

**STATE OF NORTH CAROLINA
REQUEST FOR PROPOSALS**

RFP No. 30-DMA-238-09

TITLE:	North Carolina's Medicaid Home and Community-Based Services Program
USING AGENCY:	Division of Medical Assistance
ISSUING AGENCY:	N.C. Department Of Health and Human Services Office of Procurement and Contract Services Raleigh, NC 27603
ISSUE DATE:	April 17, 2009

Inquiries: Direct all inquiries regarding this Request for Proposals ("RFP") to:

Office of Procurement and Contract Services Susan Lewis, Assistant Director 801 Ruggles Drive, Hoey Building Raleigh, NC 27603	Telephone: (919) 855-4083
	Facsimile : (919) 733-5957
	e-mail : Susan.Lewis@ncmail.net

Notice To Offerors: The requirements of this RFP can only be altered by written addendum. Verbal communications shall not be binding upon the State.

Written Questions: All written questions regarding this RFP must be submitted to Susan Lewis via e-mail at Susan.Lewis@ncmail.net by no later than **2:00 pm on April 27, 2009**. The State will not respond to questions submitted thereafter. A summary of all questions and answers regarding this RFP will be posted on the State's Interactive Purchasing System (IPS) web site at <http://www.ips.state.nc.us/ips/pubmain.asp> within approximately 2-3 business days. The written questions and answers posted on this web site shall constitute an addendum to this RFP.

Submission Deadline: Sealed Proposals will be accepted until **2:00 p.m. on May 21, 2009**

Submission Instructions: Submit two (2) originals and nine (9) copies of your proposal. Submit all copies of your Technical Proposal in one sealed package and all copies of your Cost Proposal in a separate sealed package. Clearly mark each package with: (1) the Offeror's name; (2) the RFP number; (3) the submission deadline shown above; and (4) the words "Technical Proposal" or "Cost Proposal" as appropriate. Address the packages for delivery as shown below:

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
RFP NO. 30-DMA-238-09 NC Department of Health & Human Services Office Of Procurement & Contract Services 2008 Mail Service Center Raleigh, NC 27699-2008	RFP NO. 30-DMA-238-09 NC Department of Health and Human Services Office Of Procurement and Contract Services 801 Ruggles Drive, Hoey Building Raleigh, NC 27603-2001

Proposals may be submitted by U.S. Mail, common carrier, or hand delivery. Proposals may **not** be submitted by electronic means.

Terms & Conditions: All proposals submitted shall be subject to the terms and conditions set out in this RFP. The State objects to and will not consider any additional terms and conditions submitted with any proposal. Do not attach any additional terms and conditions. By execution and delivery of a proposal, the Offeror agrees that any additional terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect.

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SECTION 1.0 INSTRUCTIONS TO BIDDERS

- 1.1 Acceptance of RFP Terms & Conditions:** All proposals are subject to the terms and conditions outlined herein. All responses shall be controlled by such terms and conditions and the submission of other terms and conditions, price lists, catalogs, or other documents as part of an Offeror's response shall be waived and have no effect either on this Request for Proposals or on any contract that may be awarded through this solicitation. By submitting an executed proposal, the Bidder specifically agrees to the conditions set forth in this paragraph.
- 1.2 Certifications:** By executing and submitting a proposal, the signer certifies that the proposal is submitted competitively and without collusion (G.S. § 143-54); that none of the Bidder's officers, directors, or owners (if the Bidder is an unincorporated business entity) have been convicted of any violation of Chapter 78A of the North Carolina General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. § 143-59.2); and that the Bidder is not an ineligible Offeror as set forth in G.S. § 143-59.1. False certification is a Class I felony.
- 1.3 Oral Explanations:** The State shall not be bound by oral explanations or instructions given at any time during the competitive process or after award.
- 1.4 Incorporation by Reference:** Materials that are incorporated in a proposal by reference will be considered and evaluated by the State only if copies of the materials are attached to and submitted with the proposal.
- 1.5 Elaborate Proposals Not Desired:** Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective bid are not desired. The State prefers that:
- (a) All proposals and copies of proposals are printed with text on both sides of each page;
 - (b) All proposals and copies of proposals are printed on recycled paper with a minimum post-consumer content of 30%. (Please confirm this fact within the text of your proposal);
 - (c) All proposals and copies of proposals are produced without the use of non-recyclable or non re-usable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. (The use of three-ringed binders, glued materials, paper clips, and staples is acceptable); and
 - (d) All proposals are submitted in a format which allows for easy removal and recycling of paper materials.
- 1.6 Bid Costs:** Bidders shall be responsible for all costs incurred by them in preparing and submitting their proposals. The State of North Carolina will not reimburse any Bidder for the cost of preparing and submitting a proposal.
- 1.7 Time For Acceptance:** Each proposal must state that it is a firm offer that may be accepted by the State at any time within 90 days following the deadline for submitting the proposal.
- 1.8 Confidentiality Of Proposals:** By executing and submitting a proposal, the Bidder agrees that it will not disclose the contents of its proposal to any person or entity other than the using or issuing agency until after contract award, except as authorized in writing by the using or issuing agency. Violators may be disqualified from contract award.
- 1.9 Ownership of Submitted Materials:** All materials submitted in response to this RFP, including all proposals, reports, charts, displays, schedules, exhibits, samples, and correspondence, shall become the property of the State when received by the State.
- 1.10 Offeror's Representative:** Each Bidder shall submit with its proposal the name, address, and telephone number of one or more persons authorized to bind the Bidder and to answer questions, or provide clarification, regarding the Bidder's proposal.
- 1.11 Historically Underutilized Businesses ("HUB's"):** Pursuant to G.S. § 143-48 and Executive Order Number 106, the North Carolina Department of Health and Human Services invites and encourages participation in this

procurement by businesses owned by minorities, women, the disabled, disabled business enterprises, and non-profit work centers for the blind and severely disabled. To learn more about the State's HUB program and to apply for HUB designation, visit the following web site: <http://www.doa.state.nc.us/hub/>

1.12 Tabulations: The State has implemented an Interactive Purchasing System (IPS) to enable the public to retrieve bid tabulations electronically from the State's internet web site at: <http://www.ips.state.nc.us/ips/pubmain.asp>. Click on the IPS BIDS icon, click on Search for Bid, enter the RFP number, and then search. Tabulations will normally be available at this web site no later than one working day after opening. Lengthy tabulations may not be posted on the internet.

1.13 Vendor Link NC: Vendor Link NC allows vendors to register electronically with the State to receive free electronic notifications of current State procurement opportunities. Free online registration and other purchasing information are available on the State's internet web site at: <http://www.ips.state.nc.us/ips/vendor/vndpubmain.asp>.

1.14 Preference May Be Given To North Carolina Products And Citizens: G.S. § 143-59 and 01 NCAC 05B .1522 establish the circumstances and ways in which preference may be given to North Carolina products and citizens.

1.15 Interpretation of Certain Phrases: This Request for Proposal serves two functions: (1) to advise potential Vendors of the parameters of the solution being sought by the State and (2) to provide (together with other specified documents) the terms of the contract resulting from this procurement. As such, all terms in the Request for Proposal shall be enforceable as contract terms in accordance with the General Terms and Conditions. The use of phrases such as "shall," "must," and "requirements" are intended to create enforceable contract conditions. In determining whether proposals should be evaluated or rejected, the State will take into consideration the degree to which Vendors have proposed or failed to propose solutions that will satisfy the State's needs as described in the Request for Proposal. Except as specifically stated in the Request for Proposal, no one requirement shall automatically disqualify a Vendor from consideration. However, failure to comply with any single requirement may result in the State exercising its discretion to reject a proposal in its entirety.

1.16 Protest Procedures

(a) Award protests are governed by 01 NCAC 05B .1519, an administrative rule promulgated by the North Carolina Department of Administration, Division of Purchase and Contract. A copy of this rule is attached to this RFP as Attachment K. This and other purchasing rules promulgated by the Division of Purchase and Contract can be viewed on-line at:

<http://reports.oah.state.nc.us/ncac.asp?folderName=\\Title%2001%20-%20Administration\\Chapter%2005%20-%20Purchase%20and%20Contract>

(b) Rule 01 NCAC 05B .1519 specifies that some award protests must be submitted to the Secretary of the Department of Administration (or the secretary's designee) and that some award protests must be submitted to the State Purchasing Officer ("SPO"). The contract awarded pursuant to this RFP will be awarded by the Department of Administration, SPO. The SPO's mailing address is: NC Department of Administration, Division of Purchase and Contract, 1305 Mail Service Center, Raleigh, NC 27699-1305.

(c) Contract award notices are sent only to those actually awarded contracts, and not to every person or firm responding to this solicitation. Contract status and award notices are posted on the Internet at <http://www.ips.state.nc.us/ips/pubmain.asp>.

1.17 E-Procurement

This is not an e-procurement solicitation

SECTION 2.0 GENERAL TERMS & CONDITIONS

2.1 Contract Documents: The Contract that is awarded as a consequence of this RFP shall consist of the following documents:

- (a) The Addenda to this RFP, if any;
- (b) This RFP; and
- (c) The Contractor's Proposal.

In the event of a conflict between or among the terms of the Contract Documents, the term in the Contract Document with the highest precedence shall prevail. The Addenda to the RFP (if any) shall have the highest precedence, the RFP shall have the second highest precedence, and the Successful Vendor's proposal shall have the third highest precedence. These documents shall constitute the entire agreement between the parties and supersede all other prior oral or written statements or agreements.

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

DMA Contract Administrators

For All Day-To-Day Activities Described In Section 3.0	For All Other Contract Issues
Larry Nason, Chief, Community Care Services 1985 Umstead Drive 2501 Mail Service Center Raleigh, NC 27699 Telephone: (919) 855-4345 Facsimile: (919) 715-2372 E-mail: Larry.Nason@ncmail.net	Sherry R. Cannady NC DMA, Contract & Contract Monitoring Section 3101 Industrial Drive, Suite 205 Raleigh NC 27609 Telephone: (919) 647-8485 Facsimile: (919) 715-8468 E-mail: Sherry.Cannady@ncmail.net

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

2.3 Independent Contractor: The Contractor is and shall be deemed to be an independent contractor in the performance of this contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Contractor represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the Division.

2.4 Subcontracting: The Contractor shall not subcontract any of the work contemplated under this contract without prior written approval from the Division. Any approved subcontract shall be subject to all conditions of this contract. Only the subcontractors specified in the contract documents are to be considered approved upon award of the contract. The Division shall not be obligated to pay for any work performed by any unapproved subcontractor. The Contractor shall be responsible for the performance of all of its subcontractors.

2.5 Assignment: No assignment of the Contractor's obligations or the Contractor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:

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

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

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

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

2.8 Insurance

- (a) During the term of the contract, the Contractor shall provide, at its sole cost and expense, commercial insurance of such types and with such terms and limits as may be reasonably associated with the contract. At a minimum, the Contractor shall provide and maintain the following coverage and limits:
 - (1) **Worker's Compensation Insurance:** The Contractor shall provide and maintain worker's compensation insurance, as required by the laws of the states in which its employees work, covering all of the Contractor's employees who are engaged in any work under the contract.
 - (2) **Employer's Liability Insurance:** The Contractor shall provide employer's liability insurance, with minimum limits of \$500,000.00, covering all of the Contractor's employees who are engaged in any work under the contract.
 - (3) **Commercial General Liability Insurance:** The Contractor shall provide commercial general liability insurance on a comprehensive broad form on an occurrence basis with a minimum combined single limit of \$1,000,000.00 for each occurrence.
 - (4) **Automobile Liability Insurance:** The Contractor shall provide automobile liability insurance with a combined single limit of \$500,000.00 for bodily injury and property damage; a limit of \$500,000.00 for uninsured/under insured motorist coverage; and a limit of \$25,000.00 for medical payment coverage. The Contractor shall provide this insurance for all automobiles that are:
 - (A) owned by the Contractor and used in the performance of this contract;
 - (B) hired by the Contractor and used in the performance of this contract; and
 - (C) owned by Contractor's employees and used in performance of this contract ("non-owned vehicle insurance"). Non-owned vehicle insurance protects employers when employees use their personal vehicles for work purposes. Non-owned vehicle insurance supplements, but does not replace, the car-owner's liability insurance.

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

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

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

2.10 Termination Without Cause: The Division may terminate this contract without cause by giving **30 days written notice** to the Contractor. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the Division, become its property and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made.

2.11 Termination for Cause: If, through any cause, the Contractor shall fail to fulfill its obligations under this contract in a timely and proper manner, the Division shall have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the Division, become its property and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made. Notwithstanding the foregoing provision, the Contractor shall not be relieved of liability to the Division for damages sustained by the Division by virtue of the Contractor's breach of this agreement, and the Division may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the Division from such breach can be determined. In case of default by the Contractor, without limiting any other remedies for breach available to it, the Division may procure the contract services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The filing of a petition for bankruptcy by the Contractor shall be an act of default under this contract.

2.12 Waiver of Default: Waiver by the Division of any default or breach in compliance with the terms of this contract by the Provider shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this contract unless stated to be such in writing, signed by an authorized representative of the Department and the Contractor and attached to the contract.

- 2.13 Availability of Funds:** The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Division.
- 2.14 Force Majeure:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.
- 2.15 Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.
- 2.16 Compliance with Laws:** The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.
- 2.17 Equal Employment Opportunity:** The Contractor shall comply with all federal and State laws relating to equal employment opportunity.
- 2.18 Health Insurance Portability and Accountability Act (HIPAA):** The Contractor agrees that, if the Division determines that some or all of the activities within the scope of this contract are subject to the Health Insurance Portability and Accountability Act of 1996, P.L. 104-91, as amended ("HIPAA"), or its implementing regulations, it will comply with the HIPAA requirements and will execute such agreements and practices as the Division may require to ensure compliance.
- 2.19 Confidentiality:** Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Contractor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the Division. The Contractor acknowledges that in receiving, storing, processing or otherwise dealing with any confidential information it will safeguard and not further disclose the information except as otherwise provided in this contract.
- 2.20 Data Ownership:** The Contractor understands and agrees that all data provided by DMA to the Contractor is owned by the Division and shall be used by the Contractor solely for the purposes described in this contract. All data created in any form as part of this contract shall be the property of the Division and shall be available to the Division at all times. At the end of the contract, all data associated with this contract shall be transferred to and accepted by the Division prior to final payment to the Contractor. Under no circumstances shall the Contractor share the data with any other entity without the Division Contract Administrator's prior written authorization.
- 2.21 Copyrights and Ownership of Deliverables:** All deliverable items produced pursuant to this contract are the exclusive property of the Division. The Contractor shall not assert a claim of copyright or other property interest in such deliverables.
- 2.22 Federal Intellectual Property Bankruptcy Protection Act:** The Parties agree that the Division shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365 (n), and any amendments thereto.
- 2.23 Access to Persons and Records:** The Contractor shall give the Division, the N.C. Department of Health and Human Services, the North Carolina State Auditor, the U.S. Department of Health and Human Services, and their employees and agents, access to all persons, books, records, and accounts necessary to enable those agencies to audit the Contractor's performance under this Contract.
- 2.24 Record Retention:** The Department of Health and Human Services' basic records retention policy requires all records to be retained for a minimum of three years following completion or termination of the contract. If the contract is subject to Federal policy and regulations, record retention will normally be longer than three years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status

Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this contract has been started before expiration of the three year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three year period described above, whichever is later. Therefore, records shall not be destroyed, purged or disposed of without the express written consent of the Division.

- 2.25 Date and Time Warranty:** The Contractor warrants that the product(s) and service(s) furnished pursuant to this contract ("product" includes, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) that perform any date and/or time data recognition function, calculation, or sequencing will support a four digit year format and will provide accurate date/time data and leap year calculations. This warranty shall survive the termination or expiration of this contract.
- 2.26 Certification Regarding Collection of Taxes:** G.S. § 143-59.1 bars the Secretary of Administration from entering into contracts with vendors that meet one of the conditions of G.S. § 105-164.8(b) and yet refuse to collect use taxes on sales of tangible personal property to purchasers in North Carolina. The conditions include: (a) maintenance of a retail establishment or office; (b) presence of representatives in the State that solicit sales or transact business on behalf of the vendor; and (c) systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. The Contractor certifies that it and all of its affiliates (if any) collect all required taxes.
- 2.27 Choice of Law:** The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties to this contract, are governed by the laws of North Carolina. The Contractor, by signing this contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.
- 2.28 Amendment:** This contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Division and the Contractor. The Purchase and Contract Divisions of the NC Department of Administration and the NC Department of Health and Human Services shall give prior approval to any amendment to a contract awarded through those offices.
- 2.29 Severability:** In the event that a court of competent jurisdiction holds that a provision or requirement of this contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this contract shall remain in full force and effect.
- 2.30 Headings:** The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.
- 2.31 Time of the Essence:** Time is of the essence in the performance of this contract.
- 2.32 Key Personnel:** The Contractor shall not replace any of the key personnel assigned to the performance of this contract without the prior written approval of the Division. The term "key personnel" includes any and all persons identified as such in the contract documents and any other persons subsequently identified as key personnel by the written agreement of the parties. See section 7.2 for details.
- 2.33 Care of Property:** The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished to it for use in connection with the performance of this contract and will reimburse the Division for loss of, or damage to, such property. At the termination of this contract, the Contractor shall contact the Division for instructions as to the disposition of such property and shall comply with these instructions.

- 2.34 Travel Expenses:** The Division shall not reimburse the Contractor for any international travel. Furthermore, the Division shall not reimburse the Contractor for any travel within the United States unless such payment is expressly authorized in the Scope of Work, in which case the reimbursement rates paid shall not exceed the rates paid to State employees pursuant to G.S. § 138-6(a)(5).
- 2.35 Sales/Use Tax Refunds:** If eligible, the Contractor and all subcontractors shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this contract, pursuant to G.S. § 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.
- 2.36 Advertising:** The Contractor shall not use the award of this contract as a part of any news release or commercial advertising.

SECTION 3.0 PURPOSE AND BACKGROUND

3.1 Introduction:

The North Carolina Division of Medical Assistance is the State agency responsible for the implementation and administration of the North Carolina Medicaid Program authorized under Title XIX of the Social Security Act. Medicaid is a federal, state, and county funded assistance program that provides health care coverage to qualified low-income and medically needy individuals of all ages.

The provision of long-term care services and supports is one of the primary functions of State Medicaid agencies. Long-term care services and supports include both home and community-based services and nursing facility services. These services account for over one-third of the total Medicaid budget. Medicaid long-term care services are administered by the Facility and Community Care Section of the Division of Medical Assistance. This Section is responsible for managing the contractual services described in this RFP.

3.2 Background:

North Carolina's Medicaid Home and Community-Based Services (HCBS) Programs

The Facility and Community Care Section of the Division is responsible for managing six North Carolina Medicaid home and community-based long-term care programs. These programs include:

- a. Community Alternatives Program for Medically Fragile Children (CAP/C);
- b. Community Alternatives Program for Disabled Adults (CAP/DA);
- c. Program of All-Inclusive Care for the Elderly (PACE);
- d. Private Duty Nursing;
- e. In-Home Personal Care Services (PCS); and
- f. In-Home Personal Care Services-Plus (PCS-Plus).

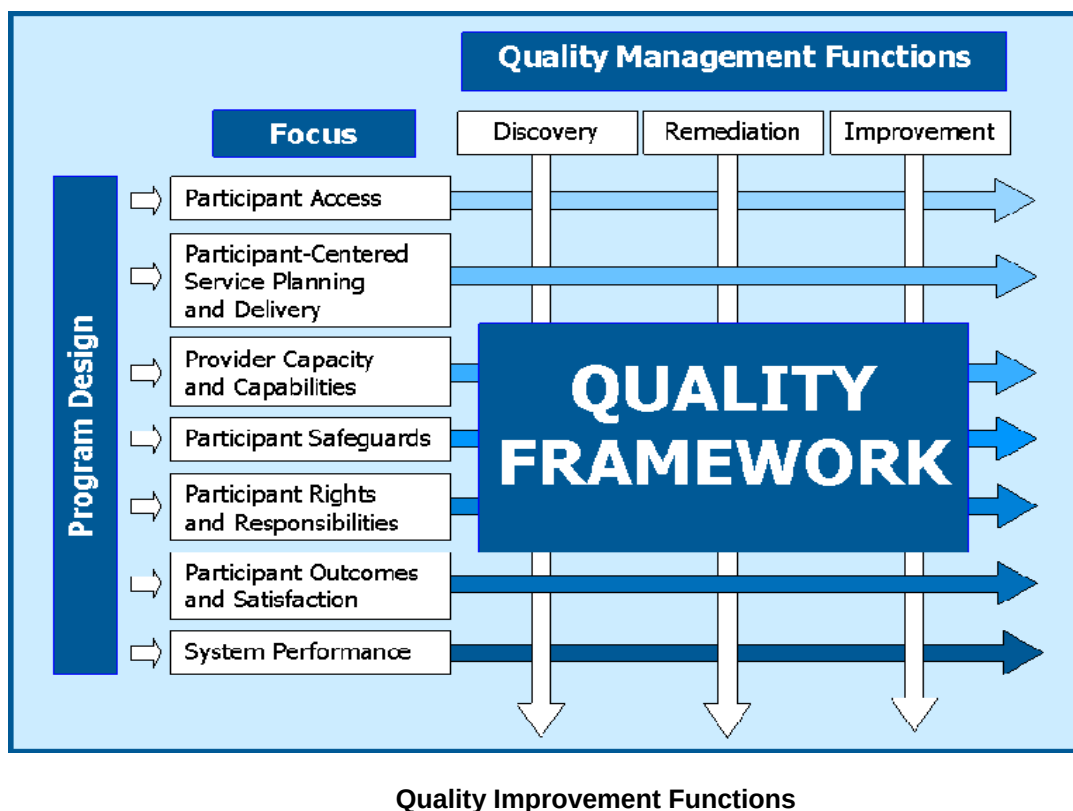
Two of the six programs, CAP/C and CAP/DA, are Home and Community-Based Services Waiver Programs approved and funded under §1915(c) of the Social Security Act. This Section allows a state to waive certain Medicaid requirements to provide HCBS that promote community living and avoid institutionalization for individuals in certain target populations, including individuals who are elderly or disabled.

The other four programs are Optional Services under the State Medicaid Plan and are also provided to eligible Medicaid recipients to assist them in remaining in the home and community for as long as possible. Because all six of these programs have the same basic purpose, a Quality Improvement Plan to address HCBS Waiver requirements is relevant and appropriate for all.

INFORMATION ON CMS HCBS QUALITY FRAMEWORK Quality Improvement Framework for HCBS

The Quality Management/Quality Improvement model developed by CMS is called the HCBS Quality Framework. The purpose of the Quality Framework is to provide a common frame of reference for improving quality in programs serving older persons and individuals with disabilities. The CMS Quality Framework Model is illustrated in Figure 1 below:

Figure 1: HCBS Quality Improvement Model



Quality Management/Quality Improvement in the CMS Quality Framework encompasses three functions:

- **Discovery:** Collecting data and direct participant experiences to assess the ongoing implementation of the HCBS Program and identifying strengths and opportunities for improvement.
- **Remediation:** Taking action to remedy specific problems or concerns that arise.
- **Continuous Improvement:** Utilizing data and quality information to engage in actions that lead to continuous improvement of the HCBS Program.

Program Design and Quality Focus Areas

The CMS HCBS Quality Framework identifies seven focus areas for HCBS Quality Improvement Program Design. These focus areas are then matched to a desired outcome, as illustrated in Table 1 below.

**Table 1: Quality Improvement Focus Areas and Desired Outcomes
for QI Program Design in the CMS HCBS Quality Framework**

Focus	Desired Outcome
Participant Access	Eligible individuals have access to HCBS and supports in their communities
Participant-Centered Service Planning and Delivery	Services and supports are planned and effectively implemented in accordance with each program participant's unique needs, expressed preferences, and decisions concerning his/her life in the community
Provider Capacity and Capabilities	There are sufficient HCBS providers and they possess and demonstrate the capability to effectively serve program participants
Participant Safeguards	Program participants are safe and secure in their homes and communities, taking into account their informed and expressed choices
Participant Rights and Responsibilities	Program participants receive support to exercise their rights and in accepting personal responsibilities
Participant Outcomes and Satisfaction	Program participants are satisfied with their services and desired outcomes
System Performance	The system supports program participants efficiently and effectively and constantly strives to improve quality

INFORMATION ON CMS HCBS WAIVER STATE ASSURANCES

In addition to implementing the HCBS Quality Framework, the state is required to have, at a minimum, systems in place to measure and improve program performance in the six waiver assurance areas set forth in 42 CFR §441.301 and §441.302. According to CMS, these six assurance areas address important dimensions of program quality and assure that effective systems are in place to monitor and continually improve the quality of care and services provided to program participants. The waiver assurances and the component elements (sub assurances) that must be addressed in the state's QIS are summarized in Table 2 below.

[Continued on Next Page]

Table 2: CMS State Assurances Areas for Quality and Compliance and the Component Elements

Area of Assurance	Purpose of Assurance	Sub Assurances The State must provide evidence that:
1 Level of Care (LOC)	To assure that each applicant admitted to a HCBS program or service meets the state's nursing facility LOC criteria This requirement applies to CAP/DA, CAP/C, and PACE	LOC evaluations are provided to all applicants for admissions to the three HCBS
		LOC is re-evaluated for each program participant at least annually
		LOC decisions are monitored for accuracy and consistency
		Actions are taken to address inappropriate or inaccurate LOC determinations
2 Plan of Care (POC)	To assure that each POC is individualized to meet the assessed needs of the program participant and services are based on the POC To assure that the key values of the Person-Centered System adopted by DHHS are employed in the development of the POC	Each POC addresses all assessed needs and personal goals, and ensures that those needs and goals will be addressed by the special waiver services or other means
		Each POC is reviewed and program staff take appropriate actions to address inadequacies
		POC's are updated at least annually, or when warranted by a change in the participant's condition and related needs
		Services are delivered in accordance with the POC, including any specified type, amount, duration, scope, or frequency of service specified in the POC
		Participants are afforded a choice: (a) Between waiver services and institutional care and (b) between/among waiver services and providers
3 Qualified Providers	To assure that all providers of services for these programs are properly enrolled as Medicaid providers and authorized to furnish the service they are providing	All providers are properly licensed or certified in accordance with state requirements and maintain these required licenses and certifications while providing services to waiver participants
		Provider training is conducted to address identified quality and compliance problems, issues, and concerns
4 Health and Welfare	To assure that services are monitored and appropriate steps are taken to identify and prevent abuse, neglect, exploitation, and other health and safety risks to program participants	Monitoring is continuous
		Remediation actions are initiated when necessary and appropriate
		Efforts to identify and address occurrences of abuse, neglect, and exploitation are ongoing
		Efforts to prevent participant abuse, neglect, exploitation, and other risks have been initiated
5 Admin Authority	To assure that appropriate administrative oversight of local agencies and providers participating in these programs is maintained by the State Medicaid Agency	Monitoring is continuous
		Local administrative agencies comply with applicable statutes, rules, regulations, policies, standards, and guidelines
6 Financial Accountability	To assure that services are paid in accordance with program requirements	Payment is made for waiver services only when rendered to an eligible and properly enrolled program participant
		Claims are paid only for services authorized in the participant's POC
		Claims are properly billed by qualified providers in accordance with DMA and waiver requirements

CMS Performance Measures for State Assurances

CMS requires that each assurance component or sub-assurance include a metric whenever possible. Examples of metric performance measures are provided in Table 3 below.

Table 3: Examples of Performance Measures by Sub-Assurance

Sub-Assurance	Examples of Possible Performance Measures	Data Source
An evaluation for LOC is provided to all applicants prior to admission to CAP/C, CAP/DA, and PACE	Number and percent of all new program enrollees who were evaluated for LOC prior to admission and found to require nursing facility level of care	Record review
	Mean or median number of days between receipt of FL-2 and LOC evaluation	Record review
	Number and percent of initial eligibility determinations made within 60 days of receipt of the FL-2	Record review
The LOC of enrolled CAP/C, CAP/DA, and PACE participants is re-evaluated at least annually	Number and percent of program participants who received an annual re-evaluation within 12 months of their initial or last LOC evaluation	Record review
The LOC evaluation and re-evaluations are performed in accordance with approved procedures	Number and percent of LOC evaluations and re-evaluations made by a qualified evaluator	Record review
	Number and percent of LOC evaluations and re-evaluations made on the approved form	Record review
	Number and percent of LOC evaluations and re-evaluations where the LOC criteria was accurately applied	Record review
POC's adequately and appropriately addressed assessed needs, personal goals, and health and safety risk factors	Number and percent of POC's that adequately address assessed needs	Record review
	Number and percent of POC's that contain all required elements	Record review
	Number and percent of POC's that evidence person-centered planning	Record review
POC's are updated at least annually or as required by changes in the participant's needs	Number and percent of POC's update within 12 months of the initial or previous POC	Record review
	Number and percent of POC's revised to reflect changes in participant's needs	Record review
Services are delivered in accordance with the POC	Number and percent of program participants who received services in the type, scope, amount, frequency, and duration specified in the POC	Comparison of POC with paid claims data
	Number and percent of program participants surveyed that responded that they have received services in accordance with their POC	Participant satisfaction survey
Participants are afforded choice between waiver and institutional care and between/among HCBS providers	Number and percent of program participants who have signed and dated a choice form for type of service	Record review
	Number and percent of program participants who have signed and dated a choice form for program providers	
	Number and percent of program participant who received a list of program providers	
Providers meet Medicaid requirements for enrollment	Number and percent of program providers properly enrolled with Medicaid to perform program services	Record review
Provider training is conducted in accordance with program policy	Number and percent of providers, by provider type, meeting training requirements	Record review
State addresses participant health, safety, and welfare	Number and percent of critical incidents by type	Record review Provider profiling Critical Incident Data-base Complaint Database
	Number and percent of critical incidents by provider	
	Number and percent of report abuse, neglect, or exploitation by provider	
	Number and type of complaints	
	Number and percent of restraint applications by provider	
	Number and percent of medication errors	
State retains ultimate administrative authority	Authority specified in administrative rules and clinical coverage policies	Document review
	Conducts appropriate oversight	QI Program
	State takes remediation action when required	
State maintains financial oversight of HCBS programs	Number and percent of billed services not reconciled with POC	MMIS Record review
	Number and percent of billed services not coded correctly	
	Number and percent of billed services not reconciled with participant service records	

Goal of the HCBS Quality Improvement Program

The overall goal of the HCBS Quality Improvement Program is to develop and put in place a comprehensive QI Program that will enable the Facility and Community Care Section to:

- a. Maintain administrative, operational, and financial oversight of all HCBS Programs;
- b. Build appropriate databases to provide the information necessary to meet CMS HCBS Program quality improvement and utilization review requirements;
- c. Monitor, evaluate, and improve the quality of care and services for its six HCBS Programs on a continuous basis through the implementation of the CMS HCBS Quality Framework;
- d. Identify quality and compliance deficits, issues, problems, and concerns and remediate them in an appropriate and timely manner;
- e. Collect and analyze information to identify quality and compliance trends and patterns;
- f. Establish and utilize automated systems to measure the state's performance in meeting waiver assurances for quality improvement and program compliance;
- g. Develop and conduct relevant and appropriate training programs on quality and compliance topics for local administrative agencies and providers; and
- h. Develop and submit reports on QI activities and results to the Centers for Medicare and Medicaid Services (CMS) and other federal and state oversight agencies.

3.3 Purpose of the Contract

The North Carolina Department of Health and Human Services (DHHS), Division of Medical Assistance (DMA or the Division) requires a qualified Contractor to provide an array of services to meet the requirements set by the Centers for Medicare and Medicaid Services (CMS) to establish and implement a:

- a. Quality Improvement/Quality Management Program for HCBS that is consistent with CMS guidelines; and
- b. A System to measure and improve program performance in the six waiver assurance areas set forth in the HCBS federal regulations (42 CFR §441.301 and §441.302) and the CMS Technical Guide for HCBS Waivers (Version 3.5, January 2008).

3.4 Disclaimer

The purpose of this RFP is to identify a Contractor to develop and implement the Division's Quality Improvement Program for the HCBS Programs, as described in Section 4.0 below.

NOTE: This RFP does not solicit bids for unique or customized computer programs. It is expected that the Contractor will employ off-the-shelf, commercially available software to provide databases and Internet-based reporting mechanisms. The Division will not pay for computer hardware; software development, customization, or updates; software licenses; a web-based service developed solely for this RFP; routine maintenance; backup systems; or other information technology (IT). It is expected that The Contractor will have, or has made arrangements to have, an operational web service that meets the Division's operational and technical specifications and that these costs will be included in the per unit pricing for providing the services specified below.

3.5 Definitions and Abbreviations

ADL's: Activities of Daily Living- Basic personal everyday activities, including bathing, dressing, transferring, toileting, mobility, and eating

Centers for Medicare and Medicaid Services (CMS): Agency in the United States Department of Health and Human Services that is responsible for the federal administration of the Medicare, Medicaid, and Children's Health Insurance programs

Community Alternatives Programs (CAP): Programs that provide an alternative to institutional care

Community Alternatives Program for Children (CAP/C): Program that offers home care for medically fragile children who otherwise would require hospital or nursing facility care

Community Alternatives Program for Disabled Adults (CAP/DA): Program that provides home care for disabled and elderly adults who otherwise would require nursing facility care

DHHS: Department of Health and Human Services

Division: Division of Medical Assistance

DMA: Division of Medical Assistance

HCBS: Home and Community-Based Services

HIPAA: Health Insurance Portability and Accountability Act of 1996

Home Care Agency: A public or private entity licensed by the state to provide in-home nursing services; physical, occupational, and speech therapy; medical social services; infusion nursing services; and assistance with pulmonary care, pulmonary rehabilitation, or ventilation

Personal Care Services (PCS): A Medicaid home care program that provides up to 60 hours a month of in-home aide services to meet the recipient's medically-related personal care needs

Personal Care Services Plus (PCS-Plus): A Medicaid home care program that provides up to an additional 20 hours of in-home aide services when medically necessary and prior approved by DMA

POC: Plan of Care

Level of Care (LOC): The specification of the minimum amount of assistance that an individual must require to receive services in an institutional setting

Long-Term Care (LTC): A variety of services to assist individuals with health and personal needs and activities of daily living over a period of time that can be provided in an institutional or home and community-based setting

Participant: a Medicaid recipient receiving services under a specific program

Provider Agency: A public or private entity that is enrolled with Medicaid and approved to furnish certain specified services to Medicaid recipients

Quality Improvement (QI): The process of designing program monitoring and evaluation activities, identifying program problems and deficiencies, remediating those problems and deficiencies, and continually improving the quality of the programs

Quality Improvement Strategy (QIS): A set of activities designed to measure and improve performance in meeting program requirements for quality and compliance

Proposal: A Vendor's written response to this request for proposals; a bid. The terms "proposal" and "bid" are used interchangeably in this RFP.

State Business Day: Monday through Friday 8:00am – 5:00pm, except State Holidays as defined by the Office of State Personnel at, <http://www.osp.state.nc.us/holsched.htm>.

Recipient: An individual receiving Medicaid benefits

RFP: Request for Proposal

SOW: Statement of Work

Waiver Programs: In this RFP, refers to the CAP/C and CAP/DA programs that are authorized under § 1915(c) of the Social Security Act to allow states to provide long-term care services in the community as an alternative to institutional care.

SECTION 4.0 SCOPE OF WORK

4.1 General Responsibilities

The Contractor shall, under the direction of the Division, provide those services contained in this Scope of Work to support the design, development, implementation, and management of a Medicaid HCBS QI Program that meets the requirements specified in RFP **SECTIONS 3.0 and 4.0**.

4.2 Major components of the HCBS Quality Improvement Program

The major components of the HCBS Quality Improvement Program shall include:

- a. Establishing a web-based reporting mechanism for program assessments, plans of care, and other program management forms and tools that builds a database that can be used by authorized individuals to search files, track authorizations, identify patterns and trends, communicate with local agencies and providers, and generate standard and ad hoc MIS reports;
- b. Conducting on-site quality and compliance reviews of HCBS provider organizations;
- c. Conducting in-home assessments of program participants to validate the provider agency's current assessment;
- d. Completing program satisfaction surveys with program participants during the home visit;
- e. Reviewing samples of paid claims and comparing billed services to the services authorized in the participant's POC and documented in the provider agency's service records;
- f. Utilizing program and claims data to construct, track, and report performance measures pertaining to the seven quality focus areas in the HCBS Quality Framework and the six state assurance areas;
- g. Providing monthly, quarterly, annual, and ad hoc reports with summary analyses and interpretations; and
- h. Conducting regional and web-based training programs on quality and compliance topics for providers, case management agencies, and county agencies involved in the administration of the HCBS programs addressed in this RFP.

4.3 Detailed Contractor Responsibilities for Web-Based Reporting

The Contractor shall establish, maintain, and utilize a web service that will allow the Division to review and process:

- a. Online program administration tools to include:
 1. Recipient assessment forms;
 2. Prior approval forms;
 3. Physician referral forms;
 4. Plans of care and plan revisions;
 5. Recipient health, welfare, and safety assessments.
- b. Uniform reporting forms to include:
 1. Recipient ID Record;
 2. Uniform complaint form; and
 3. Uniform critical incident reporting form.
- c. Online audit tools and satisfaction surveys to include:

1. Provider on-site audits;
2. In-home program participant assessments; and
3. Program participant satisfaction surveys.

The Division will provide hard copy formats for all assessment tools, referral and prior approval forms, plans of care, and reporting forms and will test and approve all online versions prior to implementation.

4.4 Contractor Requirements for Web-Based Reporting

Contractor shall ensure that the web service:

- a. Meets the Division's operational and technical specifications;
- b. Complies with all HIPAA privacy and security provisions related to the collection, use of, and transmission of protected health information;
- c. Provides a database that captures all data elements from each data record;
- d. Is password protected and incorporates various levels of access and authority for use of the web-based reporting tools and databases;
- e. Incorporates a standard set of demographic and identification data (Recipient ID Record) for all participant assessments, plans of care, prior approvals, and reports;
- f. Isolates the Recipient ID Record so that information can be changed and updated without making changes to original assessment forms, POC's, prior approvals, and other records that must be maintained on a "read only" basis;
- g. Auto populates all demographic and identification information for all participant assessments, plans, and reports, once the participant has been established in the database;
- h. Allows authorized users to query the database and format custom reports;
- i. Has the capability to print, fax, e-mail or convert to encrypted PDF all assessments, plans, forms, and screen images;
- j. Allows multiple users to access the files simultaneously;
- k. Incorporates functionality and features that will facilitate completion of the online document (drop-down menus, checkboxes, etc.) and will help to ensure complete and accurate responses (required fields, required formats for dates, etc.); and
- l. Provides written or online instructions for users.

4.5 Expected Volume of Assessments, Plans, Referrals, Prior Approvals, and Reports by HCBS Program

4.5.1 Expected Volume of Assessments, Plans of Care, Physician Referral and Prior Approval Forms by HCBS Program

HCBS Program	Expected Volume per Year		
	Assessments & Re-Assessments	Prior Approvals, Physician Referral & Continued Needs Reviews	Original and Revised Plans of Care
CAP/DA	12,700	12,700	25,000
CAP/C	1,200	1,800	2,000
PCS/PCS+	5,200	7,000	5,200
PDN	2,700	600	n/a
PACE	150	150	150
Total	21,950	22,250	150

4.5.2 Expected Volume of Recipient ID Records, Complaint, and Critical Incident Reports by HCBS Program

HCBS Program	Expected Volume per Year		
	Recipient ID Records	Uniform Complaint Forms	Uniform Critical Incident Reports
CAP/DA	12,700	250	1,000
CAP/C	1,100	50	300
PCS/PCS+	12,200	50	150
PDN	600	50	200
PACE	150	20	45
Total	26,750	420	1,695

4.5.3 Expected Volume of Forms for On-Site Provider Reviews, In-Home Recipient Assessment Reports, and Recipient Satisfaction Surveys

HCBS Program	Expected Volume per Year		
	On-Site Provider Reviews	In-Home Recipient Assessments	Recipient Satisfaction Surveys
CAP/DA	114	1,140	1,140
CAP/C	68	680	680
PCS/PCS+	23	230	230
PDN	17	170	170
PACE	6	620	620
Ave per Year	228	2,280	2,280
Total 5 Years	1,140	11,400	11,400

4.6 Contractor Responsibilities for On-Site Provider Quality and Compliance Reviews

4.6.1 Contractor shall conduct on-site reviews of home care agencies and other program providers for the HCBS Programs identified in RFP **SECTION 3.2**. A sample of recipients shall be selected based on a methodology approved by DMA. Contractor shall utilize detailed audit tools and guidance materials provided by DMA to validate and measure provider compliance with applicable federal and state statutes, rules, regulations, policies, guidelines, and DMA standards for the following areas:

- a. Recipient Assessment;
- b. Recipient Plan of Care;
- c. Provider Qualifications;
- d. Supervision;

- e. Service Records and other required documentation;
- f. Complaint Management System;
- g. Recipient Satisfaction;
- h. Recipient health, safety, and welfare;
- i. Recipient Rights; and
- j. Finance and Billing.

4.6.2 Contractor shall review a sample of recipient records maintained by these providers and shall validate, for each recipient in the sample, that the:

- a. Assessment was properly completed and documented;
- b. ADL's identified are the result of a medical condition;
- c. POC is based on the recipient's ADL's and other identified needs;
- d. Total hours of PCS are consistent with the identified needs;
- e. Services provided are consistent with DMA's time and task guidance (or exceptions are documented);
- f. Services provided under PCS-Plus have been prior approved by DMA and are consistent with the services authorized under the prior approval;
- g. Tasks in the POC are documented on and consistent with the daily service notes; and
- h. Services billed reconcile with authorized and provided services.

4.6.3 Contractor shall enter the results of each review on a web-based form and the results shall be maintained in a database that can be searched, queried, and formatted into standard and ad hoc reports.

4.6.4 Contractor shall submit to DMA monthly and annual summary reports of all on-site provider audits, including summary interpretation and analysis, on a schedule and in a format approved by DMA.

4.7 In-Home Program Recipient Assessments and Satisfaction Surveys

4.7.1 Contractor shall conduct in-home recipient assessments utilizing the same sample of recipients utilized in the provider agency review. The in-home review is performed by an RN and is designed to provide an independent assessment of the recipient to determine if information reported on the most recent assessment form was valid and continues to provide an accurate representation of the recipient's condition and need for PCS. The in-home evaluation shall include a review of:

- a. The medications listed on the assessment form and a determination of whether medications are being administered correctly by the recipient or recipient's caregiver(s);
- b. The recipient's overall condition and need for PCS;
- c. The activities of daily living (ADL's) and the level of assistance required for each;
- d. Other health status indicators that affect the need for PCS and the number of hours of PCS required;
- e. Adherence to the POC and DMA guidelines for time and tasks and any documented exceptions; and
- f. Home safety.

4.7.2 The contractor shall also conduct a recipient satisfaction survey as part of the in-home assessment utilizing a survey instrument provided by DMA.

4.8 Regional and Web-Based Training Programs

The Contractor shall:

- a. Develop, with DMA input and approval, training programs for home care agencies, other program providers, local case management agencies, and other entities involved in providing services as part of these HCBS Programs;

- b. Conduct 20 regional training programs (one per quarter for each of five geographical regions) for each year of the contract term;
 - c. Beginning in contract year 2, make these training programs available in an appropriate web-based format;
 - d. Provide adequate advance notification to target training groups and provide for online pre-registration for training programs;
 - e. Provide initial training that addresses the requirements of DMA's QIS and, during the term of the contract, revise and adapt training programs to address the training needs identified in program administration, recipient satisfaction surveys, recipient complaints, critical incident reports, agency requests, and other relevant sources;
 - f. Maintain training records and provide copies of these records to DMA; include the following for each training program conducted:
 - 1. Training agenda;
 - 2. Training outline or curriculum;
 - 3. Participant roster to include participant's name, title, employer, telephone number, and e-mail address;
 - 4. Copies of all handouts, PowerPoint presentations, and other materials provided to participants; and
 - 5. Copies of training evaluations and participant feedback instruments completed by participants.
- 4.8.1 Provide summary reports, on a schedule and in a format approved by DMA, of training activities on a quarterly and annual basis.

SECTION 5.0 TERM OF CONTRACT

The initial term of the contract shall be for one (1) year from the date of execution. At the end of contract year one (1), the State shall have the option, in its sole discretion, to extend the Contract for one (1) additional year. The State will give the Contractor written notice of its intent to exercise this option no later than sixty (60) days before the end of contract year one (1). Similarly, at the end of contract year two (2), the State shall have the option, in its sole discretion, to extend the Contract for one (1) final additional year. The State will give the Contractor written notice of its intent to exercise this option no later than sixty (60) days before the end of contract year two (2).

SECTION 6.0 PRICE INCREASES

The reimbursement terms in the winning proposal shall be binding upon the parties for the life of the Contract, which could be as long as three years if the State exercises both option years. The State will not consider any requests for increases in reimbursement during the first two years of the Contract. If the State exercises its option to extend the contract for a third year, the State will consider requests for an increase in reimbursement in year three in the event of unusual, unforeseen circumstances. Requests for increases in year three must clearly document the need for the increases. The State reserves the right to decline any such requests.

In no event shall the reimbursement rates in year three exceed the reimbursement rates in years one and two by more than the rate of inflation experienced during the twelve months immediately preceding the Contractor's request for an increase, or five percent, whichever is less. The applicable rate of inflation shall be the rate reflected in the "Consumer Price Index for All Urban Consumers (CPI-U): Selected Areas, All Items Index", as published by the United States Department of Labor, Bureau of Labor Statistics. A link to this index can currently be found at: <http://www.bls.gov/news.release/cpi.toc.htm>.

SECTION 7.0 CONTRACTOR QUALIFICATIONS AND OBLIGATIONS UNDER THIS CONTRACT

7.1 Contractor Qualifications

The Contractor shall:

- a. Have a documented successful record of providing a variety of program evaluation and quality improvement activities in health and human services in general and in home and community-based services in particular; and
- b. Have, either directly, or in partnership with another entity, the demonstrated ability to provide web-based document management services, including document scanning, document storage, searchable database, and report generator, as described in this Contract;

7.2 Staffing Requirements

The Contractor shall:

- a. Designate a single qualified Program Manager to be responsible to DMA for all areas and aspects of this program addressed by or arising out of this Contract;
- b. Ensure that the Program Manager is qualified to direct the activities addressed in this Contract and that this individual is acceptable to DMA. The Contractor's Program Manager must have:
 1. Seven years experience as a registered nurse (RN);
 2. Current license as a RN in the state of North Carolina;
 3. At least three years experience in the provision, administration, or supervision of home and community-based services;
 4. At least one year's experience in supervising professional staff; and
 5. Knowledge of the concepts, principles, and practices of Medicaid long-term care services in general and home and community-based services in particular.
- c. Employ or contract with adequate numbers of registered nurses (RNs) experienced in and knowledgeable about PCS and other HCBS to complete the provider on-site reviews, recipient in-home assessments, and recipient satisfaction surveys specified in this Contract; and
- d. Employ or contract with adequate number of other professional and support staff as necessary to meet the timelines contained in this Contract.

7.3 Reserved.

7.4 Correspondence and Notifications

The Contractor shall:

- a. Provide such correspondence and written notifications as required by Division policies and federal regulations and maintain copies of all correspondence and notifications in a secure electronic format.
- b. Assure that correspondence and written notifications can be viewed or printed out online in real time by the Division.

- c. Establish and maintain the capability to transfer the correspondence and notifications to the Division either during or at the conclusion of the Contract term in a format that can be read by standard document managers such as Adobe (PDF format) or MS Word.

7.5 **Contractor Availability**

The Contractor shall:

- a. Be available five days per week, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m. Eastern Time;
- b. Observe the same holiday schedule as North Carolina State Government, as referenced on the agency calendars that can be viewed at www.ncgov.com;
- c. During the program implementation period, meet with DMA as necessary to ensure completion of all tasks in accordance with the approved work plan; and
- d. For the term of the Contract, meet monthly with DMA staff to discuss results of the on-site provider reviews, in-home recipient assessments, and recipient satisfaction surveys.

7.6 **CONTRACT DELIVERABLES AND TIMELINES**

(Note: All timelines start at date when contract is fully executed by both parties.)

7.6.1 **Contract Deliverables and Timelines for Web-Based Forms and Database Development**

Contractor shall comply with the following timelines for Web-Based Forms and Database Development

Contract Year	Activity or Work Product	Complete by End of Month
1	Recipient ID Record and all CAP/DA and PCS forms	1
	Audit forms and recipient satisfaction survey	2
	All CAP/C and uniform reporting forms	3
	All PDN and PACE forms	3

7.6.2 **Contract Deliverables and Timelines for On-Site Provider Quality and Compliance Reviews**

Contractor shall comply with the following timelines for On-Site Provider Quality and Compliance Reviews

Contract Year	Activity or Work Product	Complete Each Month	Total Each Year
1	Number of provider agencies to be reviewed	15	180
2		18	216
3		20	240
4		20	240
5		22	264
Total			1,140

7.6.3 **Contract Deliverables and Timelines for In-Home Program Recipient Assessments and Satisfaction Surveys**

Contractor shall comply with the following timelines for program recipient assessments and satisfaction surveys.

Contract Year	Activity or Work Product	Complete Each Month	Total Each Year
1	Number of recipients to be reviewed	150	1,800
2		180	2,160
3		200	2,400
4		200	2,400
5		220	2,640
Total			11,400

7.6.4 **Contract Deliverables and Timelines for Regional and Web-Based Training Programs**

Contractor shall comply with the following timelines for regional and web-based training programs

Contract Year	Different Training Programs (One per Quarter)	At each of Five Geographic Regions	Plus Number of Web-Based Trainings	Total Each Year
1	4	20	0	20
2	4	20	4	24
3	4	20	4	24
4	4	20	4	24
5	4	20	4	24
Totals	20	100	16	116

SECTION 8.0 **Reserved**

SECTION 9.0 ADDITIONAL CONTRACTOR RESPONSIBILITIES

- (a) **Meetings:** At the Division's request, the Contractor shall meet with the Division at the Division office in Raleigh North Carolina or another mutually agreeable site to discuss problems encountered by the Contractor, to review progress reports submitted and/or to discuss approaches to problems.
- (b) **Fiscal Agent Interface:** The Contractor shall receive claims data from the Division's current MMIS Fiscal Agent, EDS, and shall transition, as necessary, to another Division Fiscal Agent as a result of the Divisions' procurement of a replacement of the current NC MMIS. Prior to implementation and during the transition period, the Contractor shall:
 - (1) Send all appropriate staff to a required one (1) day training session to learn the new navigation, design and input protocols of the Fiscal Agent;
 - (2) Provide adequate test data and perform verification; and
 - (3) Retool their transmissions, if necessary, to meet the new MMIS standards, including data content, file format, transmission media and balancing controls.
- (c) **Data Transfer:** All data transfers shall be secure and compliant with 45 CFR 164 protecting all personal health information. See Attachment B, Business Associate Agreement.
- (d) **DRG Grouper Software:** The Contractor shall maintain its own DRG Grouper software along with appropriate version of the Medicare Coding Edits (MCE) identical to the software used by the Division which will also match with NC State Plan. The current version in use is 25.0.
- (e) **End of Contract Transition:** Six (6) months prior to the expiration of this Contract, the Contractor shall provide to the Division a written turnover plan designed to insure a smooth turnover. The Contractor shall take all reasonable action to provide a minimally disruptive turnover. The Division's Contract Administrator must issue written approval this plan prior to its implementation.

SECTION 10.0 RESPONSIBILITIES OF THE DIVISION

- (a) **Payment:** The Division will pay the Contractor net thirty (30) days after the Division's Contract Administrator approves the Contractor's monthly invoices. Invoices not specifying the correct purchase order number will result in delayed payments to Contractor.
- (b) **Consultation:** Division staff will be available for consultation with the Contractor during normal working hours at its offices in Raleigh, North Carolina for the purpose of discussing matters pertinent to the performance of the contract.
- (c) **Records/Files:** The Division will provide the Contractor the necessary records/files in order for the SOW detailed in section 4.0 to be completed.
- (d) **Storage of Reviews:** The Division will retrieve from the contractor and store all reviews, including supporting medical records, worksheets, justifications, faxes, correspondence, etc.
- (e) The Division shall also:
 - 1. Assign an individual to act as Contract Manager and primary contact for the project;
 - 2. Assist Contractor to develop annual work plans for program implementation and management;
 - 3. Review and approve each component of the project before implementation;
 - 4. Provide hard copies of all assessment tools, plans of care, program forms, uniform reporting forms, surveys, audit tools, and other forms to be automated;
 - 5. Test all automated tools prior to implementation;
 - 6. Collaborate with Contractor to periodically review and update all assessment forms, POC formats, prior approval and reporting forms, audit tools, and other program tools to address deficiencies and update to reflect trends; and
 - 7. Review and approve all training schedules, locations, content, and evaluation methods.

SECTION 11.0 INVOICING

Contractor shall submit a detailed monthly invoice for services by the 10th of each month for services performed and work products produced during the previous month. The invoice shall reflect the completion of those work activities and work products contained in Contractor's approved Work Plan.

- (a) One monthly invoice shall itemize quantity of the item reviewed and shall be remitted to:

Larry Nason, Chief, Community Services
2501 Mail Service Center
Raleigh, NC 27699-2501
Phone (919) 647-8000
Fax (919) 715-2372
E-mail: larry.nason@ncmail.net

- (b) The second monthly invoice shall be rate of reimbursement and shall be remitted to:

Aleathia Fields
2501 Mail Service Center
Raleigh, NC 27699-2501
Phone (919) 647-8000
Fax (919) 647-2372
E-mail: aleathia.fields@ncmail.net

- (c) The Contractor shall be responsible for all travel expenses associated with this Contract. This shall include United States and International travel.

SECTION 12.0 COMPENSATION

The Contractor shall be compensated for each review, according to type of review, per Attachment J.

SECTION 13.0 CONTENTS OF PROPOSALS

13.1 Technical Proposal

- (a) At a minimum, the Offeror's Technical Proposal must contain the items listed below. Those items must be arranged in the order shown below.
 - (1) A Transmittal Letter, an Execution Page and the Employer Federal Identification Number Form (RFP Attachment A), each signed by an individual authorized to bind the Offeror;
 - (2) Evidence that the Offeror possesses the Vendor qualifications specified in RFP Section 7.0;
 - (3) A list of all Medicaid agencies for which the Offeror currently performs similar work;
 - (4) A summary of the Offeror's experience in conducting post payment reviews,
 - (5) A description of the Offeror's organization, including:
 - (A) The names and resumes of Key Contractor Personnel, whether those Key Contractor Personnel are the Offeror's employees or independent contractors;
 - (B) A list of all similar projects on which the Offeror is presently working;
 - (C) A list of all similar projects the Offeror has completed within the last three (3) years, including the name of a contact person and that person's telephone number and the email address;
 - (D) Evidence that the Offeror is financially stable and that it has the necessary infrastructure to complete this Contract as described in the Offeror's Proposal; and
 - (E) A description of all subcontractors the Offeror intends to use on this Contract, if any;
 - (6) A work plan, including at a minimum:
 - (A) Schedule/methodology for completing reviews detailed in section 4.4;
 - (B) Discussion of any foreseen problems in the completion of reviews, and proposed solutions to address there potential problems;
 - (C) Resumes and credentials of all proposed staff who will perform reviews and reconsideration hearings; and
 - (7) The details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Vendor or any of its officers, directors, employees, agents or subcontractors of which the Offeror has knowledge, or a statement that there are none. The Agency reserves the right to reject a proposal solely on the basis of this information;
 - (8) Offeror's audited financial statements for the last three (3) years, or similar evidence of financial stability for the last three (3) years, including balance sheets, and profit and loss statements, any related notes, and an Auditor's Report;
 - (9) RFP Attachments A through K. All attachments must be signed by an individual authorized to bind the Offeror.
- (b) **Do not enter any cost information in the Technical Proposal.**

13.2 Cost Proposal

- (a) The Offeror's Signed Cost Proposal must be submitted in the format shown in RFP Attachment J. The Agency may reject a bid solely on the ground that the Offeror's Cost Proposal was not submitted in the prescribed format.
- (b) **Do not enter any technical information in the Cost Proposal.**

SECTION 14.0 EVALUATION OF PROPOSALS

14.1 Introduction

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

14.2 Evaluation Committee

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

14.3 Scoring

The Evaluation Committee will score the proposals using the scoring system shown in Table 15.3, below. The highest score that can be awarded to any proposal is 100 points.

Table 15.3: Scoring System

	Technical Evaluation Factor	Highest Possible Score	
Technical Proposal	Understanding of Statement of Work	20	
	Plan to accomplish RFP	20	
	Experience and Qualifications of the Offer and its staff References	30	
	Subtotal - Technical Proposal		70
Cost Proposal			30
Total Possible Score:			100

14.4 Evaluation Phases

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

- (1) Phase 1, Part 1: Staff from the Division Office of Contracting and Contract Monitoring will summarily review each proposal to determine whether the proposal was properly executed and timely submitted. All timely submitted proposals for which signed execution pages have been received as provided above will be forwarded to the Evaluation Committee for review. Proposals that are not forwarded to the Evaluation Committee are ineligible for contract award.
- (2) Phase 1, Part 2: Each member of the Evaluation Committee will read each technical proposal that has been forwarded to the Committee. The members of the Evaluation Committee will meet together and score each technical proposal, by consensus, on each of the technical evaluation factors shown in Table 15.3, above. Each proposal that receives a total technical score of 45 or

greater shall advance to Phase 2 of the evaluation. Proposals that do not attain a total technical score of 70 are ineligible for contract award, regardless of cost.

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

- (1) The State will evaluate each Cost Proposal for completeness and reasonableness. The State may reject a proposal if the Cost Proposal is incomplete or if it contains significant inconsistencies or inaccuracies. The State will determine low cost by normalizing the scores as follows:
- (2) The proposal with the lowest cost will receive a score of 30. All other competing proposals will be assigned a portion of the maximum score using the formula:

$$30 \times (\text{lowest cost proposal} / \text{cost proposal being evaluated})$$

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

- (1) The Offeror whose proposal is determined to be in the best interest of the State will be recommended as the successful Contractor. The Evaluation Committee will forward this Offeror's name to the DHHS Office of Procurement and Contract Services with documentation to justify the Committee's recommendation.
- (2) The DHHS Office of Procurement and Contract Services will review the Committee's recommendation and forward it (with a copy of the Technical and Cost Proposals) to the North Carolina Department of Administration, Division of Purchase and Contract for approval.
- (3) When the final approval is received, the State will notify the selected Offeror. If the State rejects all proposals, it will notify all Offerors. The State will post the award on the State website at <http://www.state.nc.us/PandC/>. The award will be posted under the applicable RFP number.
- (4) The Contract between the Division and the selected Offeror shall be effective as of the date on which DMA's authorized agent signs the Offeror's proposal. The selected Offeror shall perform no work for DMA before that date.

14.5 Oral Presentations & Clarifications

- (a) During its evaluation of the competing proposals, the Evaluation Committee may ask the Offerors to make oral presentations to the Committee regarding the contents of their Technical Proposals. These oral presentation(s) will be scheduled and conducted solely for the purpose of clarifying the information in the proposals. The Offerors may not use these presentations to submit new information that was not submitted in the proposals under review.
- (b) The Evaluation Committee may contact an Offeror during the evaluation period to obtain clarification regarding the Offeror's proposal.

ATTACHMENT A

Proposal Execution Page

Name of RFP: **Medicaid HCBS Quality Improvement Program**

By submitting this proposal, the Offeror certifies the following:

1. This proposal is signed by an authorized representative of the firm;
2. All labor costs, direct and indirect, have been determined and included in the proposed cost;
3. The Offeror has read and understands the terms and conditions set forth in this RFP and agrees to them without exception; and
4. The Offeror is registered in NC E-Procurement @ Your Service or agrees to register within two (2) days after notification of contract award. The E-Procurement Service fee does NOT apply to this RFP.

Name of Offeror : _____

Offeror's Street address: _____

City, State, Zip Code: _____

Offeror's Telephone No: _____ Offeror's FAX: _____

Offeror's E-Mail Address: _____

Principal Place of Business if different from above: _____

[The "Principal Place of Business" is the principal place from which the trade or business of the offeror is directed or managed.]

Will any of the work under this contract be performed outside the United States? ☐ Yes ☐ No

If "yes" is checked, explain answer in technical proposal.

Signature Date

Printed Name Title

ACCEPTANCE OF PROPOSAL BY DIVISION OF MEDICAL ASSISTANCE

Signature Date

Printed Name Title

THIS PAGE MUST BE SIGNED AND DATED AND SUBMITTED WITH YOUR PROPOSAL
Unsigned proposals will not be considered

ATTACHMENT A (continued)

FEDERAL EMPLOYER IDENTIFICATION NUMBER FORM

RFP 30-DMA-238-08 “NC ‘s Medicaid HCBS Quality Improvement Program”

Vendor Name: _____

Federal Employer Identification Number of alternate identification number (e.g., Social Security Number) is used for internal processing, including bid tabulation.

Enter ID number here: _____

Pursuant to N.C.G.S. 132-1.10(b) this identification number shall not be released to the public.

This page will be removed and shredded, or otherwise kept confidential, before the procurement file is made available for public inspection.

**THIS PAGE IS TO BE FILLED OUT AND RETURNED WITH YOUR BID.
FAILURE TO DO SO MAY SUBJECT YOUR BID TO REJECTION.**

ATTACHMENT B

North Carolina Department Of Health And Human Services Division Of Medical Assistance

Business Associate Agreement Request for Proposal ("RFP") No. _____

This Agreement is made by and between the Division of Medical Assistance ("DMA" or "Covered Entity") and the Offeror named at the end of this Agreement ("Offeror" or "Business Associate"). DMA and Offeror are collectively referred to hereinafter as the "Parties." This Agreement shall become effective only if the DMA awards a contract to Offeror pursuant to the above-referenced RFP. This Agreement shall become effective on, and terminate on, the same dates as said contract.

1. BACKGROUND

- (a) Offeror has submitted a proposal in response to the above-referenced Request for Proposals.
- (b) DMA is an organizational unit of the North Carolina Department of Health and Human Services that has been designated in whole or in part by the Department as a health care component ("Covered Component") for purposes of the HIPAA Privacy and Security Rules.
- (c) If DMA awards a contract to Offeror, the relationship between DMA and Offeror will be such that the Parties believe Offeror will be DMA's "business associate" of within the meaning of the HIPAA Privacy and Security Rules.
- (d) The Parties enter into this Business Associate Agreement with the intention of complying with the HIPAA Privacy and Security Rules provision that a covered entity may disclose electronic protected health information or other protected health information to a business associate, and may allow a business associate to create or receive electronic protected health information or other protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

2. DEFINITIONS

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

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

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

3. **OBLIGATIONS OF BUSINESS ASSOCIATE**

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

4. PERMITTED USES AND DISCLOSURES

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

5. TERM AND TERMINATION

- (a) Term. This Agreement shall be effective as of the effective date stated above and shall terminate when the Contract terminates.
- (b) Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
 - (1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and services provided by Business Associate, to the extent permissible by law, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
 - (2) Immediately terminate this Agreement and services provided by Business Associate, to the extent permissible by law; or
 - (3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy and Security Rules.

(c) Effect of Termination.

- (1) Except as provided in paragraph (2) of this section or in the Contract or by other applicable law or agreements, upon termination of this Agreement and services provided by Business Associate, for any reason, Business Associate shall return or destroy all electronic protected health information and other protected health information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to electronic protected health information and other protected health information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the electronic protected health information or other protected health information.
- (2) In the event that Business Associate determines that returning or destroying the electronic protected health information or other protected health information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this Agreement to such electronic protected health information and other protected health information and limit further uses and disclosures of such electronic protected health information and other protected health information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such electronic protected health information and other protected health information.

6. **GENERAL TERMS AND CONDITIONS**

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

Offeror's/Business Associate's Name

Signature

Date

Printed Name

Title

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

ATTACHMENT C

North Carolina Department Of Health And Human Services Division Of Medical Assistance

Certification of Financial Condition

Name of Offeror: _____

Name of RFP: _____

Date RFP Issued: _____

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

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

Date of latest audit: _____

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

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

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

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

If any one or more of the foregoing boxes is NOT checked, please explain the reason in the space below. Attach additional pages if necessary.

Signature

Date

Printed Name

Title

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

ATTACHMENT D

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

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

[Note: The phrase "prospective lower tier participant" means the Division's Contractor]

Instructions for Certification

1. By signing and submitting this document, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originate may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant will provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549, 45 CFR Part 76. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

Certification

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

Signature

Title

Agency/Organization

Date

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

ATTACHMENT E

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

Certification Regarding Lobbying

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

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

Signature

Title

Agency/Organization

Date

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

ATTACHMENT F
Disclosure Of Lobbying Activities
Approved by OMB 0344-0046

[Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352]

1. Type of Federal Action: ☐ a. contract ☐ b. grant ☐ c. cooperative agreement ☐ d. loan ☐ e. loan guarantee ☐ f. loan insurance	2. Status of Federal Action: ☐ a. Bid/offer/application ☐ b. initial award ☐ c. post-award	3. Report Type: ☐ a. initial filing ☐ b. material change For Material Change Only: year/quarter _____ date of last report _____
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4. Name and Address of Reporting Entity: ☐ Prime ☐ Subawardee Tier _____, if known: Congressional District, if known	5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, if known		
6. Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number, if applicable: _____		
8. Federal Action Number, if known:	9. Award Amount, if known: \$ _____		
10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI): (attach Continuation Sheet(s) SF-LLL-A, if necessary)	b. Individuals Performing Services (including address if different from No. 10a.) (last name, first name, MI): (attach Continuation Sheet(s) SF-LLL-A, if necessary)		
11. Amount of Payment (check all that apply): \$ _____ ☐ actual ☐ planned	13. Type of Payment (check all that apply): ☐ a. retainer ☐ b. one-time fee ☐ c. commission ☐ d. contingent fee ☐ e. deferred ☐ f. other; specify: _____		
12. Form of Payment (check all that apply): ☐ a. cash ☐ b. In-kind; specify: nature _____ value _____			
14. Brief Description of Services Performed or to be Performed and Date(s) of Services, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in Item 11: (attach Continuation Sheet(s) SF-LLL-A, if necessary)			
15. Continuation Sheet(s) SF-LLL-A attached: ☐ Yes ☐ No			
16. Information requested through this form is authorized by title 31 U. S. C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U. S. C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No: _____ Date: _____		
<table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">Federal Use Only</td> <td style="width: 40%; border: none; text-align: right;">Authorized for Local Reproduction Standard Form - LLL</td> </tr> </table>		Federal Use Only	Authorized for Local Reproduction Standard Form - LLL
Federal Use Only	Authorized for Local Reproduction Standard Form - LLL		

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

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

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal Identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant, or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10.
 - (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.
 - (b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.

13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

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

ATTACHMENT G

North Carolina Department Of Health And Human Services Division Of Medical Assistance

Certification Regarding Drug-Free Workplace Requirements

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

Street Address No. 1: _____

City, State, Zip Code: _____

Street Address No. 2: _____

City, State, Zip Code: _____

Street Address No. 3: _____

City, State, Zip Code: _____

Street Address No. 4: _____

City, State, Zip Code: _____

Street Address No. 5: _____

City, State, Zip Code: _____

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

Signature

Title

Agency/Organization

Date

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

ATTACHMENT H

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

Certification Regarding Environmental Tobacco Smoke

Certification for Contracts, Grants, Loans and Cooperative Agreements

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

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

Signature**Title**

Agency/Organization**Date**

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

Attachment I

NOTARIZED CONFLICT OF INTEREST POLICY

State of North Carolina

County of _____

I, _____, Notary Public for said County and State, certify that

_____ personally appeared before me this day and acknowledged

that he/she is _____ of _____
[enter name of entity]

and by that authority duly given and as the act of the Organization, affirmed that the foregoing Conflict of Interest Policy was adopted by the Board of Directors/Trustees or other governing body in a meeting held on the _____ day of _____, _____.

Sworn to and subscribed before me this _____ day of _____, _____.

(Official Seal)

Notary Public

My Commission expires _____, 20 ____

Instruction for Organization:

Sign and attach the following pages after adopted by the Board of Directors/Trustees or other governing body OR replace the following with the current adopted conflict of interest policy.

Name of Organization

Signature of Organization Official

Instructions: This document is intended as an aid to assist non-State entities in establishing a conflict of interest policy. It is not intended to be used verbatim, but rather to serve as a template for nongovernmental organizations as they craft their individual conflict of interest policy. This example includes definitions of what is considered unacceptable, and the consequences of any breaches thereof. Each organization that chooses to use this template should take care to make changes that reflect the individual organization.

Sample Conflict of Interest Policy

The Board of Directors/Trustees or other governing persons, officers, employees or agents are to avoid any conflict of interest, even the appearance of a conflict of interest. The Organization's Board of Directors/Trustees or other governing body, officers, staff and agents are obligated to always act in the best interest of the organization. This obligation requires that any Board member or other governing person, officer, employee or agent, in the performance of Organization duties, seek only the furtherance of the Organization mission. At all times, Board members or other governing persons, officers, employees or agents, are prohibited from using their job title, the Organization's name or property, for private profit or benefit.

- A. The Board members or other governing persons, officers, employees, or agents of the Organization should neither solicit nor accept gratuities, favors, or anything of monetary value from current or potential contractors/vendors, persons receiving benefits from the Organization or persons who may benefit from the actions of any Board member or other governing person, officer, employee or agent. This is not intended to preclude bona-fide Organization fund raising-activities.
- B. A Board or other governing body member may, with the approval of Board or other governing body, receive honoraria for lectures and other such activities while not acting in any official capacity for the Organization. Officers may, with the approval of the Board or other governing body, receive honoraria for lectures and other such activities while on personal days, compensatory time, annual leave, or leave without pay. Employees may, with the prior written approval of their supervisor, receive honoraria for lectures and other such activities while on personal days, compensatory time, annual leave, or leave without pay. If a Board or other governing body member, officer, employee or agent is acting in any official capacity, honoraria received in connection with activities relating to the Organization are to be paid to the Organization.
- C. No Board member or other governing person, officer, employee, or agent of the Organization shall participate in the selection, award, or administration of a purchase or contract with a vendor where, to his knowledge, any of the following has a financial interest in that purchase or contract:
 - 1. The Board member or other governing person, officer, employee, or agent;
 - 2. Any member of their family by whole or half blood, step or personal relationship or relative-in-law;
 - 3. An organization in which any of the above is an officer, director, or employee;
 - 4. A person or organization with whom any of the above individuals is negotiating or has any arrangement concerning prospective employment or contracts.
- D. **Duty to Disclosure:** Any conflict of interest, potential conflict of interest, or the appearance of a conflict of interest is to be reported to the Board or other governing body or one's supervisor immediately.
- E. **Board Action:** When a conflict of interest is relevant to a matter requiring action by the Board of Directors/Trustees or other governing body, the Board member or other governing person, officer, employee, or agent (person(s)) must disclose the existence of the conflict of interest and be given the opportunity to disclose all material facts to the Board and members of committees with governing board delegated powers considering the possible conflict of interest. After disclosure of all material facts, and after any discussion with the person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

In addition, the person(s) shall not participate in the final deliberation or decision regarding the matter under consideration and shall leave the meeting during the discussion of and vote of the Board of Directors/Trustees or other governing body.

- F. Violations of the Conflicts of Interest Policy:** If the Board of Directors/Trustees or other governing body has reasonable cause to believe a member, officer, employee or agent has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Board of Directors/Trustees or other governing body determines the member, officer, employee or agent has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.
- G. Record of Conflict:** The minutes of the governing board and all committees with board delegated powers shall contain:
1. The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
 2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement that presents a possible conflict of interest, the content of the discussion, including any alternatives to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Approved by:

Name of Organization

Signature

Title

Agency/Organization

Date

ATTACHMENT J

COST PROPOSAL

Name of RFP: _____

Name of Offeror: _____

The above-named Offeror hereby offers to provide all of the services described in the above-named RFP pursuant to the terms and conditions specified in that RFP as detailed below:

Cost Item	Cost	Unit
Web-Based Reports	\$	per page
On-Site Quality and Compliance Reviews	\$	per review
In-Home Program Recipient Assessment and Satisfaction Survey	\$	per visit
Regional Training Programs	\$	per session
Online training programs	\$	per program

Signature **Date**

Printed Name **Title**

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

Instructions

1. Enter your Cost Proposal on this form. Do not use any other form.
2. The cost to the State quoted above must cover all of the Offeror's costs. No other payments will be made by the State for the services rendered.
3. All prices shall be firm and fixed for the life of the contract.
4. Any proposal that is incomplete or in which there are significant inconsistencies or inaccuracies will be rejected by the State.
5. At the option of the State, Offerors may be contacted for clarification purposes during the evaluation period.

ATTACHMENT K

Administrative Rule Governing Award Protests

01 NCAC 05B .1519 PROTEST PROCEDURES

- (a) To insure fairness to all offerors and to promote open competition, agencies and the Division of Purchase and Contract shall actively follow-up and be consistent in responding to an offeror's protest over contract awards.
- (b) This Rule applies only to contracts with an actual or estimated dollar value over ten thousand dollars (\$10,000). Agencies may establish procedures to handle an offeror's concerns for contracts with less dollar value.
- (c) When an offeror wants to protest a contract awarded by an agency over ten thousand dollars (\$10,000) in value, the agency and the offeror shall comply with the following:
 - (1) The offeror shall submit a written request for a protest meeting to the agency's executive officer which shall be received by the agency's executive officer's office within 30 consecutive calendar days from the date of the contract award. The executive officer shall furnish a copy of this letter to the SPO within five consecutive calendar days of receipt. The offeror's letter shall contain specific reasons and any supporting documentation for why it has a concern with the award. If the letter does not contain this information, or if the executive officer determines that a meeting would serve no purpose, then the executive officer may, within 10 consecutive calendar days from the date of receipt of the letter, respond in writing to the offeror and refuse the protest meeting request. A copy of the executive officer's letter shall be forwarded to the SPO.
 - (2) If the protest meeting is granted, the executive officer shall attempt to schedule the meeting within 30 consecutive calendar days after receipt of the letter, or as soon as possible thereafter. Within 10 consecutive calendar days from the date of the protest meeting, the executive officer shall respond to the offeror in writing with the executive officer's decision. A copy of the executive officer's letter shall be forwarded to the SPO.
 - (3) The agency shall notify the SPO in writing of any further administrative or judicial review of the contract award.
 - (4) The executive officer may appoint a designee to act on the executive officer's behalf under this Rule.
- (d) When an offeror wants to protest a contract awarded by the Secretary over ten thousand dollars (\$10,000) in value, the SPO and the offeror shall comply with the following:
 - (1) The offeror shall submit a written request for a protest meeting to the SPO which shall be received by the Division within 30 consecutive calendar days from the date of the contract award. The offeror's letter shall contain specific reasons and any supporting documentation for why it has a concern with the award. If the letter does not contain this information, or if the SPO determines that a meeting would serve no purpose, then the SPO may, within 10 consecutive calendar days from the date of receipt of the letter, respond in writing to the offeror and refuse the protest meeting request.
 - (2) If the protest meeting is granted, the SPO shall attempt to schedule the meeting within 30 consecutive calendar days after receipt of the letter, or as soon as possible thereafter. Within 10 consecutive calendar days from the date of the protest meeting, the SPO shall respond to the offeror in writing with the SPO's decision.

*History Note: Authority G.S. 150B-2; 150B-22; 150B-23; 143-53;
Eff. February 1, 1996;
Temporary Amendment Eff. February 15, 1998;
Amended Eff. April 1, 1999.*