

**ARKANSAS DEPARTMENT OF HUMAN SERVICES
PERFORMANCE BASED CONTRACTING**

Pursuant to Ark. Code Ann. 19-11-1010 et. seq., the selected contractor shall comply with performance-based standards. Following are the performance-based standards that will be a part of the contract and with which the contractor must comply for acceptable performance to occur under the contract.

- I. The contractor must comply with all statutes, regulations, codes, ordinances, and licensure certification requirements applicable to the contractor and to the contractor's agents and employees and applicable to the subject matter of the contract. Failure to comply shall be deemed unacceptable performance.
- II. Except as otherwise required by law, the contractor agrees to hold the contracting Division/Office harmless and to indemnify the contracting Division/Office for all additional costs of alternatively accomplishing the goals of the contract, as well as any liability, including liability for costs and fees, which the contracting Division/Office may sustain as a result of the contractor's performance or lack of performance.
- III. During the term of the contract, the division/office will complete sufficient performance evaluation(s) to determine if the contractor's performance is acceptable.
- IV. The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards, and may include the input of the vendor so as to establish standards that are reasonably achievable
- V. The contract program deliverables and performance indicators to be performed by the contractor are set forth below:

State law requires that all contracts for services include Performance Standards for measuring the services provided. Attachment D: Performance Standards identifies expected deliverables, performance measures, and outcomes; and defines the acceptable standards a vendor must meet in order to avoid assessment of damages

The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration.

All changes made to the Performance Standards shall become an official part of the contract. Performance Standards shall continue throughout the term of the contract. Failure to meet the minimum Performance Standards as specified shall result in the assessment of damages.

In the event a Performance Standard is not met, the vendor will have the opportunity to defend and respond to the insufficiency. The State shall have the right to waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services. In these instances, the State shall have final determination of the performance acceptability.

Service Criteria ⁱ	Acceptable Performance	Damages for Insufficient Performance ⁱⁱ
<p>A) The contractor will effectively and accurately develop and manage the data mining and utilization data analysis activities for the Division of Medical Services (DMS). The analyses shall use claim, utilization and performance data to improve service delivery, develop policy or determine areas in need of policy change or clarification, quality improvement, and for other related matters. The contractor will provide consulting services for statistical analysis concerning fraud, waste and abuse, and present testimony if necessary.</p> <p>1) One data mining project concerning suicide attempts among Medicaid beneficiaries is to be completed and presented to DMS during the contract year.</p> <p>2) All deliverables are submitted electronically or in-person to DMS within the timeline agreed upon by DMS and the contractor.</p> <p>3) Analyses shall be presented as DMS deems appropriate and will include specific recommendations for policy or potential areas of quality improvement.</p> <p>4) Analyses shall address any identified information concerning fraud, waste or abuse.</p>	<p>1) Full compliance with the performance indicators is required.</p> <p>2) Data mining projects are completed and presented to DMS in the requested format within the timeline agreed upon by DMS and the contractor.</p> <p>3) Deliverables are submitted to DMS within the timeline agreed upon by DMS and the contractor.</p>	<p>1. One hundred percent (100%) compliance with the performance indicator</p> <p>2. A 5% penalty will be deducted from each monthly invoice for non-compliance.</p>
<p>B) Program Deliverable: The contractor must provide program evaluation support to DMS for the completion of the CHIP Annual Report Template System (CARTS) Report, calculation of the Adult and Child Core measures.</p> <p>1) CARTS Report: The contractor must provide technical assistance to DMS, manage data, and conduct required analyses to support the production and delivery of the Dental Benefits Section of the CARTS Report. Activities include requests for clarification, preparation of responses to CMS inquiries, technical support in submitting results, and interpretation of analytic results to support</p>	<p>1. Technical assistance (e.g., completion of Federal forms, assessment of changes to methodology, response to CMS inquiries, data analysis interpretations, etc.) toward the completion of the, State Strategic Objectives & Performance Goals Section and Dental Benefits Section of the CART Report. The Dental Benefits Section of the CARTS</p>	<p>.One hundred percent (100%) compliance with the performance indicator</p> <p>2. A 5% penalty will be deducted from each monthly invoice for non-compliance.</p>

<p>submission of the CARTS report.</p> <p>2) The contractor must provide DMS technical assistance (e.g., completion of Federal forms, assessment of changes to methodology, etc.), data, and data analysis for the completion and submission of the State Strategic Objectives & Performance Goals Section and the Dental Benefits Section of the CARTS Report.</p>	<p>Report is provided by the contractor to DMS during the contract year.</p> <p>2. Data, and any associated analyses, to support completion of the State Strategic Objectives & Performance Goals Section and Dental Benefits Section of the CARTS Report must be provided (either electronically or in person) by the contractor to DMS by no later than 20 business days prior to the submission deadline for the report.</p> <p>3. The contractor must produce and deliver, in an approved format, the CARTS Report to DMS.</p>	
<p>B2) Child Core Set: The contractor must collect measurement data, conduct required analyses, and provide technical assistance to DMS to support the production and delivery of the Core Set of Children's Health Care Quality Measures Report. Activities include the calculation of the quality measures as well as requests for clarification, preparation of responses to CMS inquiries, technical support in submitting results, and interpretation of analytic results to support submission of the Children's Health Care Quality Measures Report.</p>	<p>1. Technical assistance (e.g., completion of Federal forms, assessment of changes to methodology, response to CMS inquiries, data analysis interpretations, etc.) toward the completion of the Children's Health Care Quality Measures Report is provided by the contractor to DMS during the contract year.</p> <p>2. Data, and any associated analyses, to support completion of the Core Set of Children's Health Care Quality Measures Report must be provided (either electronically or in person) by the contractor to DMS by no later than 20 business days prior to the submission deadline for the report.</p>	<p>1. One hundred percent (100%) compliance with the performance indicator</p> <p>2. A 5% penalty will be deducted from each monthly invoice for non-compliance.</p>
<p>1. The contractor must provide DMS technical assistance (e.g., completion of Federal forms, assessment of changes to methodology, etc.), data, and data analysis for the completion and submission of the Children's Health Care Quality Measures Report.</p> <p>2. The contractor presents a list of recommended Child Core Measures to DMS, to select and approve measures to be calculated and reported to CMS, by July 30 of the contract year.</p> <p>3. The contractor must produce and deliver, in an approved format, the Core Set of Children's Health Care Quality Measure results to DMS.</p>		

<p>B3. Adult Core Set: The contractor must collect measurement data, conduct required analyses, and provide technical assistance to DMS to support the production and delivery of the Core Set of Adult Health Care Quality Measures Report. Activities include the calculation of the quality measures as well as requests for clarification, preparation of responses to CMS inquiries, technical support in submitting results, and interpretation of analytic results to support submission of the Adult Health Care Quality Measures Report.</p> <ol style="list-style-type: none"> 1. The contractor presents a list of recommended Adult Core Measures to DMS, to select and approve measures to be calculated and reported to CMS, by July 30 of the contract year. 2. The contractor must produce and deliver, in an approved format, the Core Set of Adult Health Care Quality Measure results to DMS. 3. The contractor must provide DMS technical assistance (e.g., completion of Federal forms, assessment of changes to methodology, etc.), data, and data analysis for the completion and submission of the Adult Health Care Quality Measures Report. 	<ol style="list-style-type: none"> 1. Technical assistance (e.g., completion of Federal forms, assessment of changes to methodology, response to CMS inquiries, data analysis interpretations, etc.) toward the completion of the Adult Health Care Quality Measures Report is provided by the contractor to DMS during the contract year. 2. Data, and any associated analyses, to support completion of the Adult Health Care Quality Measures Report must be provided (either electronically or in person) by the contractor to DMS by no later than 20 business days prior to the submission deadline for the report. 	<ol style="list-style-type: none"> 1. One hundred percent (100%) compliance with the performance indicator 2. A 5% penalty will be deducted from each monthly invoice for non-compliance.
<p>B4. TEFRA Demonstration Waiver Evaluation: The contractor must effectively produce and deliver to DMS quarterly and demonstration year-end activities reports on progress toward the completion of the evaluation report for the Tax Equity and Fiscal Responsibility Act (TEFRA) 1115(a) demonstration waiver. The contractor will produce the evaluation report and provide to DMS prior to the Federal submission deadline.</p> <ol style="list-style-type: none"> 1 The contractor must produce and deliver electronically or in-person to DMS quarterly reports of progress toward completion of the TEFRA waiver evaluation report... 2. The contractor must submit, electronically or in-person, a year-end report of progress of activities 	<ol style="list-style-type: none"> 1. Full compliance with the performance indicators is required. 2. Quarterly reports of progress toward completion of the TEFRA waiver evaluation report must be delivered to DMS electronically or in-person by the contractor by the 15th of the month following the last month of each quarter. 3. Year-end report on activities that have occurred during the TEFRA waiver demonstration year must be delivered to DMS electronically or in-person by the contractor on or before the 15th of the month following the last month of the 4th quarter of each demonstration year of the TEFRA waiver approved renewal period. 4. The TEFRA waiver "final" evaluation report must be delivered 	<ol style="list-style-type: none"> 1. One hundred percent (100%) compliance with the performance indicator 2. A 5% penalty will be deducted from each monthly invoice for non-compliance.

<p>conducted for the TEFRA waiver demonstration.</p> <p>3. Produce and deliver "Final" TEFRA evaluation report for the TEFRA 3 year renewal period 5/12/15 – 12/31/17</p> <ul style="list-style-type: none"> • Produce and deliver "Draft" TEFRA evaluation design for the TEFRA new 3 year renewal period 1/1/18 – 12/31/20 • Produce and deliver "Final" TEFRA evaluation design for the TEFRA renewal period 1/1/18 – 12/31/20 • Produce and deliver quarterly and demonstration year-end activity reports of progress toward the completion of the "Draft" and "Final" TEFRA evaluation design and progress toward the completion of the "Interim" and "Final" TEFRA evaluation reports during the first year of the new 3 year TEFRA renewal period 1/1/18 – 12/31/20 <p>4. Produce and deliver quarterly and demonstration year-end activity reports of progress toward the completion of the "Interim" and "Final" TEFRA evaluation reports during the second year of the 3 year TEFRA renewal period 1/1/18 – 12/31/20</p> <p>5. Produce and deliver "Interim" TEFRA evaluation report for the 3 year renewal period 1/1/18 – 12/31/20</p> <ul style="list-style-type: none"> • Produce and deliver "Final" TEFRA evaluation report for the 3 year renewal period 1/1/18 – 12/31/20 • Produce and deliver quarterly and demonstration year-end activity reports of progress toward the completion of the "Interim" and "Final" TEFRA evaluation reports during the third year of the 3 year renewal period 1/1/18 – 12/31/20 	<p>to DMS by the contractor 30 calendar days after the expiration of the TEFRA demonstration on 12/31/17</p>	
<p>C) The contractor will provide DMS and Medicaid providers accurate utilization and performance data concerning Emergency Room (ER) usage.</p> <p>1. The contractor mails SFY 2017 Q4 Emergency Room profile reports to all eligible providers by October 31, 2017.</p> <p>2. The contractor must have the</p>	<p>1. Full compliance with the performance indicators is required.</p> <p>2. Hospital ER profiles are prepared and distributed in accordance with timelines agreed upon by DMS and the contractor.</p> <p>3. Technical support regarding previously published ER profiles is performed to the satisfaction of DMS, as requested.</p>	<p>1. One hundred percent (100%) compliance with the performance indicator</p> <p>2. A 5% penalty will be deducted from each monthly invoice for non-compliance.</p>

<p>capability to provide ERs with electronic versions of the profile reports, upon request.</p> <p>3. Technical support regarding previously published ER profiles is performed to the satisfaction of DMS, as requested.</p>		
<p>D) The contractor will regularly update and maintain effective communication with DMS regarding data mining and program evaluation activities. All ad hoc requests will be reviewed and a mutually agreed-upon scope of work will be developed between DMS and the contractor. The contractor will maintain all Medicaid data according to Federal regulations and any other applicable laws, rules, and regulations. The contractor will maintain a consistent level of expertise as described in the contractor's response to the Invitation for Bid.</p> <p>1. The contractor submits quarterly, annual and ad hoc reports demonstrating performance to the satisfaction of DMS.</p> <p>2. Ad hoc projects are performed to the satisfaction of DMS.</p> <p>3. Additional reports are submitted electronically or in-person to DMS upon request.</p> <p>4. Data is maintained in a secure manner with limited access and is Health Insurance Portability and Accountability Act and Health Information Technology for Economic and Clinical Health Act compliant.</p> <p>5. A Data Use Agreement is in place between the contractor and DMS for any activities not covered by this contract.</p> <p>6. Project managers have Medicaid knowledge and experience working with Medicaid data and programs.</p> <p>7. Project staff includes Master's level statisticians and a Ph.D. level statistician is available for analytical consultation on projects requiring higher-level statistical analysis or statistical modeling.</p> <p>8. The contractor will perform any</p>	<p>1. Full compliance with the performance indicators is required.</p> <p>2. Electronic copies of quarterly reports are received by DMS Contract Oversight Unit and the Contract Administrator by the last day of the month following each quarter (i.e. July – Sept. is received by October 31st).</p> <p>3. Ad hoc projects are completed according to timelines agreed upon by DMS and the contractor.</p> <p>4. Final reports are submitted to the satisfaction of DMS and within the timelines agreed to by DMS and the contractor.</p>	<p>1. One hundred percent (100%) compliance with the performance indicator</p> <p>2. A 5% penalty will be deducted from each monthly invoice for non-compliance.</p>

other tasks necessary to provide the deliverables as set forth above.		
<p>E. The contractor will effectively and accurately aggregate and evaluate Health Effectiveness and Data Information Set (HEDIS) measures and HEDIS-like measures. The contractor must have a fully functional and accurate system in place to collect and analyze the HEDIS and HEDIS-like measures in a manner acceptable to DMS. The contractor must produce accurate reports which include 1) an annual HEDIS notebook, and 2) an on-line comprehensive HEDIS and HEDIS-like measures report. All measures will be accurately calculated using administrative methods except for the child and adolescent immunization measures, which will use a hybrid methodology.</p>	<p>1. The contractor presents a list of recommended HEDIS and HEDIS-like measures to DMS to select and approve for inclusion in the HEDIS notebook and the Quality Report by July 30.</p> <p>2. The annual HEDIS notebook is printed, published, and distributed after DMS approval.</p> <p>3. The HEDIS notebook presents the statewide rates stratified by county, geographic region, and beneficiary demographics.</p> <p>4. The annual Quality Report will be published and distributed on-line as approved by DMS.</p> <p>5. The contractor will perform ad hoc tasks to support this activity, as necessary, and based upon a mutually-agreed upon scope of work with DMS.</p>	<p>1. One hundred percent (100%) compliance with the performance indicator</p> <p>2. A 5% penalty will be deducted from each monthly invoice for non-compliance.</p>

Failure to meet the minimum Performance Standards as specified may result in the assessment of damages.

Acceptable performance of all provisions and performance indicators in this contract shall be determined in the sole discretion of the contracting division. In addition to other remedies identified herein, one or more of the following remedies may be imposed for unacceptable performance of a provision or performance indicator:

1. The contractor will be required to submit and implement an acceptable corrective action plan. Payment may be delayed pending satisfactory implementation of the plan.
2. Payment may be withheld or reduced.
3. The Contract may be terminated.

The remedies listed above are in addition to all others available at law or equity.

Nothing in this table is intended to set forth all obligations of the Contractor under the contract. These obligations are in addition to any others imposed by the contract and applicable law.

The damages set forth are not exclusive and shall in no way exclude or limit any remedies available at law or in equity.

Failure to meet the minimum Performance Standards as specified shall result in the assessment of damages.