sole cost and expense of the Covered Entity, Business Associate agrees to make available and provide Covered Entity with access to PHI to meet the requirements under 45 CFR 164.524. The obligations of Business Associate in this paragraph apply only to PHI in Designated Record Sets in Business Associate's possession or control as such term is defined at 45 CFR § 164.501. Such access shall be in a timely and reasonable manner, as agreed upon by the Parties.

(6) At the sole cost and expense of the Covered Entity, Business Associate agrees to make any amendment(s) to PHI that Covered Entity directs or agrees to pursuant to 45 CFR 164.526 at the request of Covered Entity, in a time and manner reasonably agreed upon by the Parties. The obligations of Business Associate in this paragraph apply only to PHI in Designated Record Sets in Business Associate's possession or control as such term is defined at 45 CFR § 164.501.

(7) Business Associate agrees to make its internal practices, books, and records, including any policies and procedures, relating to the use and

disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, available to the Secretary, in a time and manner reasonably agreed upon or designated by the Secretary, for purposes of the Secretary determining a Covered Entity's compliance with the Privacy and Security Rule.

(8) Business Associate agrees to maintain and make available, in a time and manner reasonably negotiated between the Parties, the information required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI, as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528.

(b) <u>Securing Electronic PHI</u>.

(1) Business Associate agrees to use appropriate safeguards and comply with applicable and mandatory requirements of the Security Rule set forth at 45 CFR 164.308, 164.310, 164.312, and 164.316 with respect to Electronic PHI to prevent the use or disclosure of Electronic PHI other than as provided for by this Agreement.

(2) Business Associate shall report to Covered Entity any Security Incident that results in the unauthorized disclosure of Electronic PHI of which Business Associate becomes aware with respect to Electronic PHI Business Associate creates, transmits, receives or maintains on behalf of Covered Entity. Business Associate shall report unsuccessful Security Incidents to Covered Entity upon request. Parties recognize, however, that a significant number of meaningless attempts to access, without authorization, use, disclose, modify or destroy PHI in Business Associate's systems will occur on an ongoing basis and could make a real-time reporting requirement formidable for Parties. Therefore, Parties agree that the following are illustrative of unsuccessful Security Incidents that, if they do not result in a pattern of Security Incidents or the unauthorized access, use, disclosure, modification, or destruction of PHI or interference with an information system, do not need to be reported:

(i) Pings on a firewall;
(ii) Port scans;
(iii) Attempts to log on to a system or enter a database with an invalid password or username; and
(iv) Malware (e.g., worms, viruses).

(c) <u>Notification of Breaches of Unsecured PHI.</u> Business Associate will notify Covered Entity of Breaches of Unsecured PHI without unreasonable delay and in no case later than thirty (30) calendar days after the Discovery of such a Breach of the Covered Entity's Unsecured PHI, as those terms are defined at

45 CFR Part 164 subpart D. Business Associate's notice to the Covered Entity shall include the applicable elements as set forth at 45 CFR 164.410(c).

III.   **Permitted Uses and Disclosures by Business Associate**

In accordance with the limitations in this Agreement, Business Associate may use or disclose PHI as necessary to perform functions on behalf of and/or provide services to Covered Entity to the extent such uses or disclosures are permitted by the Privacy Rule, as it may be amended from time to time.

IV.   **Specific Use and Disclosure Provisions**

(a) In accordance with the limitations in this Agreement, Business Associate may use PHI as necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, to the extent such use is permitted by the Privacy Rule, as it may be amended from time to time.

(b) In accordance with the limitations in this Agreement, Business Associate may disclose PHI as necessary for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided that such disclosures are (i) Required By Law, (ii) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as Required By Law or for the purposes for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been Breached, or (iii) are otherwise permitted by the Privacy Rule, as it may be amended from time to time.

(c) Business Associate may use PHI as necessary to report violations of law to appropriate federal and state authorities, to the extent permitted by 45 CFR 164.502(j)(1).

(d) In accordance with 45 CFR 164.504(e)(2)(i)(B), Business Associate may use PHI to provide data aggregation services.

V.   **Specific Use and Disclosure Restrictions**

(a) Business Associate will restrict the disclosure of an Individual's PHI in accordance with 45 CFR 164.522(a)(1)(i)(A), notwithstanding paragraph (a)(1)(ii) of that section, when, except as otherwise Required By Law, the Covered Entity notifies Business Associate that the Individual has made such a restriction request, and each of the following conditions is satisfied:

(1) The disclosure would be to a health plan for the purposes of carrying out payment or health care operations, as that term may be amended from time to time, and

(2) The PHI pertains solely to a health care item or service for which the health care provider involved has been paid out-of-pocket in full.

(b) In accordance with 45 CFR 164.502(b)(1), Business Associate will limit to the extent practicable the use, disclosure, or request of PHI to the minimum necessary to accomplish the intended purposes of such use, disclosure, or request, respectively, except that the restrictions set forth herein shall not apply to the exceptions set forth in CFR 164.502(b)(2).

(c) Business Associate shall not directly or indirectly receive remuneration in exchange for any PHI unless the Business Associate obtains written authorization (from the Individual) that includes a specification of whether the PHI can be further exchanged for remuneration by the entity receiving the PHI of that Individual, except that this prohibition shall not apply in the following cases, which Business Associate will limit remuneration to a reasonable, cost-based fee to cover the cost to prepare and transmit the Protected Health Information for such purpose or a fee otherwise expressly permitted by other law:

(1) The purpose of the exchange is for research or public health activities, as described at 45 CFR 154.501, 164.512(i), 164.512(b) and 164.514(e), or

(2) The purpose of the exchange is for the treatment of the Individual, subject to 164.506(a) and any regulation that the Secretary may promulgate to prevent PHI from inappropriate access, use or disclosure, or

(3) The purpose of the exchange is the health care operation specifically described in subparagraph (iv) of paragraph (6) of the definition of health care operations at 45 CFR 164.501 and pursuant to 164.506(a), or

(4) The purpose of the exchange is for remuneration that is provided by Covered Entity to the Business Associate for activities involving the exchange of PHI that Business Associate undertakes on behalf of and at the specific request of the Covered Entity as set forth in this Agreement, or

(5) The purpose of the exchange is to provide an Individual with a copy of the Individual's PHI pursuant to 45 CFR 164.524 or an accounting of disclosures pursuant to 164.528, or

(6) The purpose of the exchange is otherwise determined by the Secretary in regulations to be similarly necessary and appropriate.

VI. **Obligations of Covered Entity**

(a) Covered Entity shall notify Business Associate of any limitation(s) in a Covered Entity's notice of privacy practices, in accordance with 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

(b) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(c) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that a Covered Entity has agreed to or is required to abide by in accordance with 45 CFR 164.522, or as mandated pursuant to Section 13405(c) of the HITECH Act, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(d) Covered Entity agrees to disclose to Business Associate only the minimum amount of PHI necessary to accomplish the services covered in the Transaction Document.

(e) Covered Entity understands and agrees that in addition to obligations Required By Law, Business Associate provides services in the Transaction Document on the express condition that the Covered Entity fulfills its additional obligations set forth therein.

VII. **Permissible Requests by Covered Entity**

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy or Security Rules if done by Covered Entity.

VIII. **Term and Termination**

(a) <u>Term</u>. This Agreement shall be effective as of Effective Date, and shall continue until terminated. The obligations under this Agreement shall apply to each Transaction Document referencing this Agreement until the later of (i) completion, termination, or expiration of that Transaction Document or (ii) when all of the PHI provided by Covered Entity to Business Associate or created received, maintained, or transmitted by Business Associate on behalf of Covered Entity under the Transaction Document is destroyed or returned to Covered Entity, in accordance with subsection (d), below.

(b) <u>Termination for Cause for Failure to Comply with this Agreement by Business Associate</u>. Upon any material failure to comply with this Agreement by Business Associate, Covered Entity shall either:

(1) Provide an opportunity for Business Associate to cure the failure to comply or end the violation and terminate this Agreement if Business Associate does not cure the failure to comply or end the violation within a reasonable time specified by Covered Entity; or

(2) Immediately terminate this Agreement if Business Associate has failed to comply with a material term of this Agreement and cure is not possible and the Business Associate has not implemented reasonable steps to prevent a reoccurrence of such failure to comply.

(c) <u>Termination for Cause for Failure to Comply with this Agreement by Covered Entity</u>. Upon any material failure to comply with this Agreement by Covered Entity, Business Associate shall either:

(1) Provide an opportunity for Covered Entity to cure the failure to comply or end the violation and terminate this Agreement if Covered Entity does not cure the failure to comply or end the violation within the time specified by Business Associate;

(2) Immediately terminate this Agreement if Covered Entity has failed to comply with a material term of this Agreement and cure is not possible and the Covered Entity has not implemented reasonable steps to prevent a reoccurrence of such failure to comply.

(d) <u>Effect of Termination</u>.

(1) Except as provided below in paragraph (2) of this subsection, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity or created, received, maintained, or transmitted by Business Associate on behalf of Covered Entity in accordance with HIPAA. This provision shall apply to PHI in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of PHI.

(2) In the event Business Associate determines returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon written notification that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of PHI for so long as Business Associate maintains such PHI.

Miscellaneous

(a) <u>Amendment</u>. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with requirements of HIPAA.

(b) <u>Survival</u>. The respective rights and obligations of Business Associate under Section VIII (Term and Termination) of this Agreement shall survive termination of this Agreement.

(c) <u>Interpretation</u>. Any ambiguity in this Agreement shall be resolved to the extent reasonable to permit Covered Entity to comply with HIPAA.

(d) <u>Conflicts</u>. To the extent a conflict exists between this Agreement and the Transaction Document, the terms and conditions of this Agreement shall take precedence.

IN WITNESS WHEREOF, Covered Entity and Business Associate have caused this Agreement to be signed and delivered by their duly authorized representatives, as of the date set forth below.

COVERED ENTITY   **BUSINESS ASSOCIATE**

By:_____   By:_____
Print Name:_____   Print Name:_____
Title:_____   Title:_____
Date: _____   Date: _____

III. SUPPLEMENT TWO: DETAILED REQUIREMENTS

See the attached Microsoft Excel® file titled, **Supplement Two: Detailed Requirements**. Please review the following instructions:

1) The vendor should self-score each requirement listed in the **Vendor's Disposition** column of *Tab 3 – Detailed Reqs & Responses*, using only the values that appear in the drop-down list.

2) **Vendor's Disposition** values are outlined below:

>> "Will Meet": Vendor agrees to requirement.

>> "Will Not Meet": Vendor declines to meet the requirement.

3) All requirements should contain one of the values identified above. Any requirement without a Vendor's Disposition response value will be considered to be "Will Not Meet."

4) In addition, the vendor should provide the **Attachment**, **Section**, and **Page Number(s)** where their detailed narrative response for each requirement resides, providing PRMP with a crosswalk, ensuring that each requirement is addressed. Be advised that the column has been pre-populated with the location that PRMP anticipates the requirement response to reside, however it is up to the vendor to update that column accordingly should the vendor respond to a requirement in a different location.