Contract Routing Number 3211-0173

STATE OF COLORADO
Department of Health Care Policy and Financing
Contract with
Colorado Access
For Region 5 Regional Care Collaborative Organization for the Accountable Care Collaborative Program

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1. PARTIES

This Contract (hereinafter called "**Contract**") is entered into by and between Colorado Access, 10065 E. Harvard Avenue, Suite 600, Denver, Colorado 80231 (hereinafter called "**Contractor**"), and the STATE OF COLORADO acting by and through the

Department of Health Care Policy and Financing, 1570 Grant Street, Denver, Colorado 80203 (hereinafter called the "**State**" or "**Department**"). Contractor and the State hereby agree to the following terms and conditions.

2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY

This Contract shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date"). The State shall not be liable to pay or reimburse Contractor for any performance hereunder including, but not limited to, costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

3. RECITALS

A. Authority, Appropriation, and Approval

Authority to enter into this Contract exists in the Colorado Medical Assistance Act (Section 25.5-4-104, et seq. C.R.S.) and Title XIX of the Social Security Act and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

B. Consideration

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Contract.

C. Purpose

The purpose of this Contract is for the Contractor to act as a Regional Collaborative Care Organization for the Department in Region 3, as that region is defined in **Exhibit A,** Statement of Work. Contractor's offer, submitted in response to RFP Number HCPFKQ1102RCCO, was selected by the State.

D. References

All references in this Contract to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

A. "**Contract**" means this Contract, its terms and conditions, attached addenda, exhibits, documents incorporated by reference under the terms of this Contract, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to Colorado State law, Fiscal Rules, and State Controller Policies.

B. **Exhibits and other Attachments**: The following documents are attached hereto and incorporated by reference herein:

HIPAA Business Associate Addendum
Exhibit A, Statement of Work
Exhibit B, PCMP Requirements
Exhibit C, Member Rights and Protections
Exhibit D, Eligible Member Categories

C. **"Goods**" means tangible material acquired, produced, or delivered by Contractor either separately or in conjunction with the Services Contractor renders hereunder.

D. "**Party**" means the State or Contractor and Parties means both the State and Contractor.

E. "**Review**" means examining Contractor's Work to ensure that it is adequate, accurate, correct and in accordance with the standards described in this Contract.

F. "**Services**" means the required services to be performed by Contractor pursuant to this Contract.

G. "**Subcontractor**" means third parties, if any, engaged by Contractor to aid in performance of its obligations.

H. "**Work**" means the tasks and activities Contractor is required to perform to fulfill its obligations under this Contract, including the performance of the Services and delivery of the Goods.

I. "**Work Product**" means the tangible or intangible results of Contractor's Work, including, but not limited to, software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts.

5. TERM AND EARLY TERMINATION

A. Initial Term-Work Commencement

The Parties' respective performances under this Contract shall commence on the

the Effective Date. This Contract shall expire on June 30, 2012, unless sooner terminated or further extended as specified elsewhere herein.

B. Two Month Extension

The State, at its sole discretion, upon written notice to Contractor as provided in **§16,** may unilaterally extend the term of this Contract for a period not to exceed two months if the Parties desire to continue the services and a replacement Contract has not been fully executed by the expiration of any initial term or renewal term. The provisions of this Contract in effect when such notice is given, including, but not limited to, prices, rates and delivery requirements, shall remain in effect during the two month extension. The two month extension shall immediately terminate when and if a replacement contract is approved and signed by the Colorado State Controller or an authorized designee, or at the end of two months, whichever is earlier.

C. Extension Amendments

The State may require continued performance for a period of one year at the same rates and same terms specified in the Contract, unless modified by the extension amendment. Such extension shall be made by contract amendment. An extension amendment is not effective until approved and signed by the Colorado State Controller or an authorized designee. The extended contract shall be considered to include this renewal provision. The total duration of this Contract, including any extension amendments under this clause, shall not exceed five (5) years.

6. STATEMENT OF WORK

A. Completion

Contractor shall complete the Work and its other obligations as described in this Contract on or before the end of the term of this Contract . The State shall not be liable to compensate Contractor for any Work performed prior to the Effective Date or after the expiration or termination of this Contract.

B. Goods and Services

Contractor shall procure Goods and Services necessary to complete the Work. Such procurement shall not increase the maximum amount payable hereunder by the State.

C. Independent Contractor

All persons employed by Contractor or Subcontractors to perform Work under this Contract shall be Contractor's or Subcontractors' employee(s) for all

purposes hereunder and shall not be employees of the State for any purpose as a result of this Contract.

7. PAYMENTS TO CONTRACTOR

The State shall, in accordance with the provisions of this **§ 7** and **Exhibit A**, Statement of Work, pay Contractor in the amounts and using the methods set forth below:

A. Payment

In accordance with and subject to Section 9.0 of **Exhibit A**, the State shall pay Contractor for all earned Per Member Per Month payments and incentive payments.

B. Interest

The State shall not pay interest on any amounts due to Contractor hereunder.

C. Available Funds-Contingency-Termination

The State is prohibited by law from making commitments beyond the term of the State's current fiscal year. Therefore, Contractor's compensation beyond the State's current fiscal year is contingent upon the continuing availability of State appropriations as provided in the Colorado Special Provisions, set forth below. If federal funds are used to fund this Contract, in whole or in part, the State's performance hereunder is contingent upon the continuing availability of such funds. Payments pursuant to this Contract shall be made only from available funds and the State's liability for such payments shall be limited to the amount remaining of such available funds. If State or federal funds are not appropriated, or otherwise become unavailable to fund this Contract, the State may terminate this Contract immediately, in whole or in part, without further liability notwithstanding any notice and cure period in § 14.B.

D. Erroneous Payments

At the State's sole discretion, payments made to Contractor in error for any reason, including, but not limited to, overpayments or improper payments, may be recovered from Contractor by deduction from subsequent payments under this Contract or other contracts, grants or agreements between the State and Contractor or by other appropriate methods and collected as a debt due to the State. Such funds shall not be paid to any party other than the State.

8. REPORTING – NOTIFICATION

Reports required under this Contract shall be in accordance with the procedures and in such form as prescribed by the State.

A. Quarterly Reports

Unless otherwise provided, in contracts having a performance term longer than three (3) months, the Contractor shall submit, on a quarterly basis, a written program report specifying progress made for each activity identified in the Contractor's duties and obligations. Such written analysis shall be in accordance with the procedures developed and prescribed by the State. Required reports shall be submitted to the State not later than the end of each calendar quarter, or at such time as otherwise specified.

B. Litigation Reporting

Within ten (10) days after being served with any pleading in a legal action filed with a court or administrative agency, related to this Contract or which may affect Contractor's ability to perform its obligations hereunder, Contractor shall notify the State of such action and deliver copies of such pleadings to the State's principal representative as identified herein. If the State's principal representative is not then serving, such notice and copies shall be delivered to the Executive Director of the Department.

C. Noncompliance

Contractor's failure to provide reports and notify the State in a timely manner in accordance with this **§ 8** may result in the delay of payment of funds and/or termination as provided under this Contract.

9. CONTRACTOR RECORDS

A. Maintenance

Contractor shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files and electronic communications, pertaining in any manner to the Work or the delivery of Services or Goods hereunder. Contractor shall maintain such records until the last to occur of: **(i)** a period of six (6) years after the date this Contract expires or is sooner terminated, or **(ii)** a period of six (6) years after final payment is made hereunder, or **(iii)** a period of six (6) years after the resolution of any pending Contract matters, or **(iv)** if an audit is occuring, or Contractor has received notice that an audit is pending, until such audit has been completed and its findings have been resolved (collectively, the "Record Retention Period"). The State shall have access to all such records, documents, communications and other materials which shall be maintained by the Contractor in a central location.

B. Inspection

Contractor shall permit the State, the federal government and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and/or transcribe Contractor's records related to this Contract during the Record Retention Period, to assure compliance with the terms hereof or to evaluate performance hereunder. The State reserves the right to inspect the Work at all reasonable times and places during the term of this Contract, including any extensions or renewals. If the Work fails to conform with the requirements of this Contract, the State may require Contractor promptly to bring the Work into conformity with Contract requirements, at Contractor's sole expense. If the Work cannot be brought into conformance by re-performance or other corrective measures, the State may require Contractor to take necessary action to ensure that future performance conforms to Contract requirements and exercise the remedies available under this Contract, at law or in equity, in lieu of or in conjunction with such corrective measures.

C. Monitoring

Contractor shall permit the State, the federal government and any other duly authorized agent of a government agency, in their sole discretion, to monitor all activities conducted by Contractor pursuant to the terms of this Contract using any reasonable procedure, including, but not limited to: internal evaluation procedures, examination of program data, special analyses, on-site checking, formal audit examinations, or any other procedure. All monitoring controlled by the State shall be performed in a manner that shall not unduly interfere with Contractor's performance hereunder.

D. Final Audit Report

If an audit is performed on Contractor's records for any fiscal year covering a portion of the term of this Contract, Contractor shall submit a copy of the final audit report to the State or its principal representative at the address specified herein.

10. CONFIDENTIAL INFORMATION

Contractor shall comply with the provisions of this **§ 10** if it becomes privy to confidential information in connection with its performance hereunder. Confidential information includes, but is not necessarily limited to, any state records, personnel records, and information concerning individuals. Such information shall not include information required to be disclosed pursuant to the Colorado Open Records Act, CRS §24-72-101, *et seq*.

A. Confidentiality

Contractor shall keep all State records and information confidential at all times and comply with all laws and regulations concerning confidentiality of information. Any request or demand by a third party for State records and information in the possession of Contractor shall be immediately forwarded to the State's principal representative.

B. Health Insurance Portability & Accountability Act of 1996 ("HIPAA")

i. Federal Law and Regulations

Pursuant to federal law and regulations governing the privacy of certain health information, the Contractor, to the extent applicable, shall comply with the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. § 1320d – 1320d-8 ("HIPAA") and its implementing regulations promulgated by the U.S. Department of Health and Human Services, 45 C.F.R. Parts 160 and 164 (the "Privacy Rule") and other applicable laws, as amended.

ii. Business Associate Contract

Federal law and regulations governing the privacy of certain health information requires a "Business Associate Contract" between the State and the Contractor. 45 C.F.R. Section 164.504(e). Attached and incorporated herein by reference and agreed to by the parties is a HIPAA Business Associate Addendum ("Addendum") for HIPAA compliance. Terms of the Addendum shall be considered binding upon execution of this Contract and shall remain in effect during the term of the Contract including any extensions.

iii. Confidentiality of Records

Whether or not an Addendum is attached to this Contract, the Contractor shall protect the confidentiality of all records and other materials containing personally identifying information that are maintained in accordance with the Contract and comply with HIPAA rules and regulations. Except as provided by law, no information in possession of the Contractor about any individual constituent shall be disclosed in a form including identifying information without the prior written consent of the person in interest, a minor's parent, or guardian. The Contractor shall have written policies governing access to, duplication and dissemination of, all such information. The Contractor shall advise its employees, agents and subcontractors, if any, that they are subject to these confidentiality requirements. The Contractor shall provide its employees, agents and subcontractors, if any, with a copy or written explanation of

these confidentiality requirements before access to confidential data is permitted. No confidentiality requirements contained in this Contract shall negate or supersede the provisions of the federal Health Insurance Portability and Accountability Act of 1996.

C. Notification

Contractor shall notify its agents, employees, Subcontractors and assigns who may come into contact with State records or other confidential information that each is subject to the confidentiality requirements set forth herein, and shall provide each with a written explanation of such requirements before permitting them to access such records and information.

D. Use, Security, and Retention

Confidential information of any kind shall not be distributed or sold to any third party or used by Contractor or its agents in any way, except as authorized by this Contract or approved in writing by the State. Contractor shall provide and maintain a secure environment that ensures confidentiality of all State records and other confidential information wherever located. Confidential information shall not be retained in any files or otherwise by Contractor or its agents, except as permitted in this Contract or approved in writing by the State.

E. Disclosure-Liability

Disclosure of State records or other confidential information by Contractor for any reason may be cause for legal action by third parties against Contractor, the State or their respective agents. Contractor shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Contractor, or its employees, agents, Subcontractors, or assignees pursuant to this **§ 10.**

11. CONFLICTS OF INTEREST

A. Contractor shall not engage in any business or personal activities or practices or maintain any relationships which conflict in any way with the full performance of Contractor's obligations hereunder. Contractor acknowledges that with respect to this Contract, even the appearance of a conflict of interest is harmful to the State's interests. Absent the State's prior written approval, Contractor shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Contractor's obligations to the State hereunder. If a conflict or appearance exists, or if Contractor is uncertain whether a conflict or the appearance of a conflict of interest exists, Contractor shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the

State's direction in regard to the apparent conflict constitutes a breach of this Contract.

B. The Contractor (and Subcontractors or subgrantees permitted under the terms of this Contract) shall maintain a written code of standards governing the performance of its employees engaged in the award and administration of contracts. No employee, officer or agent of the Contractor, Subcontractor or subgrantee shall participate in the selection, or in the award or administration of a contract or subcontract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

i. The employee, officer or agent;
ii. Any member of the employee's immediate family;
iii. The employee's partner; or
iv. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The Contractor's, Subcontractor's, or subgrantee's officers, employees, or agents will neither solicit nor accept gratuities, favors, or anything of monetary value from Contractors, potential Contractors, or parties to subagreements.

12. REPRESENTATIONS AND WARRANTIES

Contractor makes the following specific representations and warranties, each of which was relied on by the State in entering into this Contract.

A. Standard and Manner of Performance

Contractor shall perform its obligations hereunder in accordance with the highest standards of care, skill and diligence in Contractor's industry, trade, or profession and in the sequence and manner set forth in this Contract.

B. Legal Authority – Contractor Signatory

Contractor warrants that it possesses the legal authority to enter into this Contract and that it has taken all actions required by its procedures, and bylaws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Contract, or any part thereof, and to bind Contractor to its terms. If requested by the State, Contractor shall provide the State with proof of Contractor's authority to enter into this Contract within five (5) days of receiving such request.

C. Licenses, Permits, Etc.

Contractor represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it shall have and maintain, at its sole expense, all

licenses, certifications, approvals, insurance, permits and other authorizations required by law to perform its obligations hereunder. Contractor warrants that it shall maintain all necessary licenses, certifications, approvals, insurance, permits, and other authorizations required to properly perform this Contract, without reimbursement by the State or other adjustment in the Contract. Additionally, all employees, agents, and Subcontractors of Contractor performing Services under this Contract shall hold all required licenses or certifications, if any, to perform their responsibilities. Contractor, if a foreign corporation or other foreign entity transacting business in the State of Colorado, further warrants that it currently has obtained and shall maintain any applicable certificate of authority to transact business in the State of Colorado and has designated a registered agent in Colorado to accept service of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Contractor to properly perform the terms of this Contract is a material breach by Contractor and constitutes grounds for termination of this Contract.

13. INSURANCE

Contractor and its Subcontractors shall obtain and maintain insurance as specified in this section at all times during the term of this Contract. All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Contractor and the State.

A. Contractor

i. Public Entities

If Contractor is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, *et seq*., as amended (the "GIA"), then Contractor shall maintain at all times during the term of this Contract such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Contractor shall show proof of such insurance satisfactory to the State, if requested by the State. Contractor shall require each contract with a Subcontractor that is a public entity, to include the insurance requirements necessary to meet such Subcontractor's liabilities under the GIA.

ii. Non-Public Entities

If Contractor is not a "public entity" within the meaning of the GIA, Contractor shall obtain and maintain during the term of this Contract insurance coverage and policies meeting the requirements set forth in **§ 13.B**.

B. Contractors – Subcontractors

Contractor shall require each contract with Subcontractors other than those that are public entities, providing Goods or Services in connection with this Contract, to include insurance requirements substantially similar to the following:

i. Worker's Compensation

Worker's Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Contractor's or Subcontractor's employees acting within the course and scope of their employment.

ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

a. $1,000,000 each occurrence;
b. $1,000,000 general aggregate;
c. $1,000,000 products and completed operations aggregate; and
d. $50,000 any one fire.

If any aggregate limit is reduced below $1,000,000 because of claims made or paid, Subcontractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Contractor a certificate or other document satisfactory to Contractor showing compliance with this provision.

iii. Automobile Liability

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of $1,000,000 each accident combined single limit.

iv. Additional Insured

The State shall be named as additional insured on all Commercial General Liability policy (leases and construction contracts require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent) required of Contractor and any Subcontractors hereunder.

v. Primacy of Coverage

Coverage required of Contractor and Subcontractor shall be primary over any insurance or self-insurance program carried by Contractor or the State.

vi. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least thirty (30) days prior notice to Contractor and the State by certified mail and in accordance with **§ 16**.

vii. Subrogation Waiver

All insurance policies in any way related to this Contract and secured and maintained by Contractor or its Subcontractors as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

C. Certificates

Contractor and all Subcontractors shall provide certificates showing insurance coverage required hereunder to the State within seven (7) business days of the Effective Date of this Contract. No later than fifteen (15) days prior to the expiration date of any such coverage, Contractor and each Subcontractor shall deliver to the State or Contractor certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Contract or any subcontract, Contractor and each Subcontractor shall, within ten (10) days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this **§ 13**.

14. BREACH

A. Defined

In addition to any breaches specified in other sections of this Contract, the failure of the Contractor to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner, constitutes a breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within twenty (20) days after the institution or occurrence thereof, shall also constitute a breach.

B. Notice and Cure Period

In the event of a breach, the State shall notify the Contractor of such in writing in the manner provided in **§ 16**. If such breach is not cured within ten (10) days of receipt of written notice, the State may exercise any of the remedies set forth in **§ 15**. Notwithstanding anything to the contrary herein, the State, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Contract in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis.

15. REMEDIES

A. Termination for Cause and/or Breach

If Contractor is in breach under any provision of this Contract, the State shall have all of the remedies listed in this **§ 15** in addition to all other remedies set forth in other sections of this Contract, and without limiting its remedies otherwise available at law or equity, following the notice and cure period set forth in **§ 14.B**. Remedies are cumulative and the State may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively. The State may terminate this entire Contract or any part of this Contract. Exercise by the State of this right shall not be a breach of its obligations hereunder.

i. Obligations and Rights

To the extent specified in any termination notice, Contractor shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Contractor shall complete and deliver to the State all Work, Services and Goods not cancelled by the termination notice. Contractor shall continue performance of this Contract up to the effective date of the termination. To the extent the Contract is not terminated, if any, Contractor shall continue performance until the expiration of this Contract. At the sole discretion of the State, Contractor shall assign to the State all of Contractor's right, title, and interest under such terminated orders or subcontracts. Upon termination, Contractor shall take timely, reasonable and necessary action to protect and preserve property in the possession of Contractor in which the State has an interest. All materials owned by the State in the possession of Contractor shall be immediately returned to the State. All Work Product, at the option of the State, shall be delivered by Contractor to the State and shall become the State’s property. The Contractor shall be obligated to return any payment advanced under the provisions of this Contract.

ii. Payments

The State shall reimburse Contractor only for accepted performance up to the effective date of the termination. If, after termination by the State, it is determined that Contractor was not in breach or that Contractor's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Contract had been terminated in the public interest, as described herein.

iii. Damages and Withholding

Notwithstanding any other remedial action by the State, Contractor shall remain liable to the State for any damages sustained by the State by virtue of any breach under this Contract by Contractor and the State may withhold any payment to Contractor for the purpose of mitigating the State's damages, until such time as the exact amount of damages due to the State from Contractor is determined. The State may withhold any amount that may be due Contractor as the State deems necessary to protect the State against loss, including loss as a result of outstanding liens, claims of former lien holders, or for the excess costs incurred in procuring similar goods or services. Contractor shall be liable for excess costs incurred by the State in procuring from third parties replacement Work, Services or substitute Goods as cover.

B. Early Termination in the Public Interest

The State is entering into this Contract for the purpose of carrying out the public policy of the State of Colorado, as determined by its Governor, General Assembly, and/or courts. If this Contract ceases to further the public policy of the State, the State, in its sole discretion, may terminate this Contract, in whole or in part. Exercise by the State of this right shall not constitute a breach of the State's obligations hereunder. This subsection shall not apply to a termination of this Contract by the State for cause or breach by Contractor, which shall be governed by **§ 15.A** or as otherwise specifically provided for herein.

i. Method and Content

The State shall notify Contractor of such termination in accordance with **§16.** The notice shall specify the effective date of the termination, which shall be at least sixty (60) days, and whether it affects all or a portion of this Contract.

ii. Obligations and Rights

Upon receipt of a termination notice, Contractor shall be subject to and

comply with the same obligations and rights set forth in **§ 15.A.i**.

iii. Payments

If this Contract is terminated by the State pursuant to this **§ 15.B**, Contractor shall be paid an amount which bears the same ratio to the total reimbursement under this Contract as Contractor's obligations that were satisfactorily performed bear to the total obligations set forth in this Contract, less payments previously made. Additionally, if this Contract is less than 60% completed upon the effective date of such termination, the State may reimburse Contractor for a portion of actual out-of-pocket expenses (not otherwise reimbursed under this Contract) incurred by Contractor prior to the effective date of the termination in the public interest which are directly attributable to the uncompleted portion of Contractor's obligations hereunder; provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Contractor hereunder.

C. Remedies

The State, in its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to it:

i. Suspend Performance

Suspend Contractor's performance with respect to all or any portion of this Contract pending necessary corrective action as specified by the State without entitling Contractor to an adjustment in price/cost or performance schedule. Contractor shall promptly cease performance of such portions of the contract.

ii. Withhold Payment

Withhold payment to Contractor until Contractor's performance or corrections in Contractor's performance are satisfactorily made and completed.

iii. Deny/Reduce Payment

Deny payment for those obligations not performed in conformance with Contract requirements, that due to Contractor's actions or inactions, cannot be performed or, if performed, would be of no value to the State; provided, that any denial or reduction of payment shall be reasonably related to the value to the State of the obligations not performed.

iv. Removal

The State may request the removal from work on the Contract of any of Contractor's employees, agents, or Subcontractors whom the State justifies as being incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to this Contract is deemed to be contrary to the public interest or the State's best interest. For any requested removal of Contractor's employees, agents or Subcontractors, the State shall provide written notice to Contractor identifying each element of dissatisfaction and Contractor shall have ten (10) business days from receipt of such written notice to provide the State with a written action plan to remedy each stated point of dissatisfaction. Contractor's written action plan may or may not include the removal of employees, agents or Sucontractors from work on the Contract.

v. Intellectual Property

If Contractor infringes on a patent, copyright, trademark, trade secret or other intellectual property right while performing its obligations under this Contract, Contractor shall, at the State's option:

a. Obtain for the State or Contractor the right to use such products and services;

b. Replace any Goods, Services, or other product involved with non-infringing products or modify them so that they become non-infringing; or,

c. If neither of the foregoing alternatives are reasonably available, remove any infringing Goods, Services, or products and refund the price paid therefore to the State.

16. NOTICES AND REPRESENTATIVES

Each individual identified below is the principal representative of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not in lieu of, a hard-copy notice, notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

For the State:

Sarah Roberts
Department of Health Care Policy and Financing
1570 Grant Street

Denver, Colorado 80203
Sarah.roberts@state.co.

For the Contractor:

Marshal Thomas MD
Colorado Access
10065 E. Harvard Avenue
Suite 600
Denver, Colorado 80231
Marshall.thomas@coaccess.com

17. RIGHTS IN DATA, DOCUMENTS, AND COMPUTER SOFTWARE

Any software, research, reports, studies, data, photographs, negatives or other documents, drawings, models, materials, or Work Product of any type, including drafts, prepared by Contractor in the performance of its obligations under this Contract shall be the exclusive property of the State, and all Work Product shall be delivered to the State by Contractor upon completion or termination hereof. The State's exclusive rights in such Work Product shall include, but not be limited to, the right to copy, publish, display, transfer, and prepare derivative works. Contractor shall not use, willingly allow, cause or permit such Work Product to be used for any purpose other than the performance of Contractor's obligations hereunder without the prior written consent of the State.

18. GOVERNMENTAL IMMUNITY

Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Colorado Governmental Immunity Act, CRS §24-10-101, *et seq.*, and the risk management statutes, CRS §24-30-1501, *et seq.*, as now or hereafter amended.

19. NOT USED

20. GENERAL PROVISIONS

A. Assignment and Subcontracts

Contractor's rights and obligations hereunder are personal and may not be transferred, assigned or subcontracted without the prior, written consent of the State. Any attempt at assignment, transfer or subcontracting without such consent shall be void. All assignments, subcontracts, or Subcontractors are subject to all of the provisions hereof. Contractor shall be solely responsible for all of the Work performed under this Contract, regardless of whether Subcontractors are used and for all aspects of subcontracting arrangements and performance. Copies of any and all subcontracts entered into by Contractor to perform its obligations hereunder shall be in writing and submitted to the State upon request. Any and all subcontracts entered into by Contractor related to its performance hereunder shall

require the Subcontractor to perform in accordance with the terms and conditions of this Contract and to comply with all applicable federal and state laws. Any and all subcontracts shall include a provision that such subcontracts are governed by the laws of the State of Colorado.

B. Binding Effect

Except as otherwise provided in **§20.A**, all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.

C. Captions

The captions and headings in this Contract are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

D. Counterparts

This Contract may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

E. Entire Understanding

This Contract represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.

F. Indemnification

Contractor shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Contractor, or its employees, agents, Subcontractors, or assignees pursuant to the terms of this Contract; however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 *et seq.*, or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

G. Jurisdiction and Venue

All suits or actions related to this Contract shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

H. Modification

i. By the Parties

Except as specifically provided in this Contract, modifications of this Contract shall not be effective unless agreed to in writing by the Parties in an amendment to this Contract, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Contract, other than contract amendments, shall conform to the policies of the Office of the State Controller, including, but not limited to, the policy entitled MODIFICATIONS OF CONTRACTS - TOOLS AND FORMS.

ii. By Operation of Law

This Contract is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Contract on the effective date of such change, as if fully set forth herein.

I. Order of Precedence

The provisions of this Contract shall govern the relationship of the State and Contractor. In the event of conflicts or inconsistencies between this Contract and its exhibits and attachments, including, but not limited to, those provided by Contractor, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

i. Colorado Special Provisions
ii. HIPAA Business Associate Addendum
iii. The provisions of the main body of this Contract
iv. **Exhibit A**, Statement of Work
v. **Exhibit B**, PCMP Requirements
vi. **Exhibit C**, Member Rights and Protections
vii. **Exhibit D**, Eligible Member Categories

J. Severability

Provided this Contract can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

K. Survival of Certain Contract Terms

Notwithstanding anything herein to the contrary, provisions of this Contract requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the State if Contractor fails to perform or comply as required.

L. Taxes

The State is exempt from all federal excise taxes under IRC Chapter 32 (No. 84-730123K) and from all State and local government sales and use taxes under CRS §§39-26-101 and 201, *et seq*. Such exemptions apply when materials are purchased or services are rendered to benefit the State; provided, however, that certain political subdivisions (e.g., City of Denver) may require payment of sales or use taxes even though the product or service is provided to the State. Contractor shall be solely liable for paying such taxes as the State is prohibited from paying or reimbursing Contractor for such taxes.

M. Third Party Beneficiaries

Enforcement of this Contract and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Contract are incidental to the Contract, and do not create any rights for such third parties.

N. Waiver

Waiver of any breach under a term, provision, or requirement of this Contract, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

21. ADDITIONAL GENERAL PROVISIONS

A. Compliance With Applicable Law

The Contractor shall at all times during the execution of this Contract strictly adhere to, and comply with, all applicable federal and state laws, and their implementing regulations, as they currently exist and may hereafter be amended, which are incorporated herein by this reference as terms and conditions of this Contract. The Contractor shall also require compliance with these statutes and regulations in subcontracts and subgrants permitted under this contract. The federal laws and regulations include:

Age Discrimination Act of 1975, as amended	42 U.S.C. 6101, *et seq.*
Age Discrimination in Employment Act of 1967	29 U.S.C. 621-634

Americans with Disabilities Act of 1990 (ADA)	42 U.S.C. 12101, *et seq.*
Clean Air Act	42 U.S.C. 7401, *et seq*.
Equal Employment Opportunity	E.O. 11246, as amended by E.O. 11375, amending E.O. 11246 and as supplemented by 41 CFR Part 60
Equal Pay Act of 1963	29 U.S.C. 206(d)
Federal Water Pollution Control Act, as amended	33 U.S.C. 1251, *et seq*.
Immigration Reform and Control Act of 1986	8 U.S.C. 1324b
Section 504 of the Rehabilitation Act of 1973, as amended	29 U.S.C. 794
Title VI of the Civil Rights Act of 1964, as amended	42 U.S.C. 2000d, *et seq*.
Title VII of the Civil Rights Act of 1964	42 U.S.C. 2000e
Title IX of the Education Amendments of 1972, as amended	20 U.S.C. 1681

State laws include:

Civil Rights Division	Section 24-34-301, CRS, *et seq*.

The Contractor also shall comply with any and all laws and regulations prohibiting discrimination in the specific program(s) which is/are the subject of this Contract. In consideration of and for the purpose of obtaining any and all federal and/or state financial assistance, the Contractor makes the following assurances, upon which the State relies.

i. The Contractor will not discriminate against any person on the basis of race, color, national origin, age, sex, religion or handicap, including Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions, in performance of Work under this Contract.

ii. At all times during the performance of this Contract, no qualified individual with a disability shall, by reason of such disability, be excluded from participation in, or denied benefits of the service, programs, or activities performed by the Contractor, or be subjected to any discrimination by the Contractor.

The Contractor shall take all necessary affirmative steps, as required by 45 CFR 92.36(e), Colorado Executive Order and Procurement Rules, to assure that small and minority businesses and women's business enterprises are used, when possible, as sources of supplies, equipment, construction, and services purchased under this Contract.

B. Federal Audit Provisions

Office of Management and Budget (OMB) Circular No. A-133 Audits of States, Local Governments, and Non-Profit Organizations defines audit requirements under the Single Audit Act of 1996 (Public Law 104-156). All state and local governments and non-profit organizations expending $500,000 or more from all sources (direct or from pass-through entities) are required to comply with the provisions of Circular No. A-133. The Circular also requires pass-through entities to monitor the activities of subrecipients and ensure that subrecipients meet the audit requirements. To identify its pass-through responsibilities, the State of Colorado requires all subrecipients to notify the State when expected or actual expenditures of federal assistance from all sources equal or exceed $500,000.

C. Debarment and Suspension

i. If this is a covered transaction or the Contract amount exceeds $100,000, the Contractor certifies to the best of its knowledge and belief that it and its principals and Subcontractors are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency.

ii. This certification is a material representation of fact upon which reliance was placed when the State determined to enter into this transaction. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available at law or by contract, the State may terminate this Contract for default.

iii. The Contractor shall provide immediate written notice to the State if it has been debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any Federal department or agency.

iv. The terms "covered transaction," "debarment," "suspension," "ineligible," "lower tier covered transaction," "principal," and "voluntarily excluded,"

as used in this paragraph, have the meanings set out in 2 CFR Parts 180 and 376.

v. The Contractor agrees that it will include this certification in all lower tier covered transactions and subcontracts that exceed $100,000.

D. Force Majeure

Neither the Contractor nor the State shall be liable to the other for any delay in, or failure of performance of, any covenant or promise contained in this Contract, nor shall any delay or failure constitute default or give rise to any liability for damages if, and only to the extent that, such delay or failure is caused by "force majeure." As used in this Contract, “force majeure” means acts of God; acts of the public enemy; acts of the state and any governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather.

E. Disputes

Except as herein specifically provided otherwise, disputes concerning the performance of this Contract which cannot be resolved by the designated Contract representatives shall be referred in writing to a senior departmental management staff designated by the State and a senior manager designated by the Contractor. Failing resolution at that level, disputes shall be presented in writing to the Executive Director of the State and the Contractor’s Chief Executive Officer for resolution. This process is not intended to supersede any other process for the resolution of controversies provided by law.

F. Lobbying

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

i. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative Contract, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative Contract.

ii. 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 office or employee of any agency, a Member of Congress, an office or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative Contract, the undersigned

shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

iii. The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative Contracts) and that all subrecipients shall certify and disclose accordingly.

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

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SPECIAL PROVISIONS

(The Special Provisions apply to all contracts except where noted in *italics*.)

1. **CONTROLLER'S APPROVAL**. **CRS §24-30-202(1)**. This contract shall not be valid until it has been approved by the Colorado State Controller or designee.

2. **FUND AVAILABILITY**. **CRS §24-30-202(5.5)**. Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

3. **GOVERNMENTAL IMMUNITY**. No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

4. **INDEPENDENT CONTRACTOR**. Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this contract. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall **(a)** provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, **(b)** provide proof thereof when requested by the State, and **(c)** be solely responsible for its acts and those of its employees and agents.

5. **COMPLIANCE WITH LAW**. Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

6. **CHOICE OF LAW**. Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution.

7. **BINDING ARBITRATION PROHIBITED.** The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contact or incorporated herein by reference shall be null and void.

8. **SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00**. State or other public funds payable under this contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

9. **EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST**. **CRS §§24-18-201 and 24-50-507**. The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

10. **VENDOR OFFSET**. **CRS §§24-30-202 (1) and 24-30-202.4**. [***Not Applicable to intergovernmental agreements***] Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: **(a)** unpaid child support debts or child support arrearages; **(b)** unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; **(c)** unpaid loans due to the Student Loan Division of the Department of Higher Education; **(d)** amounts required to be paid to the Unemployment Compensation Fund; and **(e)** other unpaid debts owing to the State as a result of final agency determination or judicial action.

SPECIAL PROVISIONS

(The Special Provisions apply to all contracts except where noted in *italics*.)

11. **PUBLIC CONTRACTS FOR SERVICES**. **CRS §8-17.5-101**. [***Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services***] Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this contract, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor **(a)** shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed, **(b)** shall notify the subcontractor and the contracting State agency within three days if Contractor has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this contract, **(c)** shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and **(d)** shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this contract for breach and, if so terminated, Contractor shall be liable for damages.

12. **PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101.** Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she **(a)** is a citizen or otherwise lawfully present in the United States pursuant to federal law, **(b)** shall comply with the provisions of CRS §24-76.5-101 et seq., and **(c)** has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this contract.

Contract Routing Number 3211-0173

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

CONTRACTOR:

Colorado Access
Legal Name of Contracting Entity

By: /S/
Signature of Authorized Officer

Marshall Thomas
Printed Name of Authorized Officer

President & CEO
Printed Title of Authorized Officer

Date: May 10, 2011

STATE OF COLORADO:

John W. Hickenlooper, Governor

By: /S/
Susan E. Birch, MBA, BSN, RN
Executive Director
Department of Health Care Policy and Financing

Date: May 13, 2011

LEGAL REVIEW:

John W. Suthers, Attorney General

By: N/A

Date: _____

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER:

David J. McDermott, CPA

By: /S/

Date: May 18, 2011

HIPAA BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum ("Addendum") is part of the Contract between the State of Colorado, Department of Health Care Policy and Financing, and Colorado Access, contract number 3211-0173. For purposes of this Addendum, the State is referred to as "Department", "Covered Entity" or "CE" and the Contractor is referred to as "Associate". Unless the context clearly requires a distinction between the Contract document and this Addendum, all references herein to "the Contract" or "this Contract" include this Addendum.

RECITALS

A. CE wishes to disclose certain information to Associate pursuant to the terms of the Contract, some of which may constitute Protected Health Information ("PHI") (defined below).

B. CE and Associate intend to protect the privacy and provide for the security of PHI disclosed to Associate pursuant to this Contract in compliance with the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. § 1320d – 1320d-8 ("HIPAA") as amended by the American Recovery and Reinvestment Act of 2009 ("ARRA")/HITECH Act (P.L. 111-005), and its implementing regulations promulgated by the U.S. Department of Health and Human Services, 45 C.F.R. Parts 160, 162 and 164 (the "Privacy Rule") and other applicable laws, as amended.

C. As part of the HIPAA regulations, the Privacy Rule requires CE to enter into a contract containing specific requirements with Associate prior to disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 160.103, 164.502(e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and contained in this Addendum.

The parties agree as follows:

1. Definitions.

a. Except as otherwise defined herein, capitalized terms in this Addendum shall have the definitions set forth in the HIPAA Privacy Rule at 45 C.F.R. Parts 160, 162 and 164, as amended. In the event of any conflict between the mandatory provisions of the Privacy Rule and the provisions of this Contract, the Privacy Rule shall control. Where the provisions of this Contract differ from those mandated by the Privacy Rule, but are nonetheless permitted by the Privacy Rule, the provisions of this Contract shall control.

b. "Protected Health Information" or "PHI" means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

c. "Protected Information" shall mean PHI provided by CE to Associate or created or received by Associate on CE's behalf. To the extent Associate is a covered entity under HIPAA and creates or obtains its own PHI for treatment, payment and health care operations, Protected Information under this Contract does not include any PHI created or obtained by Associate as a covered entity and Associate shall follow its own policies and procedures for accounting, access and amendment of Associate's PHI.

2. Obligations of Associate.

a. Permitted Uses. Associate shall not use Protected Information except for the purpose of performing Associate's obligations under this Contract and as permitted under this Addendum. Further, Associate shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule if so used by CE, except that Associate may use Protected Information: (i) for the proper management and administration of Associate; (ii) to carry out the legal responsibilities of Associate; or (iii) for Data Aggregation purposes for the Health Care Operations of CE. Additional provisions, if any, governing permitted uses of Protected Information are set forth in Attachment A to this Addendum. Associate accepts full responsibility for any penalties incurred as a result of Associate's breach of the Privacy Rule.

b. Permitted Disclosures. Associate shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule if disclosed by CE, except that Associate may disclose Protected Information: (i) in a manner permitted pursuant to this Contract; (ii) for the proper management and administration of Associate; (iii) as required by law; (iv) for Data Aggregation purposes for the Health Care Operations of CE; or (v) to report violations of law to appropriate federal or state authorities, consistent with 45 C.F.R. Section 164.502(j)(1). To the extent that Associate discloses Protected Information to a third party, Associate must obtain, prior to making any such disclosure: (i) reasonable assurances from such third party that such Protected Information will be held confidential as provided pursuant to this Addendum and only disclosed as required by law or for the purposes for which it was disclosed to such third party; and (ii) an agreement from such third party to notify Associate within two business days of any breaches of confidentiality of the Protected Information, to the extent it has obtained knowledge of such breach. Additional provisions, if any, governing permitted disclosures of Protected Information are set forth in Attachment A.

c. Appropriate Safeguards. Associate shall implement appropriate safeguards as are necessary to prevent the use or disclosure of Protected Information other than as permitted by this Contract. Associate shall comply with the requirements of the Security Rules, 164.308, 164.310, 164.312, and 164.316. Associate shall maintain a comprehensive written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Associate's operations and the nature and scope of its activities.

d. Reporting of Improper Use or Disclosure. Associate shall report to CE in writing any use or disclosure of Protected Information other than as provided for by this Contract within five (5) business days of becoming aware of such use or disclosure.

e. Associate's Agents. If Associate uses one or more subcontractors or agents to provide services under the Contract, and such subcontractors or agents receive or have access to Protected Information, each subcontractor or agent shall sign an agreement with Associate containing substantially the same provisions as this Addendum and further identifying CE as a third party beneficiary with rights of enforcement and indemnification from such subcontractors or agents in the event of any violation of such subcontractor or agent agreement. Associate shall implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions shall mitigate the effects of any such violation.

f. Access to Protected Information. Associate shall make Protected Information maintained by Associate or its agents or subcontractors in Designated Record Sets available to CE for inspection and copying within ten (10) business days of a request by CE to enable CE to fulfill its obligations to permit individual access to PHI under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524.

g. Amendment of PHI. Within ten (10) business days of receipt of a request from CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, Associate or its agents or subcontractors shall make such Protected Information available to CE for amendment and incorporate any such amendment to enable CE to fulfill its obligations with respect to requests by individuals to amend their PHI under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If any individual requests an amendment of Protected Information directly from Associate or its agents or subcontractors, Associate must notify CE in writing within five (5) business days of receipt of the request. Any denial of amendment of Protected Information maintained by Associate or its agents or subcontractors shall be the responsibility of CE.

h. Accounting Rights. Within ten (10) business days of notice by CE of a request for an accounting of disclosures of Protected Information, Associate and its agents or subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528. As set forth in, and as limited by, 45 C.F.R. Section 164.528, Associate shall not provide an accounting to CE of disclosures: (i) to carry out treatment, payment or health care operations, as set forth in 45 C.F.R. Section 164.506; (ii) to individuals of Protected Information about them as set forth in 45 C.F.R. Section 164.502; (iii) pursuant to an authorization as provided in 45 C.F.R. Section 164.508; (iv) to persons involved in the individual's care or other notification purposes as set forth in 45 C.F.R. Section 164.510; (v) for national security or intelligence purposes as set forth in 45 C.F.R. Section 164.512(k)(2); (vi) to correctional institutions or law enforcement officials as set fort in 45 C.F.R. Section 164.512(k)(5); (vii) incident to a use or disclosure otherwise permitted by the Privacy Rule; (viii) as part of a limited data set under 45 C.F.R. Section 164.514(e); or (ix) disclosures prior to April 14, 2003. Associate agrees to implement a process that allows for an accounting to be collected and maintained by Associate and its agents or subcontractors for at least six (6) years prior to the request, but not before the compliance date of the Privacy Rule. At a minimum, such information shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the

disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. In the event that the request for an accounting is delivered directly to Associate or its agents or subcontractors, Associate shall within five (5) business days of the receipt of the request forward it to CE in writing. It shall be CE's responsibility to prepare and deliver any such accounting requested. Associate shall not disclose any Protected Information except as set forth in Section 2(b) of this Addendum.

i. Governmental Access to Records. Associate shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to the Secretary of the U.S. Department of Health and Human Services (the "Secretary"), in a time and manner designated by the Secretary, for purposes of determining CE's compliance with the Privacy Rule. Associate shall provide to CE a copy of any Protected Information that Associate provides to the Secretary concurrently with providing such Protected Information to the Secretary.

j. Minimum Necessary. Associate (and its agents or subcontractors) shall only request, use and disclose the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure, in accordance with the Minimum Necessary requirements of the Privacy Rule including, but not limited to, 45 C.F.R. Sections 164.502(b) and 164.514(d).

k. Data Ownership. Associate acknowledges that Associate has no ownership rights with respect to the Protected Information.

l. Retention of Protected Information. Except upon termination of the Contract as provided in Section 4(d) of this Addendum, Associate and its agents or subcontractors shall retain all Protected Information throughout the term of this Contract and shall continue to maintain the information required under Section 2(h) of this Addendum for a period of six (6) years.

m. Associate's Insurance. Associate shall maintain casualty and liability insurance to cover loss of PHI data and claims based upon alleged violations of privacy rights through improper use or disclosure of PHI. All such policies shall meet or exceed the minimum insurance requirements of the Contract (e.g., occurrence basis, combined single dollar limits, annual aggregate dollar limits, additional insured status and notice of cancellation).

n. Notification of Breach. During the term of this Contract, Associate shall notify CE within two (2) business days of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations. Such notice shall include the identification of each individual whose unsecured PHI has been, or is reasonably believed to have been accessed, acquired or disclosed during the breach. Associate shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.

o. Audits, Inspections and Enforcement. Within ten (10) business days of a written request by CE, Associate and its agents or subcontractors shall allow CE to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this Addendum for the purpose of determining whether Associate has complied with this Addendum; provided, however, that: (i) Associate and CE shall mutually agree in advance upon the scope, timing and location of such an inspection; (ii) CE shall protect the confidentiality of all confidential and proprietary information of Associate to which CE has access during the course of such inspection; and (iii) CE shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by Associate. The fact that CE inspects, or fails to inspect, or has the right to inspect, Associate's facilities, systems, books, records, agreements, policies and procedures does not relieve Associate of its responsibility to comply with this Addendum, nor does CE's (i) failure to detect or (ii) detection, but failure to notify Associate or require Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of CE's enforcement rights under the Contract.

p. Safeguards During Transmission. Associate shall be responsible for using appropriate safeguards to maintain and ensure the confidentiality, privacy and security of Protected Information transmitted to CE pursuant to the Contract, in accordance with the standards and requirements of the Privacy Rule, until such Protected Information is received by CE, and in accordance with any specifications set forth in Attachment A.

q. Restrictions and Confidential Communications. Within ten (10) business days of notice by CE of a restriction upon uses or disclosures or request for confidential communications pursuant to 45 C.F.R. Section 164.522, Associate will restrict the use or disclosure of an individual's Protected Information, provided Associate has agreed to such a restriction. Associate will not respond directly to an individual's requests to restrict the use or disclosure of Protected Information or to send all communication of Protected Information to an alternate address. Associate will refer such requests to the CE so that the CE can coordinate and prepare a timely response to the requesting individual and provide direction to Associate.

3. Obligations of CE.

a. Safeguards During Transmission. CE shall be responsible for using appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to Associate pursuant to this Contract, in accordance with the standards and requirements of the Privacy Rule, until such PHI is received by Associate, and in accordance with any specifications set forth in Attachment A.

b. Notice of Changes. CE shall provide Associate with a copy of its notice of privacy practices produced in accordance with 45 C.F.R. Section 164.520, as well as any subsequent changes or limitation(s) to such notice, to the extent such changes or limitation(s) may effect Associate's use or disclosure of Protected Information. CE shall provide Associate with any changes in, or revocation of, permission to use or disclose Protected Information, to the extent it may affect Associate's permitted use or disclosure of PHI, CE shall notify Associate of any restriction on the use or disclosure of Protected Information that CE has agreed to in

accordance with 45 C.F.R. Section 164.522. CE may effectuate any and all such notices of non-private information via posting on CE's web site. Associate shall review CE's designated web site for notice of changes to CE's HIPAA privacy policies and practices on the last day of each calendar quarter.

4. Termination.

a. Material Breach. In addition to any other provisions in the Contract regarding breach, a breach by Associate of any provision of this Addendum, as determined by CE, shall constitute a material breach of this Contract and shall provide grounds for immediate termination of this Contract by CE pursuant to the provisions of the Contract covering termination for cause, if any. If the Contract contains no express provisions regarding termination for cause, the following terms and conditions shall apply:

(1) Default. If Associate refuses or fails to timely perform any of the provisions of this Contract, CE may notify Associate in writing of the non-performance, and if not promptly corrected within the time specified, CE may terminate this Contract. Associate shall continue performance of this Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services elsewhere.

(2) Associate's Duties. Notwithstanding termination of this Contract, and subject to any directions from CE, Associate shall take timely, reasonable and necessary action to protect and preserve property in the possession of Associate in which CE has an interest.

(3) Compensation. Payment for completed supplies delivered and accepted by CE shall be at the Contract price. In the event of a material breach under paragraph 4(a), CE may withhold amounts due Associate as CE deems necessary to protect CE against loss from third party claims of improper use or disclosure and to reimburse CE for the excess costs incurred in procuring similar goods and services elsewhere.

(4) Erroneous Termination for Default. If after such termination it is determined, for any reason, that Associate was not in default, or that Associate's action/inaction was excusable, such termination shall be treated as a termination for the public interest, and the rights and obligations of the parties shall be the same as if this Contract had been terminated for the public interest, as described in this Contract.

b. Reasonable Steps to Cure Breach. If CE knows of a pattern of activity or practice of Associate that constitutes a material breach or violation of the Associate's obligations under the provisions of this Addendum or another arrangement and does not terminate this Contract pursuant to Section 4(a), then CE shall take reasonable steps to cure such breach or end such violation, as applicable. If CE's efforts to cure such breach or end such violation are unsuccessful, CE shall either (i) terminate the Contract, if feasible or (ii) if termination of this Contract is not feasible, CE shall report Associate's breach or violation to the Secretary of the Department of Health and Human Services.

c. Judicial or Administrative Proceedings. Either party may terminate the Contract, effective immediately, if (i) the other party is named as a defendant in a criminal proceeding for a violation of HIPAA, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the other party has violated any standard or requirement of HIPAA, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.

d. Effect of Termination.

(1) Except as provided in paragraph (2) of this subsection, upon termination of this Contract, for any reason, Associate shall return or destroy all Protected Information that Associate or its agents or subcontractors still maintain in any form, and shall retain no copies of such Protected Information that Associate or its agents or subcontractors still maintain in any form, and shall retain no copies of such Protected information. If Associate elects to destroy the PHI, Associate shall certify in writing to CE that such PHI has been destroyed.

(2) If Associate believes that returning or destroying the Protected Information is not feasible, Associate shall promptly provide CE notice of the conditions making return or destruction infeasible. Upon mutual agreement of CE and Associate that return or destruction of Protected Information is infeasible, Associate shall continue to extend the protections of Sections 2(a), 2(b), 2(c), 2(d) and 2(e) of this Addendum to such information, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

5. Injunctive Relief. CE shall have the right to injunctive and other equitable and legal relief against Associate or any of its agents or subcontractors in the event of any use or disclosure of Protected Information in violation of this Contract or applicable law.

6. No Waiver of Immunity. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of the Colorado Governmental Immunity Act, CRS 24-10-100 *et seq*. or the Federal Tort Claims Act, 28 U.S.C. 2671 *et seq*. as applicable, as now in effect or hereafter amended.

7. Limitation of Liability. Any limitation of Associate's liability in the Contract shall be inapplicable to the terms and conditions of this Addendum.

8. Disclaimer. CE makes no warranty or representation that compliance by Associate with this Contract, HIPAA or HIPAA Regulations will be adequate or satisfactory for Associate's own purposes. Associate is solely responsible for all decisions made by Associate regarding the safeguarding of PHI.

9. Certification. To the extent that CE determines an examination is necessary in order to comply with CE's legal obligations pursuant to HIPAA relating to certification of its security practices, CE or its authorized agents or contractors may, at CE's expense, examine Associate's facilities, systems, procedures and records as may be necessary for such agents or contractors to

certify to CE the extent to which Associate's security safeguards comply with HIPAA, the HIPAA Regulations or this Addendum.

10. Amendment.

a. Amendment to Comply with Law. The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of this Addendum may re required to provide for procedures to ensure compliance with such developments. The Parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the Privacy Rule, the Final HIPAA Security Regulations at 68 Fed. Reg. 8334 (Feb 20, 2003), 45 C.F.R. § 164.314 and other applicable laws relating to the security or privacy of PHI. The parties understand and agree that CE must receive satisfactory written assurance from Associate that Associate will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum embodying written assurances consistent with the standards and requirements of HIPAA, the Privacy Rule or other applicable laws. CE may terminate this Contract upon thirty (30) days written notice in the event (i) Associate does not promptly enter into negotiations to amend this Contract when requested by CE pursuant to this Section or (ii) Associate does not enter into an amendment to this Contract providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA and the Privacy Rule.

b. Amendment of Attachment A. Attachment A may be modified or amended by mutual agreement of the parties in writing from time to time without formal amendment of this Addendum.

11. Assistance in Litigation or Administrative Proceedings. Associate shall make itself, and any subcontractors, employees or agents assisting Associate in the performance of its obligations under the Contract, available to CE, at no cost to CE, up to a maximum of thirty (30) hours, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers or employees based upon a claimed violation of HIPAA, the Privacy Rule or other laws relating to security and privacy or PHI, except where Associate or its subcontractor, employee or agent is a named adverse party.

12. No Third Party Beneficiaries. Nothing express or implied in this Contract is intended to confer, nor shall anything herein confer, upon any person other than CE, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

13. Interpretation and Order of Precedence. The provisions of this Addendum shall prevail over any provisions in the Contract that may conflict or appear inconsistent with any provision in this Addendum. Together, the Contract and This Addendum shall be interpreted as broadly as necessary to implement and comply with HIPAA and the Privacy Rule. The parties agree that any ambiguity in this Contract shall be resolved in favor of a meaning that complies and is consistent with HIPAA and the Privacy Rule. This Contract supersedes and replaces any previous separately executed HIPAA addendum between the parties.

14. Survival of Certain Contract Terms. Notwithstanding anything herein to the contrary, Associate's obligation sunder Section 4(d) ("Effect of Termination") and Section 12 ("No Third Party Beneficiaries") shall survive termination of this Contract and shall be enforceable by CE as provided herein in the event of such failure to perform or comply by the Associate. This Addendum shall remain in effect during the term of the Contract including any extensions.

15. Representatives and Notice.

a. Representatives. For the purpose of the Contract, the individuals identified elsewhere in this Contract shall be the representatives of the respective parties. If no representatives are identified in the Contract, the individuals listed below are hereby designated as the parties' respective representatives for purposes of this Contract. Either party may from time to time designate in writing new or substitute representatives.

b. Notices. All required notices shall be in writing and shall be hand delivered or given by certified or registered mail to the representatives at the addresses set forth below.

State/Covered Entity Representative:

Name:	Sarah Roberts
Title:	Interim Medicaid Unit Reform Manager
Department:	Department of Health Care Policy and Financing
Address:	1570 Grant Street, Denver, CO 80203

Contractor/Business Associate Representative:

Name:	Marshall Thomas
Title:	President, CEO and Chief Medical Officer
Company:	Colorado Access
Address:	10065 E. Harvard Avenue, Suite 600, Denver, Colorado 80231

ATTACHMENT A

This Attachment sets forth additional terms to the HIPAA Business Associate Addendum, which is part of the Contract, between the State of Colorado, Department of Health Care Policy and Financing, and Colorado Access, contract number 3211-0173 ("Contract") and is effective as of the Effective Date of the contract (the "Attachment Effective Date"). This Attachment may be amended from time to time as provided in Section 10(b) of the Addendum.

1. Additional Permitted Uses. In addition to those purposes set forth in Section 2(a) of the Addendum, Associate may use Protected Information as follows:

   No additional permitted uses.

2. Additional Permitted Disclosures. In addition to those purposes set forth in Section 2(b) of the Addendum, Associate may disclose Protected Information as follows:

   No additional permitted disclosures.

3. Subcontractor(s). The parties acknowledge that the following subcontractors or agents of Associate shall receive Protected Information in the course of assisting Associate in the performance of its obligations under this Contract:

   None.

4. Receipt. Associate's receipt of Protected Information pursuant to this Contract shall be deemed to occur as follows and Associate's obligations under the Addendum shall commence with respect to such PHI upon such receipt:

   Upon receipt of PHI from the Department.

5. Additional Restrictions on Use of Data. CE is a Business Associate of certain other Covered Entities and, pursuant to such obligations of CE, Associate shall comply with the following restrictions on the use and disclosure of Protected Information:

   No additional restrictions on Use of Data.

6. Additional Terms.

   The Contractor shall notify the Department, in writing, within thirty (30) days of executing a contract with any subcontractor with whom it will share PHI.

EXHIBIT A
STATEMENT OF WORK

SECTION 1.0 TERMINOLOGY

1.1. ACRONYMS, ABBREVIATIONS AND DEFINITIONS

1.1.1. Acronyms and abbreviations are defined at their first occurrence in this Statement of Work. The following list of acronyms, abbreviations and definitions is provided to assist the reader in understanding acronyms, abbreviations and terminology used throughout this document.

1.1.1.1. ACC – Accountable Care Collaborative

1.1.1.2. ACC Program – The Department program designed to affordably optimize Client health, functioning and self-sufficiency with the primary goals to improve Medicaid Client health outcomes and control costs.

1.1.1.3. C.C.R. – Colorado Code of Regulations

1.1.1.4. CFR – Code of Federal Regulations

1.1.1.5. Chief Medical Officer – The position within the Contractor's organization responsible for the implementation of all clinical and/or medical programs.

1.1.1.6. Client – An individual eligible for and enrolled in the Colorado Medicaid Program.

1.1.1.7. Contract Manager – The position within the Contractor's organization that acts as the primary point of contact between the Contractor and the Department.

1.1.1.8. Contractor's PCMP Network – All of the providers who have contracted with the Contractor to provide primary care medical home services within the Contractor's Region or to provide primary care medical home services to Members enrolled with the Contractor.

1.1.1.9. Contractor's Region – The region in which the Contractor operates, in the case of this Contract, Region #5

1.1.1.10. Covered Services – Medicaid benefits according to the Department' State Plan, as filed with the federal Centers for Medicare and Medicaid Services, which are provided through billing manuals and provider bulletins.

1.1.1.11. CRS – Colorado Revised Statutes

1.1.1.12. EPSDT – Early Periodic Screening, Diagnosis and Treatment

1.1.1.13. Essential Community Provider – A provider defined under CRS §25.5-5-403.

1.1.1.14. Expansion Phase – The period of time from the end of the Initial Phase until termination of the Contract.

1.1.1.15. Federally Qualified Health Center – A provider defined under 10 C.C.R. 2505-10 §8.700.1

1.1.1.16. Financial Manager – The position within the Contractor's organization that is responsible for the implementation and oversight of all of the Contractor's financial operations.

1.1.1.17. Focus Communities – The specific counties which the Contractor has identified for operations during the Start-Up Phase and Initial Phase.

1.1.1.18. FQHC – Federally Qualified Health Center

1.1.1.19. Go-Live Date – June 1, 2011, or the date, upon which the Department gives approval for the Contractor to begin the Initial Phase, whichever is later.

1.1.1.20. Guiding Care – A clinical tool created by Altruista Health, Inc.

1.1.1.21. Initial Phase – The period of time from the Go-Live Date until June 30, 2012 or until the Contractor is authorized by the Department to enter the Expansion Phase, whichever is later.

1.1.1.22. Key Personnel – The individuals fulfilling the positions of Contract Manager, Financial Manager or Chief Medical Officer.

1.1.1.23. Marketing Activities – Any activity defined in 42 CFR 438.104.

1.1.1.24. Medical Home – An approach to providing comprehensive primary-care that facilitates partnerships between individual patients, their providers, and, where appropriate, the patient's family, that meets the requirements described in **Exhibit B**, PCMP Requirements.

1.1.1.25. Member – Any individual Client who is enrolled with the Contractor or another RCCO.

1.1.1.26. MMIS – the Colorado Medicaid Management Information System.

1.1.1.27. PCCM – Primary Care Case Manager

1.1.1.28. Primary Care Case Manager – A physician, a physician group practice, a physician assistant, nurse practitioner, certified nurse-midwife or entity that employs or arranges with providers to furnish primary care case management services or as described 42 CFR 438.2.

1.1.1.29. Primary Care Medical Provider – A primary care provider who serves as a Medical Home for Members. A PCMP may be a FQHC, RHC, clinic or other group practice that provides the majority of a Member's comprehensive primary, preventive and sick care. A PCMP may also be individual or pods of PCMPs that are physicians, advanced practice nurses or physician assistants with a focus on primary care, general practice, internal medicine, pediatrics, geriatrics or obstetrics and gynecology.

1.1.1.30. PCMP – Primary Care Medical Provider

1.1.1.31. PIP – Performance Improvement Plan

1.1.1.32. PMPM – Per Member Per Month

1.1.1.33. RCCO – Regional Care Collaborative Organization

1.1.1.34. Region – A geographical area containing specific counties, within the State of Colorado, that is served by a RCCO.

1.1.1.35. Region #5 – The geographical area encompassing Denver County.

1.1.1.36. Regional Care Collaborative Organization – One of seven (7) regional entities contracted with the Department to support the ACC Program by improving the health outcomes for Members and controlling the cost of care.

1.1.1.37. RHC – Rural Health Clinic

1.1.1.38. Rural Health Clinic – A provider or practice as defined in 10 C.C.R. 2505-10 §8.740

1.1.1.39. SDAC – Statewide Data Analytics Contractor

1.1.1.40. Start-Up Phase – The period of time from the Contract's Effective Date until the Go-Live Date.

1.1.1.41. TAP – Transition Access Program

SECTION 2.0 REGION AND PERSONNEL

2.1. REGION

2.1.1. The Contractor shall be a Primary Care Case Manager (PCCM), as defined in 42 CFR §438.2, for Members who reside in the counties contained in Region #5. Region #5 includes Denver County.

2.1.2. Focus Communities

2.1.2.1. For the Start-Up Phase and Initial Phase of the Contract, the Contractor shall operate as a PCCM only within its Focus Communities.

2.1.2.1.1. The Contractor shall select its Focus Communities to ensure that the Department will be able to enroll approximately 8,600 Members from within those communities, during the Initial Phase, for the Contractor's Region.

2.1.2.1.2. The Contractor shall provide a list of counties included in its Focus Communities within five (5) days of the Contract's Effective date.

2.1.2.1.2.1. DELIVERABLE: Focus Community List

2.1.2.1.2.2. DUE: Five (5) days from the Contract's Effective Date

2.1.2.1.3. The Contractor shall request written approval from the Department before changing any of the areas included in the Focus Communities. Once the Department has approved the change, the Contractor shall provide the Department with an updated Focus Community List within five (5) days of the approval.

2.1.2.1.3.1. DELIVERABLE: Updated Focus Community List

2.1.2.1.3.2. DUE: Five (5) days from Department approval to change the Focus Communities

2.2. PERSONNEL

2.2.1. The Contractor shall possess the corporate resources and structure necessary to perform its responsibilities under the Contract and successfully implement and

operate the Accountable Care Collaborative (ACC) Program in the Contractor's Region.

2.2.2. The Contractor shall provide the following positions, defined as Key Personnel, in relation to the Contract:

2.2.2.1. Contract Manager

2.2.2.1.1. The Contract Manager shall be the Department's primary point of contact for contract and performance issues and responsibilities.

2.2.2.1.2. All communication between the Department and the Contractor shall be facilitated by the Contract Manager.

2.2.2.1.3. The Contract Manager shall ensure that all contract obligations are in compliance with all state and federal laws, regulations policies and procedures and with the requirements of the Contract.

2.2.2.2. Financial Manager

2.2.2.2.1. The Financial Manager shall be responsible for the implementation and oversight of the budget, accounting systems and all other financial operations of the Contractor.

2.2.2.2.2. The Financial Manager shall ensure that all financial operations of the Contractor are in compliance with all state and federal laws, regulations policies and procedures and with the requirements of the Contract.

2.2.2.3. Chief Medical Officer

2.2.2.3.1. The Chief Medical Officer shall be a physician licensed by the State of Colorado and certified by the Colorado Board of Medical Examiners.

2.2.2.3.2. The Chief Medical Officer shall be responsible for the implementation of all clinical and/or medical programs implemented by the Contractor.

2.2.2.3.3. The Chief Medical Officer shall ensure that all clinical and/or medical programs implemented by the contractor are implemented and operated in compliance with all state and federal laws, regulations policies and procedures and with the requirements of the Contract.

2.2.3. Each Key Personnel position shall be filled by separate and distinct individuals. No individual shall be allowed to fulfill multiple Key Personnel positions simultaneously.

2.2.4. The Contract Manager shall perform their responsibilities out of an office that is either located within the Contractor's Region or located in the Denver metro area.

2.2.5. Other Staff Functions

2.2.5.1. The Contractor shall provide staff necessary to ensure that the following functions are performed, in addition to those of the Key Personnel:

2.2.5.1.1. Outcomes and Performance Improvement Management, including overseeing Member and administrative outcomes, coordinating quality improvement activities across the Contractor's Region, benchmarking performance against other Regional Care Collaborative Organizations (RCCOs), ensuring

alignment with federal and state guidelines, and setting internal performance goals and objectives.

2.2.5.1.2. Medical Management and Care Coordination Activities, including overseeing medical management and care coordination activities to assist providers and Members in rendering and accessing necessary and appropriate services and resources.

2.2.5.1.3. Communications Management, including organizing, developing, modifying and disseminating information, by way of written material and forums, to providers and Members.

2.2.5.1.4. Provider Relations and Network Management, including establishing agreements with Primary Care Medical Providers (PCMPs), establishing all other formal and informal relationships with providers, provider education, data-sharing, and addressing providers' questions and concerns.

2.2.6. The Contractor shall maintain an office in the Contractor's Region and shall make Key Personnel, and other personnel requested by the Department, available for meetings in locations within the State of Colorado, at the Department's request.

2.2.7. The Contractor shall provide the Department with an organizational chart listing all positions within the Contractor's organization that are responsible for the performance of any activity related to the Contract, their hierarchy and reporting structure and the names of the individuals fulfilling each position, within thirty (30) days of the Contract's Effective Date. The organizational chart shall contain accurate and up-to-date telephone numbers and email addresses for each individual listed.

2.2.7.1. DELIVERABLE: Organizational Chart

2.2.7.2. DUE: Thirty (30) days from the Contract's Effective Date

2.2.8. Contractor shall provide the Department with the opportunity to approve new Key Personnel working on the Contract. Any new Key Personnel shall have, at a minimum, the same qualifications as the individual previously fulfilling that position. The Contractor shall deliver an updated Organizational Chart within five (5) days of any change in Key Personnel or request from the Department for an updated Organizational Chart. The Contractor shall deliver to the Department an interim plan for fulfilling any vacant position's responsibilities and the plan for filling the vacancy.

2.2.8.1. DELIVERABLE: Updated Organizational Chart

2.2.8.2. DUE: Five (5) days from any change in Key Personnel of from the Department's request for an updated Organizational Chart

2.2.9. The Contractor shall appoint any new Key Personnel only after a candidate has been approved by the Department to fill a vacancy.

2.2.10. The Department may request the removal from work on the contract of employees or agents of the Contractor whom the Department justifies as being incompetent, careless, insubordinate, unsuitable or otherwise unacceptable, or whose continued employment on the contract the Department deems to be contrary to the public interest or not in the best interest of the Department. For any requested removal of Key Personnel, the Department shall provide written notice to Contractor identifying

each element of dissatisfaction with each Key Personnel, and Contractor shall have ten (10) business days from receipt of such written notice to provide the Department with a written action plan to remedy each stated point of dissatisfaction. Contractor's written action plan may or may not include the removal of Key Personnel from work on the Contract.

2.2.11. The Contractor shall provide cultural competency and disability awareness training to all individuals shown on its current Organizational Chart.

SECTION 3.0 MEMBERSHIP, ENROLLMENT AND CLIENT CONTACT

3.1. MEMBERSHIP AND ENROLLMENT

3.1.1. Enrollment and PCMP Selection

3.1.1.1. The Department will enroll Clients with the contractor based on the Department's enrollment and reenrollment procedures. The Contractor shall accept all Clients, that the Department enrolls, that reside within the Contractor's Region and are eligible for enrollment. The Contractor shall accept individuals eligible for enrollment in the ACC program in the order in which they are passively enrolled or apply without restriction, up to the limits identified by this Contract. The Department may enroll any Client who is included in any of the eligibility categories shown in **Exhibit D**, Eligible Member Categories.

3.1.1.2. Each Member shall have the option to select a PCMP to provide comprehensive primary-care to the Member and a majority of all of the Member's medical care. If a Member has not selected a PCMP within thirty (30) days from the date of the Member's enrollment, the Contractor shall attempt to contact the Member and assist the Member in selecting a PCMP. The Contractor shall attempt to contact the Member a minimum of three (3) times, through telephone, any method of mailing, as defined in 10 C.C.R. 2505-10 §8.050 or home visits. Once the Contractor has contacted the Member, it shall provide the Member with contact information for available PCMPs who are enrolling new Members in the Member's Region and assist the Member in selecting a PCMP. The Contractor may act as a liaison between the Member and any PCMP the Member wishes to select. The Contractor shall document all attempts at contacting Members who have not selected a PCMP and the results of each attempt. The Contractor shall maintain a record of all attempts made to contact a Member in that Member's client file.

3.1.1.2.1. The Department shall provide the Contractor with a Member eligibility report and a Member eligibility change report, on a monthly basis. The Member eligibility report shall contain the PCMP selected by each Member in the Contractor's Region and the applicable demographics for each Member. The Member change report shall show any additions, deletions or changes to the existing PCMP selection records.

3.1.1.3. Members have the option to select PCMP or receive care within a Region other than the one in which they reside. In the event that a Member within Contractor's Region selects a PCMP or selects to receive care within another RCCO's Region,

the Contractor shall coordinate with the other RCCO to ensure that the Member's quality, quantity and timeliness of care are not affected by the Member's choice.

3.1.1.3.1. The Department and Contractor shall work together to implement a report that will alert the Contractor when a Member in the Contractor's Region selects a PCMP in another Region so that the Contractor may coordinate with that other Region's RCCO.

3.1.1.4. The Contractor shall coordinate with any other RCCO, in the event that a Member residing within the other RCCO's Region selects a PCMP or selects to receive care within the Contractor's Region, to ensure that the Member's quality, quantity and timeliness of care are not affected by the Member's choice.

3.1.1.5. The Contractor shall only accept Members who reside within their Region and who reside sufficiently near the office of a PCMP in the Contractor's network for the Member to reach that PCMP within a reasonable time and using available and affordable modes of transportation.

3.1.1.6. The Contractor shall not discriminate against individuals eligible to enroll in the ACC program on the basis of race, color or national origin, and shall not use any policy or practice that has the effect of discriminating on the basis of race, color or national origin.

3.1.1.7. The Department will provide the Contractor with the following reports, from of the Colorado MMIS Medicaid Management Information System (MMIS), for the Contractor to verify Member eligibility and enrollment:

3.1.1.7.1. Daily Disenrollment.

3.1.1.7.2. Monthly Enrollment Change.

3.1.1.7.3. Monthly Report of All Enrollees.

3.1.1.7.4. Daily New Enrollees.

3.1.1.7.5. Monthly Disenrollments.

3.1.1.7.6. Monthly New Enrollees.

3.1.1.7.7. X12 transaction reports, including:

3.1.1.7.7.1. Client Capitations.

3.1.1.7.7.2. Benefit Enrollment and Maintenance.

3.1.1.7.7.3. Eligibility Response

3.1.1.7.7.4. Acknowledgment of a sent transaction.

3.1.1.7.8. Managed Care Transaction Report.

3.1.1.7.9. Monthly ACC Roster Report.

3.1.2. Disenrollment

3.1.2.1. Contractor may only request disenrollment of a Member from the ACC Program for cause. The Department shall review the Contractor's requests for disenrollment and may grant or reject the Contractor's request at its discretion. A disenrollment for cause may only occur under the following circumstances:

3.1.2.1.1. The Member moves out of the Contractor's Region.

3.1.2.1.2. The Contractor's plan does not, because of moral or religious reasons, cover the service the Member seeks.

3.1.2.1.3. The Member needs related services to be performed at the same time, not all related services are available within the network and the Member's PCMP or another provider determines that receiving the services separately would subject the Member to unnecessary risk.

3.1.2.1.4. Other reasons, including but not limited to, poor quality of care, lack of access to services covered under the Contract or lack of access to providers experienced in dealing with the Member's health care needs.

3.1.2.1.5. Abuse or intentional misconduct consisting of any of the following:

3.1.2.1.5.1. Behavior of the Member that is disruptive or abusive to the extent that the Contractor's ability to furnish services to either the Member or other Members is impaired.

3.1.2.1.5.2. A documented, ongoing pattern of failure on the part of the Member to keep scheduled appointments or meet any other Member responsibilities.

3.1.2.1.5.3. Behavior of the Member that poses a physical threat to the provider, to other provider, Contractor or PCMP staff or to other Members.

3.1.2.1.5.4. The Contractor shall provide one oral warning, to any Member exhibiting abusive behavior or intentional misconduct, stating that continuation of the behavior or misconduct will result in a request for disenrollment. If the Member continues the behavior or misconduct after the oral warning, the Contractor shall send a written warning that the continuation of the behavior or misconduct will result in disenrollment from the Contractor's plan. The Contractor shall send a copy of the written warning and a written report of its investigation into the behavior, to the Department, no less than thirty (30) days prior to the disenrollment. If the Member's behavior or misconduct poses an imminent threat to the provider, to other provider, Contractor or PCMP staff or to other Members, the Contractor may request an expedited disenrollment after it has provided the Member exhibiting the behavior or misconduct an oral warning.

3.1.2.1.5.4.1. DELIVERABLE: Written warning and written report of abusive behavior or intentional misconduct

3.1.2.1.5.4.2. DUE: No less than thirty (30) days prior to disenrollment unless the Department approves expedited disenrollment

3.1.2.1.6. The Member commits fraud or knowingly furnishes incorrect or incomplete information on applications, questionnaires, forms or statements submitted to the Contractor as part of the Member's enrollment in the Contractor's plan.

3.1.2.1.7. Any other reason determined to be acceptable by the Department.

3.1.2.2. Disenrollment for cause shall not include disenrollment because of:

3.1.2.2.1. Adverse changes in the Member's health status.

3.1.2.2.2. Change in the Member's utilization of medical services.

3.1.2.2.3. The Member's diminished mental capacity.

3.1.2.2.4. Any behavior of the Member resulting from the Member's special needs, as determined by the Department, unless those behaviors seriously impair the Contractor's ability to furnish services to that Member or other Members.

3.1.2.2.5. Receipt of Medicare coverage at any time following the end of the Initial Phase.

3.1.2.3. The Department may select to disenroll any Member at the Department's sole discretion. If the Department selects to disenroll a Member, the Department may reenroll that same Member with the Contractor at any time or with any other RCCO if the Member now resides within that other RCCO's Region.

3.1.2.4. The Department may disenroll any Member, who requests disenrollment, in its sole discretion.

3.1.2.5. The Department may disenroll a Member from the ACC Program upon that Member's request. A Member may request disenrollment, and the Department may grant the Member's request:

3.1.2.5.1. For cause, at any time. A disenrollment for cause may occur under the following circumstances:

3.1.2.5.1.1. The Member moves out of the Contractor's service area.

3.1.2.5.1.2. The Contractor does not, because of moral or religious objections, cover the service the Member needs.

3.1.2.5.1.3. The Member needs related services (for example, a caesarean section and a tubal ligation) to be performed at the same time, not all related services are available within the network and the Member's PCMP or another physician determines that receiving the services separately would subject the Member to unnecessary risk.

3.1.2.5.1.4. Administrative error on the part of the Department or its designee or the Contractor including, but not limited to, system error.

3.1.2.5.1.5. Poor quality of care, as documented by the Department.

3.1.2.5.1.6. Lack of access to covered services, as documented by the Department.

3.1.2.5.1.7. Lack of access to Providers experienced in dealing with the Member's health care needs.

3.1.2.5.2. Without cause, at any time during the ninety (90) days following the date of the Member's initial enrollment with the Contractor.

3.1.2.5.2.1. A Member may request disenrollment, without cause, at least once every twelve (12) months after the first ninety (90) day period.

3.1.2.5.2.2. A Member may request disenrollment, without cause, upon automatic reenrollment under 42 CFR 438.56(g), if the temporary loss of Medicaid eligibility has caused the recipient to miss the annual disenrollment opportunity.

3.1.2.6. The Department may reenroll with the Contractor any Member who was disenrolled solely because the Member lost their eligibility for Medicaid benefits and the loss was for a period of sixty (60) days or less.

3.1.2.7. In the event that the Department grants a request for disenrollment, either from the Contractor or from a Member, the effective date of that disenrollment shall be no later than the first day of the second month following the month in which the Member or Contractor files the request. If the Department fails to either approve or deny the request in this timeframe, the request shall be considered approved.

3.1.2.8. The Contractor shall have written policies that comply with the requirements of **Exhibit C**, Member Rights and Protections.

3.2. CLIENT CONTACT RESPONSIBILITIES

3.2.1. All materials that the Contractor creates for distribution to any Client or Member shall be culturally and linguistically appropriate to the recipient.

3.2.1.1. All materials shall be written in English and Spanish, or any other prevalent language, as directed by the Department or as required by 42 CFR 438. The Contractor shall notify all Members and potential Members of the availability of alternate formats for the information, as required by 42 CFR 438.10, and how to access such information.

3.2.1.2. All materials shall be written in easy to understand language and shall comply with all applicable requirements of 42 CFR 438.10.

3.2.1.3. The Contractor shall submit all materials to the Department at least ten (10) Business Days prior to the Contractor printing or disseminating such materials to any Member or Client, unless the Department approves a shorter submission deadline. The Department may review any materials and reserves the right to require changes or redrafting of the document as the Department determines necessary to ensure that the language is easy to understand. The Contractor shall make any required changes to the materials. Once a change is made to the materials, the Contractor shall not use any prior versions of the materials in any distribution to any Client or Member, unless the Department gives express written consent. This submission requirement shall not apply to items that are directed toward and addressed to individual Members.

3.2.1.3.1. DELIVERABLE: Updated client materials including changes required by the Department

3.2.1.3.2. DUE: Thirty (30) days from the request by the Department to make a change

3.2.2. The Contractor shall maintain, staff and publish the number for at least one (1) toll free telephone line, in addition to local lines, that Members may call regarding customer service or care coordination issues.

3.2.2.1. The Contractor's telephone lines shall provide customer service support, to both Members and providers, Monday through Friday, between the hours of 8:00 am and 6:00 pm Mountain Time.

3.2.2.2. The Contractor's telephone lines shall allow for a Member or provider to leave a message during any time that customer service support is not available. The Contractor shall return any messages left on this system within one business day.

3.2.2.3. The Contractor shall use the AT&T Language Line, or a similar service, to identify foreign languages and provide real time interpretation for languages that the Contractor's staff members do not speak fluently.

3.2.3. The Contractor shall create the following materials during the Start-Up Phase:

3.2.3.1. A section of the Department's ACC Program Member Handbook, that describes the Contractor's roles, responsibilities and functions that support the ACC Program, how to access the Contractor's care coordination services and relevant telephone numbers and website addresses. The information in this section shall be specific to the Contractor's Region.

3.2.3.1.1. DELIVERABLES: ACC Program Member Handbook section specific to the Contractor's Region

3.2.3.1.2. DUE: Thirty (30) days from the Contract's Effective Date

3.2.3.2. A Directory of PCMPs and any other providers with which the Contractor contracts

3.2.3.2.1. DELIVERABLES: PCMP Directory

3.2.3.2.2. DUE: by the Go-Live Date

3.2.3.3. A welcome packet for its Members containing lists of all of the PCMPs in the Contractor's PCMP network, by license type, specialties, locations, office hours, and languages spoken, as well as instructions on how to access the online provider directory. The Contractor shall deliver this to each Member that is enrolled with the Contractor within thirty (30) days of the Member's enrollment.

3.2.3.3.1. DELIVERABLE: Member welcome packet

3.2.3.3.2. DUE: Thirty (30) days from the Contract's Effective Date

3.2.4. Marketing

3.2.4.1. The Contractor shall not engage in any Marketing Activities, as defined in 42 CFR 438.104, during the Start-Up Phase or the Initial Phase.

3.2.4.2. During the Expansion Phase, the Contractor may engage in Marketing Activities at its discretion. The Contractor shall not distribute any marketing materials without the Department's approval.

3.2.4.2.1. The Contractor shall submit all materials relating to Marketing Activities to the Department's designee, and allow the Department's Night State Medical Assistance and Services Advisory Council and the Department to review any materials the Contractor proposes to use in relation to its Marketing Activities before distributing any such materials. Based on this review, the Department may require changes to any materials before the Contractor may distribute those materials, or may disallow the use of any specific materials in its sole discretion.

3.2.4.2.2. The Contractor shall specify methods of assuring the Department that Marketing, including plans and materials, is accurate and does not mislead, confuse, or defraud the Members or the Department.

3.2.4.2.3. The Contractor shall distribute the materials to the entire service area.

3.2.4.2.4. The Contractor shall not seek to influence enrollment in conjunction with the sale or offering of any private insurance.

3.2.4.2.5. The Contractor and any Subcontractors shall not, directly or indirectly, engage in door-to-door, telephone, or other cold call marketing activities.

3.2.4.2.6. Marketing materials shall not contain any assertion or statement, whether written or oral, that the potential Member must enroll with the Contractor to obtain benefits or not to lose benefits.

3.2.4.2.7. Marketing Materials shall not contain any assertion or statement, whether written or oral, that the Contractor is endorsed by the Centers for Medicare and Medicaid Services, the Federal or State government or similar entity.

3.2.4.3. The Contractor shall only engage in Marketing Activities in compliance with federal and state laws, regulations, policies and procedures.

3.2.5. The Contractor shall develop a newsletter for Members and distribute this newsletter to the Members who reside within the Contractor's Region on a quarterly basis.

3.2.5.1. The Contractor shall determine the specific schedule and method for delivering the newsletter to its Members.

3.2.5.2. This newsletter shall include information on the ACC Program, plan benefits, highlights of program changes, upcoming Local Advisory Council meetings, health and wellness information, quality improvement initiatives, and best practices in healthcare.

3.2.6. Upon termination of a PCMP's agreement or participation with the Contractor, for any reason, the Contractor shall notify any Member, who has selected that PCMP, of that PCMP's termination, as required in 42 CFR 438.10(f)(5).

3.2.6.1. DELIVERABLE: Notice to Members of PCMP termination

3.2.6.2. DUE: Fifteen (15) days from the notice of termination

SECTION 4.0 NETWORK STRATEGY

4.1. PCMP NETWORK AND NETWORK DEVELOPMENT

4.1.1. The Contractor shall create, administer and maintain a network of PCMPs and other Medicaid providers, building on the current network of Medicaid providers, to serve the needs of its Members.

4.1.1.1. The Contractor shall continually review its network of PCMPs to ensure its adequacy. The Contractor's adequacy review shall take into account which providers are currently accepting new Members or Clients, the extent to which the network can accommodate those who rely on public transportation and the network's telemedicine capacity.

4.1.1.2. The Contractor shall provide learning collaborative sessions for providers to raise practice awareness and increase motivation for accepting clients. These learning collaborative sessions shall include, but are not limited, to the provision of aggregate and practice level payor mix data, challenging practices to commit to increase their ratios of accepting underserved clients, maximizing Medicaid billing and reimbursement available to the practices and working with Safety Net

clinic partners to identify mutually beneficial strategies for addressing the increases in Medicaid client volume.

4.1.2. The Contractor shall document its relationship with and requirements for each PCMP in a written contract with that PCMP.

4.1.3. The Contractor shall only enter into written contracts with PCMPs that meet the following criteria:

4.1.3.1. The PCMP practice and the individual PCMP are enrolled as a Colorado Medicaid provider.

4.1.3.2. The PCMP practice and the individual PCMP, as applicable, are currently licensed by the Board of Medical Examiners to practice medicine in the State of Colorado

4.1.3.3. The individual PCMP shall act as the primary care provider for a Member and is capable of providing a majority of that Member's comprehensive primary, preventative and urgent or sick care.

4.1.3.4. The PCMP practice is certified by the Department as a provider in the Medicaid and CHP+ Medical Homes for Children Program or the PCMP practice is a Federally Qualified Health Center, a Rural Health Clinic, clinic or other group practice with a focus on primary care, general practice, internal medicine, pediatrics, geriatrics or obstetrics and gynecology.

4.1.3.5. The PCMP meets all additional criteria in Appendix B.

4.1.3.6. The Contractor may not prohibit a PCMP from entering into a contract with another RCCO.

4.1.4. The Contractor shall ensure that its PCMP network is sufficient to meet the requirements for every Member's Access to Care, to serve all Member's primary care needs and allow for adequate Member freedom of choice amongst PCMPs and providers during the Initial Phase and Expansion Phase.

4.1.5. The Contractor's network shall include Essential Community Providers and private for-profit and not-for-profit providers.

4.1.6. The Contractor shall ensure that its network includes providers or PCMPs with the interest and expertise in serving the special populations that include, but are not limited to:

4.1.6.1. The physically or developmentally disabled.

4.1.6.2. Children and foster children.

4.1.6.3. Adults and the aged.

4.1.6.4. Non-English speakers.

4.1.6.5. The Adults with Dependent Children expansion population, as defined in Colorado House Bill 09-1293, the Colorado Health Care Affordability Act.

4.1.6.6. Members with complex behavioral or physical health needs.

4.1.7. The Contractor's network shall provide the Contractor's Members with a meaningful choice in selecting a PCMP.

4.1.7.1. If a Member within the Contractor's Region selects a provider that has not entered into an agreement with the Contractor or another RCCO, the Contractor shall make an effort to enroll the provider.

4.1.7.1.1. The Contractor shall make an initial contact, through any method allowed by the Department and state and federal statutes, regulations policies or procedures, with the provider to attempt to enroll the provider in the Contractor's network.

4.1.7.1.2. If the Contractor is unsuccessful in its initial contact, then the Contractor shall make one (1) follow-up contact to attempt to enroll the provider in the Contractor's network.

4.1.8. The Contractor shall reasonably ensure that all providers and PCMPs in its network are aware of the requirement for a referral before a Member receives services from another provider.

4.2. ACCESS-TO-CARE STANDARDS

4.2.1. The Contractor's PCMP Network shall have a sufficient number of PCMPs so that each Member has a PCMP and each Member has their choice of at least two (2) PCMPs within their zip code or within thirty (30) minutes of driving time from their location, whichever area is larger. For rural and frontier areas, the Department may adjust this requirement based on the number and location of available providers.

4.2.1.1. In the event that there are less than two (2) medical providers qualified to be a PCMP within the area defined in the prior paragraph for a specific Member, then the requirements of that paragraph shall not apply to that Member.

4.2.1.2. The Contractor shall use GeoAccess or a comparable service to measure the distance between the Members and the providers and PCMPs in the Contractor's Region.

4.2.2. The Contractor's PCMP network shall provide for extended hours on evenings and weekends and alternatives for emergency room visits for after-hours urgent care. The Contractor will determine the appropriate requirements for the number of extended hours and weekend availability based on the needs of the Contractor's Region, and submit these requirements to the Department for approval. The Contractor shall assess the needs of the Contractor's Region on a regular basis, no less often than quarterly, and submit a request to the Department to adjust its requirements accordingly.

4.2.2.1. At a minimum, the Contractor's PCMP network shall provide for twenty-four (24) hour a day availability of information, referral and treatment of emergency medical conditions.

4.2.3. The Contractor shall have a system to track Member access at the PCMP provider level, including requests for same-day care, requests for routine care and how long a Member must wait before an appointment is available. The Contractor shall provide this information in a mutually agreed reporting format and on a mutually agreed schedule.

4.2.4. The Contractor's PCMP Network shall be sufficient to ensure that appointments will be available to all Members:

4.2.4.1. Within forty-eight (48) hours of a Member's request for urgent care.

4.2.4.2. Within ten (10) calendar days of a Member's request for non-urgent, symptomatic care.

4.2.4.3. Within forty-five (45) calendar days of a Member's request for non-symptomatic care, unless an appointment is required sooner to ensure the provision of screenings in accordance with the Department's accepted Early Periodic Screening, Diagnosis and Treatment (EPSDT) schedules.

4.2.5. The Contractor shall reasonably ensure that Members in the Contractor's Region have access to specialists and other Medicaid providers promptly with a referral and without compromising the Member's quality of care or health.

4.2.5.1. The Contractor shall arrange for, or coordinate with other entities that arrange for, specialists to be flown, or otherwise brought in, to areas where there are no specialists available on a full-time basis, in order to meet the requirements of this section. The Contractor may use telemedicine to fulfill this requirement if the PCMP providing care for a Member believes that telemedicine is an appropriate method of care.

4.2.6. The Department shall reimburse any provider for a Member's emergency services as otherwise authorized by Medicaid regardless of whether the provider that furnished the services has a contract with the Contractor.

4.3. ONGOING NETWORK MANAGEMENT AND REGIONAL STRATEGY

4.3.1. The Contractor shall develop relationships with providers and other community resources in the Contractor's Region, and document its relationships with those providers and community resources, listing the names of the providers and resources, their area or areas of specialty and any other information requested by the Department. The Contractor shall provide updated documentation of its relationships, at least semiannually, once in December and once in June.

4.3.1.1. DELIVERABLE: Provider and community resource relationship documentation

4.3.1.2. DUE: Semiannually in December and June

4.3.2. The Contractor shall create and document a communication plan to communicate with all providers, behavioral health managed care organizations and PCMPs in its network and other community resources with which it has relationships, and to promote communication amongst the providers.

4.3.2.1. The communication plan may include the following methods:

4.3.2.1.1. Assignment of providers to a specific provider relations consultant or point-of-contact within the Contractor's organization.

4.3.2.1.2. Holding information sessions for interested providers at practice association meetings or conferences.

4.3.2.1.3. Providing orientation sessions for providers that are new to the Contractor's network.

4.3.2.1.4. Hosting forums for ongoing training regarding the ACC Program and services the Contractor offers.

4.3.2.1.5. Posting provider tools, trainings, informational material and the Contractor's contact details on the internet in easily accessible formats.

4.3.2.1.6. Developing standard communication intervals at which the Contractor will contact providers to maintain connection and lines of communication.

4.3.2.2. The Contractor shall distribute a network newsletter, on a quarterly basis, with tips and tools to promote continuous provider interest and involvement and includes, at a minimum:

4.3.2.2.1. Policy changes.

4.3.2.2.2. Upcoming training sessions.

4.3.2.2.3. Articles supporting program design for PCMPs in the ACC Program

4.3.2.2.4. The Contractor shall develop and maintain an ongoing regional communication strategy that ensures providers and other community stakeholders have information and communication tools they need to support their involvement in the Contractor's management and advisory structure.

4.3.2.3. The Contractor shall submit its initial communication plan for the Department's review. The Contractor shall submit any significant changes to the Communication plan for the Department's review and approval.

4.3.2.3.1. DELIVERABLE: Communication plan

4.3.2.3.2. DUE: Ten (10) days from the Contract's Effective Date for the initial communication plan and thirty (30) days from the date of any change for an updated communication plan

4.3.3. The Contractor shall create an expansion plan that will describe how it will expand its network to accommodate the increased Members enrolled during the Expansion Phase and expand beyond the Focus Communities. The Contractor shall deliver this expansion plan to the Department within ninety (90) days of the Contract's Effective Date. The Department may direct changes to the plan if it believes the expansion plan is insufficient.

4.3.3.1. DELIVERABLE: Expansion plan

4.3.3.2. DUE: Ninety (90) days from the Contract's Effective Date

4.3.4. The Contractor shall update the expansion plan to address any request by the Department and resubmit the updated expansion plan to the Department within ten (10) days of the Department's request for changes.

4.3.4.1. DELIVERABLE: Updated expansion plan

4.3.4.2. DUE: Ten (10) days from the Department's request for a change

4.3.5. The Contractor shall critically review all requests from Members to add a specific provider or practice to its network and use this information to determine trends or service gaps in the Contractor's PCMP network.

4.3.6. The Contractor shall provide pediatric and family practices with but no limited to the necessary technical assistance, coaching and supports to meet PCMP requirements and become children's medical homes.

4.3.7. The Contractor shall conduct ongoing analysis of its network of PCMPs by anonymously contacting its PCMPs to assess provider response times, appointment availability, access to bi-lingual staff or translation services and after-hours coverage. The Contractor shall provide the results of this ongoing assessment to the Department upon the Department's request.

SECTION 5.0 PROVIDER SUPPORT

5.1. ADMINISTRATIVE SUPPORT

5.1.1. The Contractor shall make all of the providers in its network aware of Colorado Medicaid programs, policies and processes.

5.1.1.1. This information shall include, but is not limited to, information regarding all of the following:

5.1.1.1.1. Benefit packages and coverage policies.

5.1.1.1.2. Prior authorization referral requirements.

5.1.1.1.3. Claims and billing procedures.

5.1.1.1.4. Eligibility and enrollment processes.

5.1.1.1.5. Other operational components of service delivery.

5.1.1.2. This information shall be delivered to providers during direct contact at meetings, forums, training sessions or seminars, or through any method of mailing, as defined in 10 C.C.R. 2505-10 §8.050.

5.1.1.3. The Contractor shall submit all formal policy and procedure documents and plans for provider support to the Department for review. The Department may request changes to the formal policy and procedure documents or plans for direct contact, and the Contractor shall make the changes and deliver the updated documents or plans to the Department.

5.1.1.3.1. DELIVERABLE: All information documents and direct provider contact plans

5.1.1.3.2. DUE: Ten (10) days from the date the documents or plans are finalized for the original document, and ten (10) days from the request by the Department to make a change for updated documents

5.1.2. The Contractor shall make informational and educational materials available to providers regarding the roles that the Department, the Contractor and other Department contractors and partners play in the Colorado Medicaid system. These other Department contractors and partners shall include, at a minimum all of the following:

5.1.2.1. The Statewide Data Analytics Contractor (SDAC).

5.1.2.2. The Department's enrollment broker.

5.1.2.3. The State's Medicaid fiscal agent.

5.1.2.4. The Department's utilization management contractor.

5.1.2.5. The Department's managed care ombudsman.

5.1.2.6. The county departments of human and social services for the counties in the Contractor's Region.

5.1.2.7. The Community-Centered Boards and Single Entry Point agencies.

5.1.3. The Contractor shall act as a liaison between the Department and its other contractors and partners and the providers. The Contractor shall assist providers in resolving barriers and problems related to the Colorado Medicaid systems, including, but not limited to all of the following:

5.1.3.1. Issues relating to Medicaid provider enrollment.

5.1.3.2. Prior authorization and referral issues.

5.1.3.3. Member eligibility and coverage policies.

5.1.3.4. PCMP designation problems.

5.1.3.5. PCMP Per Member Per Month (PMPM) payments.

5.2. PRACTICE SUPPORT

5.2.1. The Contractor shall submit a Practice Support Plan, describing its annual activities, for Department review and approval. These practice support activities shall be directed at a majority of the PCMPs in the Contractor's Region and may range from disseminating a practice support resource to its PCMP network to conducting formal training classes for PCMPs relating to practice support. These activities shall include at least one activity relating to each of the following topics:

5.2.1.1. Operational practice support.

5.2.1.2. Clinical tools.

5.2.1.3. Client or Member materials.

5.2.1.3.1. DELIVERABLE: Practice Support Plan

5.2.1.3.2. DUE: Annually, within the first three (3) months of the state fiscal year

5.2.2. The Contractor shall offer support to PCMPs and providers, which may include comprehensive guidance on practice redesign to providing assistance with practice redesign and performance-enhancing activities. The Contractor shall conduct a needs assessment for each PCMP in the Contractor's PCMP network, and provide tools to each PCMP, as necessary based on the needs assessment, to increase the PCMP's readiness to become a more effective Medical Home for the Contractor's Members. The Contractor shall provide tools to the PCMPs and providers that may include any of the following:

5.2.2.1. Clinical Tools:

5.2.2.1.1. Clinical care guidelines and best practices

5.2.2.1.2. Clinical screening tools, such as depression screening tools and substance use screening tools.

5.2.2.1.3. Health and functioning questionnaires.

5.2.2.1.4. Chronic care templates.

5.2.2.1.5. Registries.

5.2.2.2. Client Materials:

5.2.2.2.1. Client reminders.

5.2.2.2.2. Self-management tools.

5.2.2.2.3. Educational materials about specific conditions.

5.2.2.2.4. Client action plans.

5.2.2.2.5. Behavioral health surveys and other self-screening tools.

5.2.2.3. Operational Practice Support:

5.2.2.3.1. Guidance and education on the principles of the Medical Home.

5.2.2.3.2. Training on providing culturally competent care.

5.2.2.3.3. Training to enhance the health care skills and knowledge of supporting staff.

5.2.2.3.4. Guidelines for motivational interviewing.

5.2.2.3.5. Tools and resources for phone call and appointment tracking.

5.2.2.3.6. Tools and resources for tracking labs, referrals and similar items.

5.2.2.3.7. Referral and transitions of care checklists.

5.2.2.3.8. Visit agendas or templates.

5.2.2.3.9. Standing pharmacy order templates.

5.2.2.4. Data, Reports and Other Resources:

5.2.2.4.1. Expanded provider network directory.

5.2.2.4.2. Comprehensive directory of community resources.

5.2.2.4.3. Directory of other Department-sponsored resources, such as the managed care ombudsman and nurse advice line.

5.2.2.4.4. Link from main ACC Program website to the Contractor's website of centrally located tools and resources.

5.2.3. Provider Support Accessibility

5.2.3.1. The Contractor shall have an internet-accessible website that contains, at a minimum, all of the following:

5.2.3.1.1. General information about the ACC Program, the Contractor entity, the Contractor's role and purpose and the principles of a Medical Home.

5.2.3.1.2. A network directory listing providers and PCMPs with whom the Contractor has a contract, their contact information and provider characteristics such as gender, languages spoken, whether they are currently accepting new Medicaid clients and links to the provider's website if available.

5.2.3.1.3. A provider page or section that contains a description of the support the Contractor offers to providers, an online library of available tools, screenings, clinical guidelines, practice improvement activities, templates, trainings and any other resources the Contractor has compiled.

5.2.3.1.4. A listing of immediately available resources to guide providers and their Members to needed community-based services, such as child care, food assistance, services supporting elders, housing, utility assistance and other non-medical supports.

5.2.3.1.5. A series of ongoing online discussion forums where providers, care managers, and Contractor staff can post questions and comments on topics of mutual interest.

5.2.3.1.6. Links to the web sites of all participating PCMPs in the region who have a web site.

5.2.3.2. The Contractor shall make health disparity and cultural competency training available to the provider network on at least an annual basis with training made available within sixty (60) days of the Go-Live date or large program expansions

5.2.4. The Contractor shall have individuals, assigned to specific geographical areas selected by the Contractor, within the Contractor's Region, to be a Provider Relations Representative for the PCMPs and providers located within that geographical area. These Provider Relations Representatives shall:

5.2.4.1. Train all new PCMPs, and existing PCMPs as needed, on the ACC Program and its requirements.

5.2.4.2. Respond to PCMP requests and issues within two (2) business days from the request or the communication of the issue to the Contractor by the PCMP.

5.2.4.3. Assist PCMPs with all contracts and contract renewals necessary to participate in the ACC Program, regardless of whether these contracts are with the Contractor or the Department.

5.2.5. The Contractor shall provide an orientation training, which will provide information on the ACC Program and its requirements, policies and operational procedures, to all of its PCMPs, within three (3) months of the PCMPs agreement with the Contractor to become a PCMP.

5.2.6. The Contractor shall provide specific, on-site training to any PCMP on specific topic areas, upon request by the PCMP for such training.

5.2.7. The Contractor shall provide pediatric and family practice PCMPs with the necessary technical assistance, coaching and supports to and become effective Medical Homes for their clients who are children.

5.2.8. The Contractor shall provide interpreter services for all interactions with Members or Clients when there is no bilingual or multilingual Member of the Contractor available who speaks a language understood by a Member.

5.2.8.1. The Contractor may provide interpreter services for any PCMP in the Contractor's Region or any other provider with whom the Contractor has an agreement that the provider needs to interact with Members.

5.3. DATA ANALYSIS AND REPORTS

5.3.1. The Contractor shall provide reasonable network and care coordination data to the Department or to the SDAC at the Department's direction.

5.3.2. The Contractor shall access any reports, queries and searches it requires from the SDAC. The Contractor shall design any queries or searches it requires and interpret the results of the queries and searches it conducts.

5.3.2.1. The Contractor shall share with the PCMPs, the SDAC and the Department any specific findings or important trends discovered through the Contractor's analysis of the available data and information.

5.3.3. The Contractor shall educate and inform the PCMPs and providers about the data reports and systems available to the providers and the practical uses of the available reports.

5.3.4. The Contractor shall take appropriate action, based on the results of its searches, queries and analyses, to improve performance, target efforts on areas of concern and apply the information to make changes and improve the health outcomes of its members.

5.3.4.1. The Department may request that the Contractor report the results of any analysis it performs. At the Department's request, the Contractor shall report the results of the analyses it performed to the Department and what steps it intends to take based on those analyses, within ten (10) days of the Department's request. The Department may request additional information, that the Contractor perform further analyses or that the contractor modify any steps it intends to take at the Department's sole discretion.

SECTION 6.0 MEDICAL MANAGEMENT AND CARE COORDINATION

6.1. REFERRAL PROCESS ASSISTANCE

6.1.1. The Contractor shall ensure that all PCMPs with which it contracts are aware of and comply with the Department's referral requirements. These requirements include referring the PCMP's Members to specialty care as appropriate, providing the referring PCMP's Medicaid provider identification number and communicating the reason for the referral. The Contractor shall provide support to the PCMPs with which it contracts in the proper process for all required referrals based on information provided by the Department regarding incomplete or inappropriately submitted referrals and for specialty care obtained by Members without a referral. In the event that the any provider's referral question is beyond the resources available to the Contractor, the Department shall assist the Contractor in researching and providing the answer to the question.

6.1.2. The Contractor shall allow the PCMPs with which it contracts to refer Members to any specialists enrolled in Medicaid or any other Medicaid provider, including those not associated with the Contractor or another RCCO. The PCMP will not be required to provide a referral when the Member receives any of the following services:

6.1.2.1. Emergency care.

6.1.2.2. EPSDT screenings.

6.1.2.3. Emergency and non-emergent medical transportation.

6.1.2.4. Anesthesiology services.

6.1.2.5. Dental services.

6.1.2.6. Vision services.

6.1.2.7. Family planning services.

6.1.2.8. Behavioral health services.

6.1.2.9. Home and Community-Based Waiver services, as defined in the State Plan that the Department has submitted to the Centers for Medicare and Medicaid Services.

6.1.2.10. Obstetrical care.

6.1.2.11. Primary care from a primary care physician, other than the Member's PCMP, if the Member's PCMP is unavailable to see the Member.

6.1.3. The Department shall provide the Contractor with information regarding care obtained without a referral by Members in the Contractor's Region on a monthly basis.

6.2. MEDICAL MANAGEMENT SUPPORT

6.2.1. The Contractor shall use, and recommend to PCMPs, traditional and non-traditional medical management practices and tools to ensure optimal health outcomes and manage costs for the Department and the Contractor's Members. These practices and tools may include, but are not limited to, any of the following:

6.2.1.1. Traditional methods:

6.2.1.1.1. Coordination with the Department's utilization management contractor to detect inappropriate utilization of services.

6.2.1.1.2. Integrating disease management into the care of Members with multiple chronic conditions.

6.2.1.1.3. Catastrophic case management.

6.2.1.1.4. Coordination of medical services for Members with serious, life-changing, and possibly life-threatening, illnesses and injuries.

6.2.1.2. Innovative and proven or promising practices:

6.2.1.2.1. Technologically enhanced communication, such as cell phone messages, email communication and text messaging.

6.2.1.2.2. Providing PCMPs with tools and resources to support informed medical decision-making with Members.

6.2.1.2.3. Alternate formats for delivering care.

6.2.1.2.4. Methods for diversion to the most appropriate care setting.

6.2.1.3. The Guiding Care system or similar clinical tool

6.2.2. The Department may review the Contractor's medical management practices and tools. In the event that the Department determines any practice or tool to be ineffective, inappropriate or otherwise unacceptable, the Contractor shall cease using or recommending that practice or tool immediately upon notification by the Department of its unacceptability.

6.3. PROMOTION OF MEMBER EMPOWERMENT, HEALTHY LIFESTYLE CHOICES AND INFORMED DECISION MAKING

6.3.1. The Contractor shall promote Member education and informed decision-making regarding healthy lifestyle choices, medical treatment and all aspects of the Member's own health care. This education shall include an overview of the ACC Program and how to navigate services within the Colorado Medicaid program. The Contractor's strategies may include, but are not limited to:

6.3.1.1. A comprehensive approach to promoting healthy behavior that takes into consideration factors that affect healthy behavior, such as community and cultural practices and standards, daily work and life opportunities and limitations and Member awareness of how behavior affects health. This approach may include clinical, personal and community-based strategies, as appropriate.

6.3.1.2. Motivational interviewing to create Member-centered, directive methods for increasing the member's intrinsic motivation to change behavior.

6.3.1.3. Use of member decision aids.

6.3.1.4. Community health education, either provided by the Contractor or provided in partnership with the existing community of health educators, to help Members make lifestyle choices that lead to better health.

6.3.2. The Contractor shall create a comprehensive health education and wellness package for Members.

6.3.3. The Department may review the Contractor's strategies for promoting Member education and informed decision-making. In the event that the Department determines any strategy to be ineffective, inappropriate or otherwise unacceptable, the Contractor shall cease using that strategy immediately upon notification by the Department of its unacceptability.

6.4. CARE COORDINATION

6.4.1. The Contractor shall provide care coordination for its Members, necessary for the Members to achieve their desired health outcomes in an efficient and responsible manner. The Contractor may allow the PCMPs with which it contracts or other Subcontractors to perform some or all of the care coordination activities, but the Contractor shall be responsible for the ultimate delivery of care coordination services.

6.4.1.1. In the event that the Contractor allows a PCMP or other Subcontractor to perform any care coordination activities, the agreement with that PCMP or other Subcontractor shall comply with all requirements of the Contract.

6.4.2. The Contractor shall deliver automated messages related to health education and promotion and schedule care management outreach appointments with Members through interactive voice recognition technology

6.4.3. The Contractor shall assign an individual to be a Care Coordinator for each Member and make that Member aware of that assignment. If the Member has an existing case manager through another program, such as a community agency or behavioral health program, then the Contractor shall coordinate with that individual on how best to coordinate care through a single Care Coordinator instead of assigning an additional individual.

6.4.4. Regardless of its relationships or contracts with PCMPs or Subcontractors, the Contractor shall:

6.4.4.1. Assess current care coordination services provided to each of its Members to determine if the providers involved in each Member's care are providing necessary care coordination services and which care coordination services are insufficient or are not provided.

6.4.4.2. Provide all care coordination services that are not provided by another source.

6.4.4.3. Work with providers who are responsible for the Member's care to develop a plan for regular communication with the person(s) who are responsible for the Member's care coordination.

6.4.4.4. Reasonably ensure that all care coordination services, including those provided by other individuals or entities, meet the needs of the Member.

6.4.5. The Contractor shall develop a formal system of care coordination for its Members. This formal system shall have the following characteristics:

6.4.5.1. Comprehensive Care Coordination characteristics include:

6.4.5.1.1. Assessing the Member's health and health behavior risks and medical and non-medical needs, including determining if a care plan exists and creating a care plan if one does not exist and is needed.

6.4.5.1.2. The ability to link Members both to medical services and to non-medical, community-based services, such as child care, food assistance, services supporting elders, housing, utilities assistance and other non-medical supports. This ability to link may range from being able to provide Members with the necessary contact information for the service to arranging the services and acting as a liaison between medical providers, non-medical providers and the Member.

6.4.5.1.3. The Contractor shall create a library of community resources, the Colorado Access Resource Exchange, with resources for the Member's basic needs, special healthcare or psychological needs, childcare and family support services and wellness education and support.

6.4.5.1.4. Providing assistance during care transitions from hospitals or other care institutions to home- or community-based settings or during other transitions, such as the transition from children's health services to adult health services or from hospital or home care to care in a nursing facility. This assistance shall promote continuity of care and prevent unnecessary re-hospitalizations and document and communicate necessary information about the Member to the providers, institutions and individuals involved in the transition.

6.4.5.1.5. Providing solutions to problems encountered by providers or Members in the provision or receipt of care.

6.4.5.1.5.1. The Contractor shall use its existing grievance process to document all problems presented by Members in the provision or receipt of care and the solutions given to the Member. The Contractor shall also document problems presented by providers in the provision of care and the solutions provided to the provider The Department may review any of the

documented solutions and, should the Department determine the solution to be insufficient or otherwise unacceptable, may direct the Contractor to find a different solution or follow a specific course of action.

6.4.5.1.6. Informing the Members of the Department's Medicaid ombudsman to assist the Member in resolving health care issues and filing grievances.

6.4.5.1.7. Following up with Members to assess whether the Member has received needed services and if the Member is on track to reach their desired health outcomes.

6.4.5.2. Client/Family Centered characteristics include:

6.4.5.2.1. Ensuring that Members, and their families if applicable, are active participants in the Member's care, to the extent that they are able and willing.

6.4.5.2.2. Providing care and care coordination activities that are linguistically appropriate to the Member and are consistent with the Member's cultural beliefs and values

6.4.5.2.3. Providing care coordination that is responsive to the needs of special populations, including, but not limited to:

6.4.5.2.3.1. The physically or developmentally disabled

6.4.5.2.3.2. Children and foster children

6.4.5.2.3.3. Adults and the aged

6.4.5.2.3.4. Non-English speakers

6.4.5.2.3.5. All expansion populations, as defined in Colorado House Bill 09-1293, the Colorado Health Care Affordability Act

6.4.5.2.3.6. Members in need of assistance with medical transitions

6.4.5.2.3.7. Members with complex behavioral or physical health needs

6.4.5.2.4. Providing care coordination that aims to keep Members out of a medical facility or institutional setting and provide care in the Member's community or home to the greatest extent possible. The Contractor shall ensure that all care coordination activities comply with the Supreme Court decision in Olmstead v. L. C. (527 U.S. 581 (1999)).

6.4.5.3. Integrated Care Coordination characteristics include:

6.4.5.3.1. Ensuring that physical, behavioral, long-term care, social and other services are continuous and comprehensive and the service providers communicate with one another in order to effectively coordinate care.

6.4.5.3.2. Providing services that are not duplicative of other services and that are mutually reinforcing.

6.4.5.3.3. Implementing strategies to integrate member care such as:

6.4.5.3.3.1. Developing a knowledge base of care providers, case management agencies and available services, both within the Contractor's network and the Members' communities.

6.4.5.3.3.2. Becoming familiar with the Department's initiatives and programs.

6.4.5.3.3.3. Knowing the eligibility criteria and contact points for community-based service available to the Member's in the Contractor's Region, subject to the Department's direction.

6.4.5.3.3.4. Identifying and addressing barriers to health in the in the Contractor's region, such as member transportation issues or medication management challenges.

6.4.6. The Contractor shall create a Personal Health Record for each Member in its Region to help facilitate communication and ensure continuity of care across providers and settings.

6.4.7. The Contractor shall institute a Transaction Access Program (TAP) to assist with care transitions and provide care coordination.

6.4.7.1. The TAP shall include a specific model for Members who are admitted for behavioral health reasons.

6.4.7.2. The TAP shall coordinate with the Member's care managers and support community recovery by providing or coordinating the following activities:

6.4.7.2.1. Helping the Member or family access needed community resources via provider Web portal, email, fax, or phone

6.4.7.2.2. Managing non-hospital transitions through home visits by a nurse practitioner, who will assess and arrange to address the Member's medication, living skills, and behavioral needs

6.4.7.2.3. Arranging for a visit from the Contractor's mobile physician network, which will supplement other home-based care through assessment, referrals, and/or ongoing treatment, as required

6.4.7.2.4. Providing ongoing care coordination for specific conditions that require active transition management to prevent relapse, for example, alcohol withdrawal, tobacco cessation, and weight management

6.4.8. The Contractor shall provide its PCMPs and Members with specialized assessment tools, consultation, training and coordination to specifically address the needs of individuals with substance abuse related diagnoses.

6.4.9. The Contractor shall provide special assistance in the transitions of Members with behavioral and developmental disabilities by providing, at a minimum, the following activities:

6.4.9.1. Calling the provider or entity to which the Member was referred to inform them of the Member's referral

6.4.9.2. Assisting the Member in making any appointments with the entity to which the Member was referred

6.4.9.3. Assisting the member with getting to any appointments in a timely manner

6.4.10. The Contractor shall offer supports for the Contractor's care coordination staff and the care coordination staff at any PCMPs to whom the Contractor has delegated care coordination responsibilities. These supports shall include, at a minimum:

6.4.10.1. Identification and education of care management best practices

6.4.10.2. Ongoing training

6.4.10.3. Access to technical assistance through the Contractor's multi-disciplinary care management leadership team

6.4.11. The Contractor shall document its formal system of care coordination and deliver this documentation to the Department within sixty (60) days of the Contract's Effective Date.

6.4.11.1. DELIVERABLE: Documented formal system of care coordination

6.4.11.2. DUE: Sixty (60) days from the Contract's Effective Date

6.4.12. The Contractor shall provide the Department with an updated documentation of its formal system of care coordination whenever it makes any significant change to its system, when a series of minor changes have combined into a significant change from the prior system or upon the Department's request. The Contractor shall deliver this documentation to the Department within sixty (60) days of the change has occurred or from any request by the Department for updated documentation.

6.4.12.1. DELIVERABLE: Updated documentation of formal system of care coordination

6.4.12.2. DUE: Sixty (60) days from the change or from the Department's request

6.4.13. The Department may review the Contractor's formal system of care coordination at any time. The Department may direct changes in the Contractor's system of care coordination in the event that it determines any aspect of the system to be insufficient, inappropriate or otherwise unacceptable, for any reason. The Contractor shall immediately implement any changes directed by the Department and update its documentation of its formal system of care coordination accordingly.

SECTION 7.0 ACCOUNTABILITY

7.1. INITIAL PHASE PERFORMANCE METRICS

7.1.1. The Department shall calculate the regional baseline costs and utilization measures and make the baseline costs, calculation methodologies and utilization measures available to the Contractor in a reasonable timeframe. The Department shall calculate future cost and utilization measures using the same methodology as the baseline costs and utilization measures, and shall use these future costs and utilization costs to measure the Contractor's performance.

7.1.2. The Department shall only authorize the Contractor to enter the Expansion Phase if the future cost measurements show an aggregate reduction in costs for the Contractor's Region that meets the Department's budget goals. The Department shall determine whether any cost reduction meets the Department's budget goals in its sole discretion. The Department shall make reasonable efforts to provide the Contractor with cost reduction objectives so that the Contractor and its partners within Focus Communities can align their efforts with the Department's program goals.

7.1.3. The Department shall measure the Contractor on the metrics contained in the Performance Target Table, as described in the following section on Expansion Phase Performance Metrics, during the Initial Phase. The Department shall make these

measurements in order to create appropriate baselines and evaluate the Contractor's performance during the Initial Phase. The Department shall not pay the Contractor any incentive or other payment for meeting or exceeding any performance target before July 1, 2012.

7.2. EXPANSION PHASE PERFORMANCE METRICS

7.2.1. Once the Contractor has entered the Expansion Phase, the Department shall begin enrolling additional members into the Contractor's plan at the Department's discretion. The Department may enroll any eligible Client within the Contractor's Region into the Contractor's plan, and the Contractor shall accept all new members enrolled by the Department.

7.2.2. The Department shall use the performance targets, listed in the following table, to measure the Contractor during the first year of the Expansion Phase. The baseline for all performance targets listed in the following table shall be calculated based on the most recently available twelve (12) month period by the Department utilizing methodology that is fully disclosed to the Contractor in advance, with opportunity for consideration of comments submitted by the Contractor prior to finalization of the methodology by the Department.

7.2.2.1. Performance Target Table

Measurement Area	Performance Target
Emergency Room Visits per 1,000 full time enrollees (FTEs)	Level 1 Target: Utilization shows greater than 1.0% but less than 5.0% improvement Level 2 Target: Baseline utilization minus 5.0% or more
Hospital Re-admissions per 1,000 FTEs	Level 1 Target: Utilization shows greater than 1.0% but less than 5.0% improvement Level 2 Target: Baseline utilization minus 5.0% or more
Outpatient Service Utilization per 1,000 FTEs MRI, CT scans, and X-ray tests per 1,000 FTEs	Level 1 Target: Utilization shows greater than 1.0% but less than 5.0% improvement Level 2 Target: Baseline utilization minus 5.0% or more

7.2.3. During the second year of the Expansion phase and every subsequent year, the Department shall consult with the Contractor to determine the measurement areas and performance targets for the Contractor based on the Department's priorities, goals, objectives and initiatives. The Department shall amend this Contract to establish the new measurement areas and performance targets no later than March 1st.

7.2.4. The Department may institute a shared savings program during the expansion phase at its discretion. In the event that the Department decides to institute a shared savings program, it shall work with the Contractor to amend this Contract as necessary to institute the program.

7.3. PERFORMANCE IMPROVEMENT

7.3.1. The Contractor shall submit, for Department approval, a three (3) year performance improvement program that shall include an annual Performance Improvement Plan (PIP) update. The PIP shall describe:

7.3.1.1. The Contractor's health and health care performance improvement goals and objectives, based on national standards, the Department's priorities, goals, objectives and initiatives and the needs of the Contractor's Region.

7.3.1.2. The methods and strategies the Contractor will employ to achieve these stated goals and objectives.

7.3.1.3. A statement of a minimum of two (2) targeted performance improvement activities, the rational for choosing each activity and a plan for addressing them.

7.3.2. The Contractor shall deliver the PIP updates to the Department on an annual basis by October first of that year.

7.3.2.1. DELIVERABLE: Initial Performance Improvement Plan; Annual PIP update

7.3.2.2. DUE: The Initial Performance Plan is due by October 1, 2011; the PIP Update is due annually, by October 1st of the year

7.3.3. The Contractor shall include all relevant and available data, including those provided by the Department, the SDAC, claims data, prior authorization systems, registry data and data available through national collection initiatives, in any analysis, goal setting or the formulation of any strategy or plan.

7.3.4. The Department may review the Contractor's PIP at any time. The Department may direct reasonable changes in the Contractor's PIP in the event that it determines any aspect of the plan to be insufficient, inappropriate or otherwise unacceptable, for any reason. The Contractor shall immediately implement any reasonable changes directed by the Department and update its PIP accordingly.

7.4. FEEDBACK AND INNOVATION

7.4.1. The Contractor shall create a Performance Improvement Advisory Committee to provide input into the Contractor's implementation of the ACC Program and the Contractor's own performance improvement program. The Performance Improvement Advisory Committee shall:

7.4.1.1. Be directed and chaired by one of Contractor's Key Personnel.

7.4.1.2. Have a formal, documented membership and governance structure.

7.4.1.3. Have a diverse membership, representative of the Contractor's Region, which includes members representing at least the following:

7.4.1.3.1. Members

7.4.1.3.2. Member's families

7.4.1.3.3. Advocacy groups and organizations

7.4.1.3.4. The PCMP network

7.4.1.3.5. Other Medicaid providers

7.4.1.3.6. The Behavioral Health community

7.4.1.3.7. Charitable, faith-based or service organizations within the community

7.4.1.4. Hold regularly scheduled meetings, no less often than on a quarterly basis.

7.4.1.5. Open all scheduled meetings to the public.

7.4.1.6. Post the minutes of each meeting on the Contractor's website within seven (7) days of each meeting.

7.4.1.6.1. DELIVERABLE: Posted meeting minutes on the Contractor's website

7.4.1.6.2. DUE: Seven (7) days from the date of the meeting

7.4.2. The ACC Program Improvement Advisory Committee

7.4.2.1. The Contractor shall provide one person to serve as a member of the Department's ACC Program Improvement Advisory Committee. This individual shall be the Contractor's representative to the ACC Program Improvement Advisory Committee.

7.4.3. Medical Management Oversight Advisory Committee

7.4.3.1. The Contractor shall provide one person to serve as a member of the Department's Medical Management Oversight Advisory Committee. This individual shall be the Contractor's representative to the Medical Management Oversight Advisory Committee.

7.4.4. SDAC Advisory Committee

7.4.4.1. The Contractor shall provide one person to serve as a member of the Department's SDAC Advisory Committee. This individual shall be the Contractor's representative to the SDAC Advisory Committee.

7.4.5. The Contractor's representative on each of the committees described in this section may serve on any number of committees, as time permits. If conflicting meetings, other obligations or any other event does not permit the Contractor's representative from attending a meeting, the Contractor shall provide an alternate representative to attend the meeting that the regular representative could not attend. The Contractor's representative shall attend all meetings in person, unless granted prior approval to attend through telephone, video conference or other means by the Department.

7.4.6. The Department may request the Contractor provide an replacement representative, for any of the committees in this section, from the Contractor in the event that the Department determines, in its sole discretion, that the existing representative is unacceptable or if the representative shows a pattern of being disruptive during meetings, being tardy to regularly scheduled meetings or failing to attend regularly scheduled meetings. In the event that the Department requests a replacement representative, the Contractor shall provide the replacement representative by the next regularly scheduled meeting of that committee.

7.4.7. The Contractor shall develop a Local Advisory Council, which shall include community agencies, advocacy groups, providers, Members, Member's families and other stakeholders.

SECTION 8.0 PROGRAM REPORTING

8.1. ADMINISTRATIVE REPORTING

8.1.1. Network Report

8.1.1.1. The Network Report shall contain:

8.1.1.1.1. A listing of the total number of providers by type of provider and by county, including, but not limited to, PCMPs, specialists and hospitals.

8.1.1.1.2. The number of providers who are accepting new Clients.

8.1.1.1.3. A description of how the Contractor's network of providers meets the needs of the Member population in the Contractor's Region.

8.1.1.1.4. Action plans to address any network deficiencies

8.1.1.2. In addition to the requirements for all network reports, the report submitted at the beginning of the Department's fiscal year shall include a summary of the challenges and opportunities for improving the Contractor's network, the existing unmet needs within the Contractor's network and the Contractor's strategy for meeting those needs.

8.1.1.3. The Contractor shall submit the network report on a quarterly basis, no later than thirty (30) days from the end of the reporting quarter. The Department shall provide to the Contractor a monthly extract of the Medicaid contracted providers and the corresponding demographic information such as NPI, Medicaid ID, phone, address, county, Region and specialty.

8.1.1.3.1. DELIVERABLE: Network Report

8.1.1.3.2. DUE: within thirty (30) days of the end of each quarter

8.1.2. Medical Home Engagement Report

8.1.2.1. The Medical Home Engagement Report shall contain a count of how many Members within the Contractor's Region fall into the following three (3) categories during the prior quarter:

8.1.2.1.1. Members who have visited their assigned PCMP

8.1.2.1.2. Members who have visited a provider other than their assigned PCMP

8.1.2.1.3. Members who have not visited a provider

8.1.2.2. The Contractor shall submit the Medical Home Engagement Report on a quarterly basis, no later than thirty (30) days from the end of the reporting quarter.

8.1.3. Program Integrity Report

8.1.3.1. The Contractor shall report to the Department any suspicion or knowledge of fraud or abuse, including, but not limited to, false or fraudulent filings of claims and the acceptance of or failure to return any monies allowed or paid on claims known to be fraudulent.

8.1.3.2. The Contractor shall report any suspicion or knowledge of fraud or abuse to the Department immediately upon receipt of the information causing suspicion or knowledge of the fraud or abuse.

8.1.3.3. The Contractor shall prepare a written program integrity report detailing the specific background information of any reported fraud or abuse, the name of the provider and a description of how the Contractor became aware of the information that led to the report. The Contractor shall deliver this Program Integrity Report to the Department within ten (10) business days from when it reported the fraud or abuse to the Department.

8.1.3.3.1. DELIVERABLE: Program Integrity Report

8.1.3.3.2. DUE: Ten (10) days from the initial report of the fraud or abuse

8.1.3.4. The Contractor shall report any possible instances of a Member's fraud, such as document falsification, to the department of human or social services in the county in which the Member resides, immediately upon gaining information leading to knowledge of the fraud or suspicion of fraud. The Contractor shall deliver a written report of the possible instances of the Member's fraud detailing the specific background information of the reported fraud, the name of the Member and a description of how the Contractor became aware of the information that led to the report. The Contractor shall deliver this Member fraud report to the county department to which it made its initial report within ten (10) business days from when it reported the fraud to the county department.

8.1.3.4.1. DELIVERABLE: Member Fraud Report

8.1.3.4.2. DUE: Ten (10) days from the initial report of the fraud or abuse

8.2. PERFORMANCE REPORTS

8.2.1. Performance Measures and Activities Report

8.2.1.1. The Contractor shall draw the appropriate data, information and reports from the SDAC to create its Performance Measures and Activity Report. The Performance Measures and Activity Report shall contain:

8.2.1.1.1. The Contractor's performance for the most recently completed calendar quarter in relation to the performance metrics described in Section 7.0 of this Statement of Work, the Contractor's current PIP activities and any metrics, goals or objectives given to the Contractor by the Department.

8.2.1.1.2. The Contractor's performance on all applicable metrics, goals and objectives from the previous four (4) quarters.

8.2.1.1.3. The Contractor's cumulative performance on all metrics, goals and objectives over the past twelve (12) consecutive months.

8.2.1.1.4. A summary of the Contractor's performance improvement activities completed during the previous quarter, currently in progress and planned for the upcoming quarter.

8.2.1.2. The Contractor shall provide the Performance Measures and Activity Report, to the Department, on a quarterly basis, within thirty (30) days from the end of the quarter that the report covers.

8.2.1.2.1. DELIVERABLE: Performance Measures and Activity Report

8.2.1.2.2. DUE: Thirty (30) days from the end of the quarter that the report covers.

8.2.1.3. The Department shall make available to the Contractor all data in the MMIS, including, but not limited to, behavioral health encounters, physical health claims, dental claims and pharmacy claims on a monthly basis to support the generation of the reports described in this section.

8.2.2. Stakeholder Feedback Report

8.2.2.1. The Stakeholder Feedback Report shall contain:

8.2.2.1.1. A summary of the feedback received from Members and other stakeholders, through any advisory committee or through any other means.

8.2.2.1.2. A description of trends and themes in the feedback received.

8.2.2.1.3. A description of overarching issues to address or system-wide problems that must be solved and a proposal to address these issues or solve the problems.

8.2.2.1.4. A summary of the feedback and complaints from Members, providers and the community at large and any advice or views expressed by the Contractor's Performance Improvement Advisory Committee.

8.2.2.2. The Contractor shall provide the Stakeholder Feedback Report, to the Department, on a quarterly basis, within thirty (30) days from the end of the quarter that the report covers.

8.2.2.3. The Stakeholder feedback report may contain information that is not reflected in the Contractor's regular grievance process and the information contained in such a report is not indicative of a weakness or limitation of the Contractor or the Contractor's systems.

8.2.2.3.1. DELIVERABLE: Stakeholder Feedback Report

8.2.2.3.2. DUE: Thirty (30) days from the end of the quarter that the report covers

8.2.3. Management Report

8.2.3.1. The Contractor shall measure and create a Management Report that contains a detailed description of all of the following measurements:

8.2.3.1.1. Specific health outcomes in relation to the Department's priority areas of the reduction in carries, depression, obesity and tobacco use.

8.2.3.1.1.1. The Department may change these priority areas, at any time, by notifying the Contractor, in writing, of the change.

8.2.3.1.2. Health care affordability that address cost issues, such as the change in expenditures for the Members in the Contractor's Region on durable medical equipment or branded prescription medications.

8.2.3.1.2.1. The Department may request the inclusion or exclusion of specific cost issues or expenditures, at any time, by notifying the Contractor, in writing, of the inclusion or exclusion.

8.2.3.1.3. Access to care measures that show the ability of the Contractor's Members to find and use services, such as, the number of Members in special populations that are able to access needed care within a certain distance from the Member's home or during a certain period of time.

8.2.3.1.3.1. The Department may request the inclusion or exclusion of any specific population of Members or of any metrics related to those Members' access to care, by notifying the contractor, in writing, of the inclusion or exclusion no later than thirty (30) days prior to the submission of the report.

8.2.3.1.4. The experience of stakeholders with the ACC Program and the health care system in the Contractor's Region.

8.2.3.2. The Contractor shall provide the Management Report, to the Department, on a quarterly basis, within thirty (30) days from the end of the quarter that the report covers.

8.2.3.2.1. DELIVERABLE: Management Report

8.2.3.2.2. DUE: Thirty (30) days from the end of the quarter that the report covers

8.2.3.3. The Department shall work to ensure that the measurements and priority areas of the Department's quality workgroups are aligned.

8.3. REPORT VERIFICATION

8.3.1. The Department may, in its sole discretion, verify any information the Contractor reports to the Department for any reason. The Department may use any appropriate, efficient or necessary method for verifying this information including, but not limited to:

8.3.1.1. Fact-checking

8.3.1.2. Auditing reported data

8.3.1.3. Requesting additional information

8.3.1.4. Performing site visits

8.3.2. In the event that the Department determines that there are errors or omissions in any reported information, the Contractor shall produce an updated report, which corrects all errors and includes all omitted data or information, and submit the updated report to the Department within ten (10) days from the Department's request for the updated report.

8.3.2.1. DELIVERABLE: Updated reports

8.3.2.2. DUE: Ten (10) days from the Department's request for an updated or corrected report

SECTION 9.0 COMPENSATION

9.1. PMPM PAYMENTS

9.1.1. The Department shall pay the Contractor a monthly PMPM Payment, through the Colorado MMIS, of thirteen dollars ($13.00), during the Initial Phase for each active Member enrolled in the Contractor's plan on the first day of that month. The PMPM Payment shall be eleven dollars and sixty-seven cents ($11.67) after June 30, 2012.

9.1.1.1. The PMPM payments shall only be made during the Initial Phase and the Expansion Phase. The Contractor shall not receive any PMPM Payment before the beginning of the Initial Phase.

9.1.1.2. The number of active Members enrolled in the Contractor's plan shall be calculated based on the number of enrollments in the Colorado Medicaid Management Information System.

9.1.1.3. The Department shall remit all PMPM Payments to the Contractor within the month for which the PMPM Payment applies. In the event that the Contractor is not compensated for a Member in a month for which the Contractor should have been compensated, the Department shall compensate the Contractor for that Member.

9.2. INCENTIVE PAYMENT PILOT PROGRAM

9.2.1. During the first year of the Initial Phase, the Department will pilot an incentive payment program to allow the Department to test the incentive program calculations and allow the Contractor and the PCMPs in the Contractor's PCMP network to determine if their strategies are making progress toward the Department's stated goals. The Contractor and PCMPs shall not receive any actual incentive payment during the first year of the Initial Phase.

9.2.1.1. The performance targets used to measure performance during the Initial Phase shall be the same as those used during the first year of the Expansion Phase, as described in Section 7.2.

9.2.2. The Department shall provide the Contractor monthly data on each performance target during the incentive payment pilot program. In order to ensure that the data is as complete as possible, the data used by the Department to calculate the estimated incentive payment the Contractor would receive if the program was operational shall be based on the most recent ninety (90) day period for which complete data is available.

9.3. INCENTIVE PAYMENT PROGRAM

9.3.1. After the first year of the Initial Phase and during the Expansion Phase the Department shall pay the Contractor an Incentive Payment, through the MMIS, when the Contractor meets or exceeds the Level 1 Targets or Level 2 Targets, as calculated based on region-wide performance and described in Section 7.2 of this Statement of Work. In the event that the Contractor meets or exceeds the Level 2 target for any Measurement Area, the contractor shall only receive the Level 2 Target Incentive Payment in place of the Level 1 Target Incentive Payment. The following table describes the amounts available for each measurement area and the amount the Contractor may receive if it meets the stated performance targets.

9.3.1.1. Incentive Payment Table

Measurement Area	Total Incentive Payment
Emergency Room Visits per 1,000 full time enrollees	Level 1 Target: 66% of the Full Amount Level 2 Target: 100% of the Full Amount

(FTEs)	The Full Amount for this measurement area is $0.33 PMPM
Hospital Re-admissions per 1,000 FTEs	Level 1 Target: 66% of the Full Amount Level 2 Target: 100% of the Full Amount The Full Amount for this measurement area is $0.33 PMPM
Outpatient Service Utilization per 1,000 FTEs MRI, CT scans, and X-ray tests per 1,000 FTEs	Level 1 Target: 66% of the Full Amount Level 2 Target: 100% of the Full Amount The Full Amount for this measurement area is $0.33 PMPM

9.3.1.2. The Department shall remit all Incentive Payments to the Contractor on a quarterly basis within one-hundred and twenty (120) days from the last day of the quarter in which the Incentive Payments were earned. The Department will calculate the Incentive Payment separately for each month in a quarter, and the Contractor may receive different amounts for each month within a quarter based on the specific performance targets the Contractor was able to meet during each specific month.

9.4. PAYMENT CALCULATION DISPUTES

9.4.1. In the event that the Contractor believes that the calculation or determination of any Incentive Payment or PMPM is incorrect, the Contractor shall notify the Department of its dispute within thirty (30) days of the receipt of the payment. The Department shall review calculation or determination and may make changes based on this review. The determination or calculation that results from the Department's review shall be final. No disputed payment shall be due until after the Department has concluded its review.

SECTION 10.0 STARTUP PROCESS

10.1. START-UP PHASE

10.1.1. During the Start-Up Phase, the Contractor shall:

10.1.1.1. Provide an implementation team that includes an internal project manager

10.1.1.2. Establish an Implementation Plan that includes a schedule of activities and milestones for the Start-Up Phase and the Initial Phase within seven (7) days from the Contract's Effective Date.

10.1.1.2.1. DELIVERABLE: Implementation Plan

10.1.1.2.2. DUE: Seven (7) days from the Contract's Effective date

10.1.1.3. Create a Start-Up Plan containing the following components:

10.1.1.3.1. The Organizational Chart described in section 2.2.7 of this Statement of Work.

10.1.1.3.2. A Customer Service Plan that describes how the Contractor will track incoming telephone calls, emails and other contact from providers, Members and the general public, how it plans to fulfill its customer service requirements and similar customer service related items.

10.1.1.3.3. A timeline for the creation of the website for the Contractor's Region and a description of the contents and structure of the site or a prototype of the website.

10.1.1.3.4. The ACC Program Member Handbook section specific to the Contractor's Region as described in Section 3.2.3.1 of this Statement of Work.

10.1.1.3.5. A description of how the Contractor intends to provide necessary provider orientation to the ACC Program and the Contractor's network and a plan for providing necessary provider training.

10.1.1.3.5.1. DELIVERABLE: Start-Up Plan

10.1.1.3.5.2. DUE: Thirty (30) days from the Contract's Effective Date

10.1.1.4. Cooperate with the Department in the Department's Operational Readiness Review, including, but not limited to:

10.1.1.4.1. Providing all information, data or reports the Department requires or requests that are within the scope of the Operational Readiness Review.

10.1.1.4.2. Allowing the Department reasonable access to the Contractor's facilities and staff.

10.1.1.4.3. Developing and implementing any corrective action plan, as directed by the Department.

10.1.1.4.4. Developing an initial action plan to ensure that all programs are developed, tested, and ready to function upon the enrollment of the first Member

10.1.1.5. Complete all other deliverables contained in this Contract with a due date that occurs in the Start-Up Phase, including, but not limited to, all of the following

10.1.1.5.1. The Focus Community List.

10.1.1.5.2. The Communication Plan.

10.1.2. During the Start-Up Phase, the Department shall:

10.1.2.1. Work with the Contractor to define project management and reporting standards.

10.1.2.2. Work with the Contractor to define expectations for content and format of all deliverables in the Contract.

10.1.2.3. Initiate an Operational Readiness Review to determine the Contractor's readiness and ability to provide services to its Members and resolve any identified operational deficiencies. The Department may require the Contractor to develop and implement a corrective action plan to remedy any deficiencies found during the Operational Readiness Review.

SECTION 11.0 TRANSITION AT TERMINATION

11.1. CONTRACTOR'S TRANSITION REQUIREMENTS

11.1.1. Upon termination of the Contract for any reason, the Contractor shall do all of the following for a period not to exceed sixty (60) days before termination of the Contract:

11.1.1.1. Provide the Department with all information related to the Contractor's PCMP network, its Members and the services provided to those Members, for transition to the Department or any other contractor of the Contractor's responsibilities.

11.1.1.2. Provide for the uninterrupted continuation of all network management, care coordination and administrative services until the transition of every Member is complete and all requirements of the Contract are satisfied.

11.1.1.3. Designate an appropriate individual as the transition coordinator to work with the Department and any staff from the replacement contractor to ensure the transition does not adversely impact any member's care.

11.1.1.4. Provide to the Department all reports reasonably necessary for a transition.

11.1.1.5. Notify any Subcontractors of the termination of the Contract, as directed by the Department.

11.1.1.6. Notify all of the Members in the Contractor's Region that the Contractor will no longer be the RCCO for the region, in a form and manner approved by the Department.

11.1.1.7. Notify each PCMP in the Contractor's PCMP network of the termination and the end date of the contract and explain to the provider how the provider may continue participating in the ACC Program.

11.1.1.8. Cooperate with the Department and any other replacement contractor during the transition, including, but not limited to, using reasonable efforts to share and transfer Member information and following any instructions or performing any required actions, as reasonably directed by the Department.

11.1.1.9. Provide the Department, in a format prescribed and approved by the Department:

11.1.1.9.1. A list of all PCMPs in the Contractor's PCMP network.

11.1.1.9.2. A list of all Members in the Contractor's Region.

SECTION 12.0 GENERAL REQUIREMENTS

12.1. CONTRACTORS AND SUBCONTRACTORS

12.1.1. Department Contractors

12.1.1.1. The Department may, in its sole discretion, use another contractor to perform any of the Department's responsibilities contained in the Contract. The Contractor shall work in coordination with any of these other contractors at the Department's direction. Any reference to the Department shall also include reference to its contractors as applicable.

12.1.2. Subcontractors

12.1.2.1. Other than the care coordination provided by any PCMP, the Contractor shall not subcontract more than forty percent (40%) of its responsibilities under the Contract, based on the total annual Contract value, to any other entity and it shall not subcontract more than twenty percent (20%) of its responsibilities under the Contract, based on the total annual Contract value, to any single entity.

12.1.2.2. The Contractor shall not enter into any agreement with a Subcontractor or have any Subcontractor begin work in relation to the Contract until it has received the express, written consent of the Department to subcontract with the specific Subcontractor. This consent requirement shall only apply to subcontracts that relate to ten percent (10%) or more of the responsibilities under the Contract, based on the total annual Contract value.

12.1.2.3. Any agreement the Contractor has with a Subcontractor shall be in writing and shall require compliance with all of the terms in this Contract.

12.2. NO MEDICAL TREATMENT DIRECTION

12.2.1. The Contractor may make recommendations and provide support to PCMPs and their Members to improve health outcomes, but shall not, under any circumstance, direct treatment or require the PCMP or Member to make any decision regarding that Member's health care.

12.2.2. The Contractor may not create or make any referrals, on behalf of any Member or provider, in its role as a RCCO. Only a provider may create or make any referrals, and the Contractor may facilitate the referral process and provide support for providers when the provider creates or makes a referral.

12.3. DUE DATE AND TIMELINES

12.3.1. All due dates, deadlines and timelines in this Statement of Work are measured in calendar days unless specifically stated otherwise. Additionally, all due dates, deadlines and timelines in this Contract, based on quarters, refer to state fiscal year calendar quarters, with the first quarter beginning on July 1st of each year. In the event that any due date or deadline falls on a weekend, a Department holiday or other day the Department is closed, the due date or deadline shall be automatically extended to the next business day the Department is open.

12.3.2. The Department may, in its sole discretion, extend the due date, deadline or timeline of any activity, deliverable or requirement under this Statement of Work. Any such extension shall only be valid if it is delivered to the Contractor in writing, in either a hard copy or electronic format.

12.4. CYBERSECURITY

12.4.1. The Contractor shall ensure that all of its information technology systems and websites are operated and maintained in compliance with all state and federal statutes, regulations and rules and all State of Colorado Cyber Security Policies, in accordance with a reasonable implementation plan.

12.5. DISPUTES BETWEEN RCCOS

12.5.1. The Contractor shall cooperate with any other RCCO to resolve any dispute, regarding the ACC Program's policies, between the Contractor and the RCCO relating to any ACC Program related issue, including, but not limited to, issues relating to providers within the ACC Program, Members, performance target measurements or PMPM Payments. If the Contractor and another RCCO are unable to reach a resolution to the dispute, the Contractor shall submit a notice of the dispute to the Department. The Department may conduct any investigation or hearing it deems appropriate to the dispute, and shall make a final determination on the dispute. The Contractor shall abide by the Department's decision relating to any dispute described in this section.

12.6. DEBARRED ENTITIES

12.6.1. In addition to the Debarment and Suspension provisions in §21(C) of this Contract, the Contractor shall not knowingly have a relationship with any of the following entities:

12.6.1.1. An individual who is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No.12549 or under guidelines implementing Executive Order No. 12549.

12.6.1.2. An individual who is an affiliate, as defined in the Federal Acquisition Regulation, of a person described in the prior paragraph.

12.6.2. For the purposes of this section, a relationship is described as:

12.6.2.1. A director, officer or partner of the Contractor.

12.6.2.2. A person or entity with more than five percent (5%) beneficial ownership of the Contractor.

12.6.2.3. A Person with an employment, consulting or other arrangement with the Contractor that is responsible for any of the Contractor's obligations under this Contract.

12.7. FEDERAL INTERMEDIATE SANCTIONS

12.7.1. The Department may implement any intermediate sanctions, as described in 42 CFR 438.702, if the Department makes the determination to impose sanctions under 42 CFR 438.700.

12.7.2. Before imposing any intermediate sanctions, the Department shall give the Contractor timely written notice that explains:

12.7.2.1. The basis and nature of the sanction.

12.8. TERMINATION UNDER FEDERAL REGULATIONS

12.8.1. The Department may terminate this Contract for cause and enroll any Member enrolled with the Contractor in other RCCOs or PCCMs, or provide their Medicaid benefits through other options included in the State plan if the Department determines that the Contractor has failed to:

12.8.1.1. Carry out the substantive terms of its contracts.

12.8.1.2. Meet applicable requirements in sections 1932, 1903(m) and 1905(t) of the Social Security Act (42 U.S.C. 401).

12.8.2. Before terminating the Contractor's Contract as described in this section, the Department shall:

12.8.2.1. Provide the Contractor a cure notice that includes, at a minimum, all of the following:

12.8.2.1.1. The Department's intent to terminate.

12.8.2.1.2. The reason for the termination.

12.8.2.1.3. The time and place for the pre-termination hearing

12.8.2.2. Conduct a pre-termination hearing.

12.8.2.3. Give the Contractor written notice of the decision affirming or reversing the proposed termination of the Contract.

12.8.2.3.1. If the Department determines, after the hearing, to terminate the Contract for cause, then the Department shall send a written termination notice to the Contractor that contains the effective date of the termination.

12.8.2.3.2. Upon receipt of the termination notice, the Contractor shall give Members enrolled with the Contractor notice of the termination and information, consistent with 42 CFR 438.10, on their options for receiving Medicaid services following the effective date of termination.

12.8.3. Once the Department has notified the Contractor of its intent to terminate under this section, the Department may:

12.8.3.1. Give the Members enrolled with the Contractor written notice of the State's intent to terminate the contract.

12.8.3.2. Allow Members enrolled with the Contractor to disenroll immediately, without cause.

12.9. INFORMATION AVAILABILITY

12.9.1. The parties acknowledge and agree that the ability of the Contractor to perform and optimize many of the functions contemplated under this agreement, including quality improvement, population health management and care coordination functions, will depend, in part, upon the timely, complete and accurate production of claims, demographic, authorization and related data by the Department. The Department and Contractor agree to prioritize the implementation and maintenance of robust, effective data reporting mechanisms that support the Contractor's ability to perform these functions, in accordance with Contractor's responsibility to reduce aggregate Medicaid program costs, improve health outcomes and patient experience. The parties affirm their reciprocal accountability for the production of Medicaid program data and for the achievement of Accountable Care Collaborative goals.

12.10. RETROSPECTIVE ENROLLMENT AND DISENROLLMENT

12.10.1. The Department may retroactively enroll Members for a period of not more than ninety (90) days in its discretion.

12.10.2. In the event of retrospective disenrollment, the Department will attempt to recoup any payments made:

12.10.2.1. After the date of a Member's death.

12.10.2.2. When a Member is determined to be in another state or to have otherwise received services in another state.

12.11. FEDERAL DISCLOSURES OF INFORMATION ON OWNERSHIP AND CONTROL

12.11.1. The Contractor shall provide all disclosures required by 42 CFR 455.104, as amended or hereinafter amended. These disclosures are:

12.11.1.1. The name and address of any person, either an individual or a corporation, with an ownership or control interest in the Contractor. For a corporate entity, the address shall include the primary business address, the address of each business location if there is more than one location and any applicable P.O. Box address.

12.11.1.1.1. The date of birth and social security number for any individual with an ownership or control interest in the Contractor.

12.11.1.1.2. The tax identification number of any corporate entity with an ownership or control interest in the Contractor or in any subcontractor in which the Contractor has a five percent (5%) or greater interest.

12.11.1.2. Whether any person, either an individual or a corporation, with an ownership or control interest in the Contractor is related to another person with ownership or control interest in the Contractor as a spouse, parent, child or sibling.

12.11.1.3. Whether any person, either an individual or a corporation, with an ownership or control interest in the any subcontractor in which the Contractor has a five percent (5%) or greater interest is related o another person with ownership or control interest in the Contractor as a spouse, parent, child or sibling.

12.11.1.4. The name of any other entity required to disclose under 42 CFR 455.104 in which any owner of the Contractor has an ownership or control interest.

12.11.1.5. The name, address, date of birth and Social Security Number of any managing employee of the Contractor.

12.11.2. "Ownership interest" and "person with an ownership or control interest" shall have the meaning specified in 42 CFR 455.101, as amended or hereinafter amended. "Subcontractor", for purposes of this subsection 3.1.8 only, shall have the meaning specified in 42 CFR 455.101, as amended or hereinafter amended.

12.11.3. The Contractor shall complete these disclosures upon execution of the contract. The Contractor shall deliver new disclosures to the Department within thirty-five (35) days of the any change in ownership of the Contractor.

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EXHIBIT B
MEDICAL HOME MODEL PRINCIPLES

The following are the principles of the Medical Home model:

1) The care provided is:
   a) Member/family-centered;
   b) Whole-person oriented and comprehensive;
   c) Coordinated and integrated;
   d) Provided in partnership with the Member and promotes Member self-management;
   e) Outcomes-focused;
   f) Consistently provided by the same provider as often as possible so a trusting relationship can develop; and
   g) Provided in a culturally competent and linguistically sensitive manner.
2) A PCMP that is:
   a) Accessible, aiming to meet high access-to-care standards such as:
      i) 24/7 phone coverage with access to a clinician that can triage;
      ii) Extended daytime and weekend hours;
      iii) Appointment scheduling within:
         (1) 48 hours for urgent care,
         (2) 10 days for symptomatic, non-urgent care
         (3) 45 days for non-symptomatic routine care; and
      iv) Short waiting times in reception area.
   b) Committed to operational and fiscal efficiency.
   c) Able and willing to coordinate with its associated RCCO on medical management, care coordination, and case management of Members.
   d) Committed to initiating and tracking continuous performance and process improvement activities, such as improving tracking and follow-up on diagnostic tests, improving care transitions, and improving care coordination with specialists and other Medicaid providers, etc.
   e) Willing to use proven practice and process improvement tools (assessments, visit agendas, screenings, Member self-management tools and plans, etc.).
   f) Willing to spend the time to teach Members about their health conditions and the appropriate use of the health care system as well as inspire confidence and empowerment in Members' health care ownership.
   g) Focused on fostering a culture of constant improvement and continuous learning.
   h) Willing to accept accountability for outcomes and the Member/family experience.
   i) Able to give Members and designated family members easy access to their medical records when requested.
   j) Committed to working as a partner with the RCCO in providing the highest level of care to Members.

EXHIBIT C
MEMBER RIGHTS AND PROTECTIONS

1) Contractor must comply with any applicable federal and state laws that pertain to Member rights and ensure that its staff and affiliated providers take those rights into account when furnishing services to Members.
2) Each Member is guaranteed the right to be treated with respect and with due consideration for his or her dignity and privacy.
3) Each Member is guaranteed the right to receive information on available treatment options and alternatives, presented in a manner appropriate to the Member's condition and ability to understand.
4) Each Member is guaranteed the right to participate in decisions regarding his or her health care, including the right to refuse treatment.
5) Each Member is guaranteed the right to be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience, or retaliation.
6) Each Member is guaranteed the right to request and receive a copy of his or her medical records, and to request that they be amended or corrected, as specified in 45 CFR Part 164.
7) Each Member is free to exercise his or her rights, and that the exercise of those rights does not adversely affect the way the Contractor, subcontractors, providers or the Department treats the Member.

EXHIBIT D
ELIGIBLE MEMBER CATEGORIES

Clients in the following categories are eligible for enrollment in the ACC Program:

1) Aid to Families with Dependent Children – Adults (AFDC – A), as described in the Department's State Plan
2) Aid to Families with Dependent Children – Children (AFDC – C), as described in the Department's State Plan
3) Aid to the Needy Disabled/Aid to the Blind (AND/AB), as described in the Department's State Plan
4) Baby Care/Kids Care – Adults (BCKC-A), as described in the Department's State Plan
5) Baby Care/Kids Care – Children (BCKC-C), as described in the Department's State Plan
6) Foster Care (FC), as described in the Department's State Plan
7) Old Age Pensioners – Age 65+ (OAP-A), as described in the Department's State Plan
8) Old Age Pensioners under Age 65 (OAP-B), as described in the Department's State Plan
9) Refugee Medical Assistance – Adults (RMA-A), as described in the Department's State Plan
10) Refugee Medical Assistance – Children (RMA-C), as described in the Department's State Plan
11) Adults Without Dependent Children (AWDC) , as described in CRS 25.5-4-402.3(4)(b)(IV)(C)
12) Any other Medicaid eligibility category that is eligible for full Medicaid benefits, except for Clients in the following circumstances:
    a) During the Initial Phase, any Client who is eligible for both Medicare and Medicaid. Clients that are eligible for both Medicare and Medicaid shall only be eligible for the ACC Program during the Expansion Phase.
    b) Clients residing in any federal, state or county institution at the time of enrollment. Any Member who becomes a resident of an institution after their enrollment in the ACC Program may choose to remain in the program or request disenrollment for cause at the Member's discretion.