State of Arkansas
OFFICE OF STATE PROCUREMENT
1509 West Seventh Street, Room 300
Little Rock, Arkansas 72201-4222

REQUEST FOR PROPOSALS

RFP Number: **SP-15-0039**	Buyer: **Tamara DeBord**
Commodity: **Non-Emergency Medical Transportation Services (NET)** Agency: **Department of Human Services/Division of Medical Services**	Proposal Opening Date: **January 15, 2015**
Date Issued: **November 19, 2014**	Proposal Opening Time: **2:00 PM Central Time**

PROPOSALS WILL BE ACCEPTED UNTIL THE TIME AND DATE SPECIFIED ABOVE. THE PROPOSAL ENVELOPE, INCLUDING THE OUTSIDE OF OVERNIGHT PACKAGES, MUST BE SEALED AND SHOULD BE PROPERLY MARKED WITH THE RFP NUMBER, DATE AND HOUR OF RFP OPENING AND VENDOR'S RETURN ADDRESS. IT IS NOT NECESSARY TO RETURN "NO BIDS" TO THE OFFICE OF STATE PROCUREMENT.

Vendors are responsible for delivery of their proposal documents to the Office of State Procurement prior to the scheduled time for opening of the particular RFP. When appropriate, vendors should consult with delivery providers to determine whether the proposal documents will be delivered to the OSP office street address prior to the scheduled time for RFP opening. Delivery providers, USPS, UPS, and FedEx deliver mail to our street address on a schedule determined by each individual provider. These providers will deliver to our offices based solely on our street address.

MAILING ADDRESS:	RFP OPENING LOCATION:
Office of State Procurement 1509 West Seventh Street, Room 300 Little Rock, AR 72201-4222 TELEPHONE NUMBER: 501-324-9316	Office of State Procurement 1509 West Seventh Street, Room 300 Little Rock, AR 72201-4222

Company Name:

Name (type or print): Title:

Address: City: State: Zip Code:

Telephone Number: Fax Number:

E-Mail Address:

Authorized Signature:

USE INK ONLY. UNSIGNED PROPOSALS WILL NOT BE CONSIDERED

Business Designation (check one):

Individual [ ] Sole Proprietorship [ ] Public Service Corp [ ]

Partnership [ ] Corporation [ ] Government/ Nonprofit [ ]

GENERAL DESCRIPTION:	Non-Emergency Medical Transportation Services
TYPE OF CONTRACT:	Term
BUYER:	Tamara DeBord
AGENCY P.R. NUMBER	1000693233
MATERIAL GROUPS	95294

1. **MINORITY BUSINESS POLICY:** Minority participation is encouraged in this and in all other procurements by state agencies. Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this state who is: African American, Hispanic American, American Indian, Asian American, Pacific Islander American or a Service Disabled Veteran as designated by the United States Department of Veterans Affairs. The Arkansas Economic Development Commission conducts a certification process for minority business. Bidders unable to include minority-owned business as subcontractors "may explain the circumstances preventing minority inclusion".

   Check minority type:

   African American___ Hispanic American___ American Indian___ Asian American___
   Pacific Islander American___ Service Disabled Veteran___

   Arkansas Minority Certification Number_____

2. **EQUAL EMPLOYMENT OPPORTUNITY POLICY:** In compliance with Arkansas Code Annotated § 19-11-104, the Office of State Procurement is required to have a copy of the vendor's Equal Opportunity Policy prior to issuing a contract award. EO Policies may be submitted in electronic format to the following email address: eeopolicy.osp@dfa.arkansas.gov, or as a hard copy accompanying the solicitation response. The Office of State Procurement will maintain a file of all vendor EO policies submitted in response to solicitations issued by this office. The submission is a one- time requirement, but vendors are responsible for providing updates or changes to their respective policies, and for supplying EO policies upon request to other state agencies that must also comply with this statute. Vendors that do not have an established EO policy will not be prohibited from receiving a contract award, but are required to submit a written statement to that effect.

3. **EMPLOYMENT OF ILLEGAL IMMIGRANTS:** Pursuant to, Arkansas Code Annotated § 19-11-105, all bidders must certify prior to award of the contract that they do not employ or contract with any illegal immigrants in their contracts with the State. Bidders shall certify online at: https://www.ark.org/dfa/immigrant/index.php/user/login.

4. **ALTERATION OF ORIGINAL RFP DOCUMENTS:** The original written or electronic language of the RFP documents shall not be changed or altered except by approved written addendum issued by the Office of State Procurement. This does not eliminate a Bidder from taking exception(s) to **non-mandatory** terms and conditions, but does clarify that the Bidder cannot change the original document's written or electronic language. If the Bidder wishes to make exception(s) to any of the original language, it must be submitted by the Bidder in separate written or electronic language in a manner that clearly explains the exception(s). If Successful Bidder's submittal is discovered to contain alterations/changes to the original written or electronic documents, the Bidder's response may be declared as "non-responsible" and the response shall not be considered.

5. **REQUIREMENT OF AMENDMENT:** THIS RFP MAY BE MODIFIED ONLY BY AMENDMENTS WRITTEN AND AUTHORIZED BY THE OFFICE OF STATE PROCUREMENT. Bidders are cautioned to ensure that they have received or obtained, and responded to, any and all amendments to the RFP prior to submission. There will be no addendums to a RFP 72 hours prior to the RFP opening. It is the responsibility of the vendor to check the OSP website, http://www.arkansas.gov/dfa/procurement/bids/index.php for any and all addendums up to that time.

6. **DELIVERY OF RESPONSE DOCUMENTS:** In accordance with the Arkansas Procurement Law and Rules, it is the responsibility of vendors to submit proposals at the place, and on or before the date and time, set in the RFP solicitation documents. Proposals received at the Office of State Procurement after the date and time designated for proposal opening are considered late and shall not be considered. Proposal documents arriving late, which are to be returned and are not clearly marked, may be opened to determine for which RFP the submission is intended.

7. **ADDITIONAL TERMS AND CONDITIONS:** The Office of State Procurement objects to, and shall not consider, any additional terms or conditions submitted by a bidder, including any appearing in documents attached as part of a bidder's response **that conflict with mandatory terms and conditions required by law**. In signing and submitting this proposal, a bidder agrees that any additional terms or conditions, whether submitted intentionally or inadvertently, shall have no force or effect. Failure to comply with terms and conditions, including those specifying information that must be submitted with a proposal, shall be grounds for rejecting a bid.

8. **ANTICIPATION TO AWARD:** After complete evaluation of the proposal, the anticipated award will be posted on the OSP website (http://www.arkansas.gov/dfa/procurement/pro_intent.php). The purpose of the posting is to establish a specific timeframe in which vendors and agencies are aware of the anticipated award. The RFP results will be posted for a period of fourteen (14) days prior to the issuance of any award. Vendors and agencies are cautioned that these are preliminary results only, and no official award will be issued prior to the end of the fourteen day posting period. Accordingly, any reliance on these preliminary results is at the agency's/vendor's own risk.

   The Office of State Procurement reserves the right to waive the policy of Anticipation to Award when it is in the best interest of the State. Vendors are responsible for viewing the Anticipation to Award section of the OSP web site at: http://www.arkansas.gov/dfa/procurement/pro_intent.php.

9. **PAST PERFORMANCE:** In accordance with provisions of The State Procurement Law, R2: 19-11-230 Competitive Sealed Proposals – Responsibility of offeror paragraph (b) (i) & (ii): a vendor's past performance with the state may be used in the evaluation of any proposal made in response to this solicitation. The past performance should not be greater than three (3) years old and must be supported by written documentation. Documentation may be in the form of a written or an electronic report, VPR (Vendor Performance Report), memo, file or any other appropriate authenticated notation of performance to the vendor files.

10. **VISA ACCEPTANCE:** Awarded successful vendors should have the capability of accepting the State's authorized VISA Procurement Card (p-card) as a method of payment. Price changes or additional fee(s) may not be assessed when accepting the p-card as a form of payment. The successful bidder may receive payment from the State by the p-card in the same manner as other VISA purchases. VISA acceptance is preferred but is not the exclusive method of payment.

11. **EO-98-04 GOVERNOR'S EXECUTIVE ORDER:** Bidders should complete the Disclosure Forms issued with this RFP.

12. **CURRENCY:** All proposal pricing must be United States dollars and cents.

13. **LANGUAGE:** Proposals will only be accepted in the English language.

SECTION 1 - GENERAL INFORMATION

1.1 INTRODUCTION

This Request for Proposal (RFP) is issued by the Office of State Procurement (OSP) for the Department of Human Services (DHS), Division of Medical Services (DMS) to obtain pricing and a contract for Non-Emergency Medical Transportation Services (NET).

The intent of this RFP is to seek proposals that will provide the most cost effective, quality provision of non-emergency medical transportation services to eligible Medicaid beneficiaries through a single transportation Broker for each of the pre-established regions included in this RFP. (See Attachment E for regional map).

1.2 ISSUING AGENCY

This RFP is issued by the Office of State Procurement (OSP) for the Department of Human Services (DHS). The issuing office is the sole point of contact in the State for the selection process. Vendor questions regarding RFP related matters should be made through the State's buyer, Tamara DeBord via email at tamara.debord@dfa.arkansas.gov. Vendor's questions will be answered as a courtesy and at vendor's own risk.

1.3 CAUTION TO BIDDERS

1. During the time between the proposal opening and contract award, any contact concerning this RFP will be initiated by the issuing office or requesting entity and not the vendor(s). Specifically, the person(s) named herein will initiate all contact.
2. Vendor(s) must submit one (1) signed original technical proposal on or before the date specified on page one of this RFP.
3. Vendor(s) must also submit one (1) original "Official Proposal Price Sheet" for each region that the vendor is bidding. **Do not include any pricing from the Official Proposal Price Sheet on the technical proposal copies, including the CD. Pricing from the Official Proposal Price Sheet must be separately sealed from the technical proposal response and clearly marked as pricing information.**
4. The vendor(s) should submit three (3) complete copies (marked copy) of the RFP technical proposal response, and three (3) electronic versions of the technical proposal response, preferably in MS Word/Excel format, on CD or flash drive.
5. The vendor(s) should submit one (1) electronic version of the "Official Proposal Price Sheet" for each region that the vendor is bidding. **Do not include any pricing from the Official Proposal Price Sheet on the technical proposal copies, including the CD. Pricing from the Official Proposal Price Sheet must be separately sealed from the technical proposal response and clearly marked as pricing.**
6. Failure to submit the required number of copies with the proposal may be cause for rejection.
7. If the Office of State Procurement requests additional copies of the proposal, they must be delivered within twenty-four (24) hours of request.
8. For a proposal to be considered, an official authorized to bind the vendor(s) to a resultant contract must have signed the proposal.
9. All official documents and correspondence shall be included as part of the resultant contract.
10. The State Procurement Official reserves the right to award a contract or reject a proposal for any or all line items of a proposal received as a result of this RFP, if it is in the best interest of the State to do so. Proposals will be rejected for one or more reasons not limited to the following:
    a. Failure of the vendor(s) to submit this proposal(s) on or before the deadline established by the issuing office.
    b. Failure of the vendor(s) to respond to a requirement for oral or written clarification, presentation, or demonstration.
    c. Failure to provide the performance security.
    d. Failure to supply vendor references.
    e. Failure to sign an Official RFP Document.
    f. Failure to complete the Official Proposal Price Sheet(s) and include them sealed separately from the rest of the proposal.

g. Any wording by the vendor(s) in their response to this RFP, or in subsequent correspondence, which conflicts with or takes exception to a requirement in the RFP.
h. Failure of any proposal to meet or exceed the specifications.
i. Failure to provide a Dun and Bradstreet Rating of 6 or better.

1.4 RFP FORMAT

Any statement in this document that contains the word **"must"** or **"shall"** or **"will"** means that compliance with the intent of the statement is mandatory, and failure by the bidder(s) to satisfy that intent will cause the proposal to be rejected. **It is recommended that bidder(s) respond to each item or paragraph of the RFP in sequence.** Items not needing a specific vendor(s) statement may be responded to by concurrence or acknowledgement; no response will be interpreted as an affirmative response or agreement to the State conditions. Reference to handbooks or other technical materials as part of a response must not constitute the entire response and vendor(s) must identify the specific page and paragraph being referenced.

1.5 TYPE OF CONTRACT

The term of the contract shall be July 1, 2015 – June 30, 2016. An annual evaluation of performance and overall effectiveness will be administered after the completion of the first contract period, at which time the contract may be extended for six (6) additional one (1) year periods or a portion thereof, upon mutual agreement by the successful bidder and OSP. In no event shall the total contract(s) term be more than seven (7) years from the effective date. DMS may also perform a performance evaluation at any time during the contract period. An unsatisfactory performance evaluation and lack of an acceptable corrective action plan may result in termination of this contract.

1.6 PAYMENT AND INVOICE PROVISIONS

Bidders must propose a separate per member per month (PMPM) base rate for the traditional Medicaid population (which includes the medically frail within Aid Category 06) and for the Private Option population (also within Aid Category 06) for each Region in which they are submitting a bid. The PMPM base rates that are submitted by the bidder must be actuarially sound, as deemed so by the DMS actuary, in order to be considered for the NET contract award.

A data book provided with this RFP is for informational purposes only in order to assist bidders in understanding the member population and service utilization from a historical perspective. Bidders should note that the historical data provided in the Data book includes trips to Developmental Day Treatment Clinic Services (DDTCS) and Child Health Management Services (CHMS) providers which will not be points of destination under this RFP. The numbers of historical trips associated with these provider destinations are shown in the data book although beginning July 1, 2015 no NET services shall be provided for any DDTCS or CHMS facilities.

The amounts shown in the data book represent the Department's best effort of a true and accurate accounting of each item as known to the department at the time of this RFPs publication.

DHS Division of Medical Services (DMS) will provide the Broker the number of Non-Emergency Transportation (NET) covered Medicaid eligibles as determined by the DMS fiscal agent on the last day of the month prior to the month of service for which the per member per month payment is calculated. The number of eligibles will represent the end-of-month count prior to the month of service. For example, the report for September would reflect the number of NET eligibles at the end of August.

Rate Adjustments

Annual Adjustment Factor

The Annual Adjustment Factor (AAF) adjustment for July 2015 through June 2016 will be 1.0.

A new and revised AAF will be applied at the beginning of the each new State Fiscal Year, beginning July 1, 2016. These revised factors will be based on encounter data, audited annual financial statements, and other factors as deemed substantive by the DMS actuary.

Brokers who fail to report all trips accurately, timely, and according to DMS quality guidelines will not receive the appropriate AAF which could result in revenue loss for the Broker in the subsequent contract period(s). Brokers must also submit audited annual financial reports no later than April, 30 of each contract year in order to receive consideration of these reports in the AAF calculation.

Brokers are responsible for meeting monthly trip reporting deadlines and accuracy standards whether they provided the transportation or employed a subcontractor to provide transportation. All NET trips must be reflected by the DMS system the last day of the month following the month the transportation was provided in order for a Broker's monthly payment to be relinquished by DMS the following month. For example, NET trips provided in May 2015 must be reflected in the DMS system no later than June 30, 2015 in order for a Broker to receive July 2015 payment. It is the Broker's responsibility to monitor the DMS system in order to ensure that all legitimate trips are reflected. The Broker shall report any issues to the NET Monitoring Contractor in a timely manner in order to meet the reporting deadlines and accuracy standards.

Brokers shall provide DMS with audited annual financial statements specifically detailing the Brokers' Arkansas Medicaid NET services for each region in which they operate.

Monthly Fuel Price Adjustment Factors

The successful bidder's rate for the region will be multiplied by the fuel adjustment factor (FAF) for the month as reflected on the table provided by DMS. The fuel price is determined by accessing the AAA website: http://fuelgaugereport.aaa.com/states/arkansas/ to obtain the Arkansas Regular Unleaded Average price per gallon, Current Average, on DMS predetermined dates. The Fuel Adjustment Factors are shown in Attachment A.

Broker's Monthly Payment Rate Calculations:

(Capitated Base Rate for Traditional Medicaid Population x AAF x FAF x Member Months) – All Automated Eligibility Verification Claim System (AEVCS) fees

plus

(Capitated Base Rate for Private Option Population x AAF x FAF x Member Months) – All Automated Eligibility Verification Claim System (AEVCS) fees

The amount of the AEVCS fees may change during the course of the contract periods(s) without notice.

DHS Division of Medical Services (DMS) will provide the Broker the number of Non-Emergency Transportation (NET) covered Medicaid eligibles as determined by the DMS fiscal agent on the last day of the month prior to the month of service for which the per member per month payment is calculated. The number of eligibles will represent the end-of-month count prior to the month of service. For example, the report for September would reflect the number of NET eligibles at the end of August**.**

The Broker **must** accept the most current monthly per member per month payment, as payment in full, inclusive of all administrative costs, transportation costs, overhead, and profit, for all services required under this procurement and the ensuing contract. Historical information regarding the number of members in each region per month can be found in Attachment A; this information is subject to change during the term of the contract.

Following the close of each State fiscal year and no later than August 31st, DMS will provide the Broker with a report showing the actual number of NET covered Medicaid eligibles for each month of service, the number of eligibles for which the per member per month payments were made, and the difference, if any. (The actual number of eligibles is defined as being eligible for a minimum of fourteen (14) days of a month.) An additional per member per month payment will be made to the Broker if the actual number of eligibles exceeds the number for which payment was previously made. Conversely, if the number of eligibles for which payment was made exceeds the actual number, this difference will be deducted from a future payment to the Broker.

DMS reserves the right to deduct Medicaid fee adjustments from the successful vendor's monthly invoice prior to payment. DMS shall notify the successful vendor in writing of any claim for damages at least ten (10) business days prior to the date DMS deducts such sums.

Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance by the Agency. The State may not be invoiced in advance of delivery and acceptance of any services. Payment will be made only after the successful vendor has successfully satisfied DHS as to the reliability and effectiveness of the service as a whole.

Selected vendor must be registered to receive payment and future RFP notifications. If you are not a registered vendor you may register on-line at https://www.ark.org/vendor/index.html.

1.7 RECORD RETENTION

The successful vendor shall be required to maintain complete and accurate records related to subcontractors, service delivery and complaints, all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and specified by the State of Arkansas Law. Access will be granted upon request, to DHS, State or Federal Government entities or any of their duly authorized representatives.

Financial and accounting records shall be made available, upon request, to the State of Arkansas' designee(s) at any time during the contract period and any extension thereof, and for six (6) years from expiration date and final payment on the contract or extension thereof.

1.8 PROPRIETARY INFORMATION

Proprietary information submitted in response to this RFP will be processed in accordance with applicable State of Arkansas procurement procedures. Proposals and documents pertaining to the RFP become the property of the State and shall be open to public inspection subsequent to proposal opening. It is the responsibility of the Vendor to identify all proprietary information. **The vendor should submit one complete copy of the response from which any proprietary information has been removed, i.e., a redacted copy.** The redacted copy should reflect the same pagination as the original, show the empty space from which information was redacted, and should be submitted on a CD or flash drive. Except for the redacted information, the redacted copy must be identical to the original hard copy. The vendor is responsible for ensuring the redacted copy on CD/flash drive is protected against restoration of redacted data. The redacted copy will be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the vendor. If a redacted copy is not included, the entire proposal will be open to public inspection with the exception of financial data (other than pricing). If the State of Arkansas deems redacted information to be subject to the FOIA the vendor will be contacted prior to sending out the information.

1.9 CLARIFICATION OF RFP AND QUESTIONS

If additional information is necessary to enable bidder(s) to better interpret the information contained in the RFP, written questions will be accepted until the close of business, December 10, 2014. Submit questions to Tamara DeBord at tamara.debord@dfa.arkansas.gov. Bidder(s) questions submitted in writing will be consolidated and responded to by the State. The consolidated written State response is anticipated to be posted to the OSP website by the close of business, December 19, 2014**.** Answers to verbal questions may be given as a matter of courtesy and must be evaluated at bidder(s) risk.

1.10 PERFORMANCE SECURITY

In order to assure full performance of all obligations imposed on a vendor by contracting with the State of Arkansas, the vendor will be required to provide a performance security. The amount will be determined by the contract amount which depends on the region(s) for which the successful vendor is selected. The amount will be approximately one third (1/3) of the contract amount or $250,000.00, whichever is a lesser amount within ten (10) working days from date of receipt of the State's written notification of its intent to award a contract. The form of security required shall be a performance bond, cashier's check or a standard letter of credit such as is usually and customarily written and issued by surety companies licensed and authorized to do business in Arkansas. An irrevocable letter of credit from an Arkansas bank is also acceptable. The performance security must be made out to the State of Arkansas and should include the RFP number and contract period. The award shall be made upon acceptance of the performance security by the Office of State Procurement.

If a vendor fails to deliver the required performance security, the proposal shall be rejected. In the event of a breach of contract, either through quality problems, late delivery, substitutions, non-performance, or other areas within the control of the vendor, the State Procurement Official will notify the vendor in writing of the default and may assess reasonable charges against the vendor's performance security. If, after notification of default, the vendor fails to remedy the State's damages within ten (10) working days, the State Procurement Official may initiate procedures for collection against the vendor's performance security. Actions against the performance security are in addition to any other remedies specified in other portions of this RFP.

In order to achieve the greatest economy for the State, the State Procurement Official may choose the next highest ranked bidder as determined through the evaluation process, re-advertise for proposals, negotiate a contract, or complete any other action consistent with the procurement laws. The performance security will be released at the end of the contract term. The performance security may be extended to continue for any renewal period if there is mutual agreement to extend the contract.

1.11 RESERVATION

This RFP does not commit the State Procurement Official to award a contract(s), to pay costs incurred in the preparation of a proposal in response to this request, or to procure or contract for commodities or services.

1.12 PRIME CONTRACTOR RESPONSIBILITY

Single and joint vendor proposals and multiple proposals by vendors are acceptable. However, a single vendor must be identified as the prime contractor in each proposal. The prime contractor will be responsible for the contract and will be the sole point of contact with regard to services.

If any part of the work must be subcontracted, vendor must include a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted, a signed statement of intent declaring the intent to participate as a subcontractor and descriptive information concerning subcontractor's organizational activities in their technical proposal response.

The vendor shall not assign the contract in whole or in part or any payment arising there from without the prior written consent of the State Procurement Official.

The contractor shall give OSP immediate notice, in writing, by certified mail of any action which, in the opinion of the contractor, may result in litigation related in any way to the contract or the State.

1.13 CONTRACT INFORMATION

1. The State of Arkansas may not contract with another party:
   a. Upon default, to pay all sums to become due under a contract.
   b. To pay damages, legal expenses or other costs and expenses of any party.
   c. To continue a contract once the equipment has been repossessed.
   d. To conduct litigation in a place other than Pulaski County, Arkansas.
   e. To agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
2. A party wishing to contract with the State of Arkansas should:
   a. Remove any language from its contract which grants to it any remedies other than:
      i. The right to possession.
      ii. The right to accrued payments.
      iii. The right to expenses of de-installation.
      iv. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
      v. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
   b. Include in its contract that the laws of the State of Arkansas govern the contract.
   c. Acknowledge that contracts become effective when awarded by the State Procurement Official.

1.14 DEFINITION OF TERMS

The State Procurement Official has made every effort to use industry-accepted terminology in this RFP and will attempt to further clarify any point of item in question as indicated in "CLARIFICATION OF RFP AND QUESTIONS".

The words "bidder", "vendor", "successful vendor" and "offeror" are used as synonyms in this document.

For the purposes of this RFP the terms "Contractor" and "Broker" are used interchangeably.

Broker – Organization responsible for ensuring that all eligible beneficiaries are transported according to the terms of this RFP and that all administrative requirements are met.

Subcontractor – An individual or organization that provides the transportation of the beneficiary as directed by the broker.

Driver – The individual that drives the vehicle transporting beneficiaries under this RFP. Drivers may be employees of the Broker or Subcontractor.

Traditional Population – All persons eligible for NET except those included in the Private Option population. The Traditional population includes the medically frail population who gained eligibility through the Arkansas Health Care Independence Act of 2013 but do NOT participate in the Health Care Independence Program.

Private Option Population – Persons who gained eligibility through the Arkansas Health Care Independence Act of 2013 AND participate in the Private Option.

1.15 CONDITIONS OF CONTRACT

The successful vendor(s) shall at all times observe and comply with federal and State laws, local laws, ordinances, orders, and regulations existing at the time of or enacted subsequent to the execution of this contract which in any manner affect the completion of the work. The successful bidder(s) and surety shall indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the successful bidder.

1.16 STATEMENT OF LIABILITY

The State will demonstrate reasonable care but will not be liable in the event of loss, destruction or theft of vendor-owned equipment to be used in the provision of services. The vendor is required to retain total liability for equipment. At no time will the State be responsible for or accept liability for any vendor-owned items.

The Successful Vendor's liability for damages to the State shall be limited to the value of the Contract or ($10,000,000), whichever is higher. The foregoing limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Successful Vendor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract. Neither the Successful Vendor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. Nothing in these terms and conditions shall be construed or deemed as the State's waiver of its right of sovereign immunity. The Successful Vendor agrees that any claims against the State, whether sounding in tort or in contract, shall be brought before the Arkansas Claims Commission as provided by Arkansas law, and shall be governed accordingly.

1.17 AWARD RESPONSIBILITY

The State Procurement Official will be responsible for award and administration of any resulting contract(s).

1.18 PUBLICITY

News release(s) by a vendor(s) pertaining to this RFP or any portion of the project shall not be made without prior written approval of the State Procurement Official. Failure to comply with this requirement is deemed to be a valid reason for disqualification of the vendor(s) proposal. The State Procurement Official will not initiate any publicity relating to this procurement action before the contract award is complete.

1.19 INDEPENDENT PRICE DETERMINATION

By submission of this proposal, the bidder(s) certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this proposal: The prices in the proposal have been arrived at independently, without collusion, and that no prior information concerning these prices has been received from, or given to, a competitive company. If there is sufficient evidence of collusion to warrant consideration of this proposal by the office of the Attorney General, all bidder(s) shall understand that this paragraph may be used as a basis for litigation.

1.20 COST

All charges must be included on the Official Proposal Price Sheets and shall be included in the costing evaluation. To allow time to evaluate proposals prices must be valid for 90 days following RFP opening. **Bidder(s) must include ALL pricing information on the Official Price Proposal Sheet ONLY and must clearly mark said page(s) as pricing information. The electronic version of the Official Proposal Price Sheet must also be sealed separately from the electronic version of the technical proposal.**

NOTE:

1) The State will not be obligated to pay any costs not identified on the Official Proposal Price Sheet.
2) Any cost not identified by the successful bidder but subsequently incurred in order to achieve successful operation will be borne by the bidder.

1.21 CONFIDENTIALITY

The vendor shall be bound to confidentiality of any information of which its employees may become aware during the course of performance of contracted tasks. Consistent or uncorrected breaches of confidentiality may constitute grounds for cancellation of the contract.

1.22 NEGOTIATIONS

As provided in this Request for Proposals and under regulations, discussions may be conducted with responsible vendor(s) who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of obtaining clarification of proposal response and negotiation for best and final offers.

1.23 CANCELLATION

In the event the State no longer needs the service or commodity specified in the contract or purchase order due to program changes, changes in laws, rules, or regulations, relocation of offices, or lack of appropriated funding, the State may cancel the contract or purchase order by giving the successful vendor written notice of such cancellation 30 days prior to the date of cancellation.

1.24 ANTICIPATED SCHEDULE OF EVENTS

The following timetable is anticipated for the procurement process. All times refer to local time in Little Rock, Arkansas.

Event	Date
RFP issued	November 19, 2014
Due date for written questions from vendors to OSP	December 10, 2014
*Answers to vendor questions posted on the OSP website	December 19, 2014
Proposal Opening	Date and Time listed on Page 1
*Completion of proposal evaluation	January 29, 2015
*Anticipation of Award posted	February 4, 2015
Contract start (Subject to Legislative Council Review and State approval)	July 1, 2015

*dates are estimated

SECTION 2 - SPECIFIC REQUIREMENTS

2.1 SCOPE

The objective is to enter into a contract(s) for non-emergency medical transportation services to eligible Medicaid beneficiaries through a single transportation Broker for each pre-established NET region. The highest emphasis will be placed on safety of passengers. In order to manage this project, each broker must provide a project director and staff to ensure responsibility for the management and day to day operations of the services being requested, on-going safety training and refresher training of vehicle operators, investigate all accidents and provide adequate road supervision to monitor daily on-the-street operations.

Services include, but are not limited to:

- Provision of safe and appropriate transportation
- Adherence to program guidelines
- Provision of an efficient reservation and trip assignment process
- Recruitment, training and negotiation with subcontractors
- Submission of accurate and timely encounter (trip) data
- Assurance of quality services
- Provision of administrative oversight and reporting

2.2 GENERAL REQUIREMENTS

Compliance with State Policy Issuances

The successful vendor agrees to deliver the services authorized by this contract or any attachment in accordance with all manuals and other official issuances of the State promulgated through the Administrative Procedures Act.

State and Federal Laws

Performance of this contract by both parties must comply with State and federal laws and regulations. If any statute or regulation is enacted which requires a change in this contract or any attachment, then both parties will deem this contract and any attachment to be automatically amended to comply with the newly enacted statute or regulation as of its effective date.

Audit Requirement

Successful Vendor shall comply with the state audit requirements as outlined in “State of Arkansas Human Services Audit Guidelines”. Copies may be obtained from:

Arkansas Department of Human Services
Office of Quality Assurance
P.O. Box 1437 – Slot S270
Little Rock, Arkansas 72203-1437

Criminal History Check/Central Registry Check

Successful Vendor shall comply with Arkansas Code Annotated (A.C.A.) §21-15-101 et seq, or any amendments thereto, which requires all employees of state agencies, in designated positions including those providing care, supervision, treatment or any other services to the elderly, mentally ill or developmentally disabled persons, to individuals with mental illnesses or to children who reside in any state-operated facility or a position in which the applicant or employee will have direct contact with a child, to have a criminal history check and a central registry check. Should an applicant or employee be found to have been convicted of a crime listed in A.C.A. §21-15-101 et seq, that employee shall be prohibited from providing services in a designated position as defined by Arkansas law.

The Broker is responsible for electronically submitting encounter information via the internet as required by DMS and the Arkansas Medicaid Fiscal Agent, such as dates, names of beneficiaries, providers, etc. Please see **Attachment B** for an example of information required for encounter reporting.

Brokers must complete and submit DMS Form 675 Ownership and Conviction Disclosure (**Attachment C**), DMS Form 689 Disclosure of Significant Business Transactions (**Attachment D**), and DHS Form 4001 Business Associate Agreement (**Attachment F**) prior to execution of the contract. Brokers must also obtain completed DMS Forms 675 and 689 for each subcontractor receiving payment for services provided as a result of this RFP. DMS reserves the right to refuse to contract with individuals or organizations who fail to disclose or who are prohibited from receiving State or Federal funds in accordance with State and Federal law.

Brokers must comply with performance based contracting standards.

CONTRACTOR'S RESPONSIBILITIES
The Broker must:

- **Provide Safe and Appropriate Transportation:** The Broker is responsible for providing or arranging transportation services to all eligible Medicaid beneficiaries residing in their region(s). Transportation must be provided without the collection of any co-payment. Co-payments and mileage caps are not applicable under the Medicaid Non-Emergency Transportation Program. Trip limits are not applicable to the Traditional population participating in NET.
- **Adhere to Program Guidelines**: The Broker shall determine beneficiary eligibility, assess the beneficiary's need for NET services, and determine the most appropriate transportation to meet the beneficiary's need, including any special transport needs for medically fragile, physically, or mentally challenged beneficiaries.
    - Trip limits are not applicable to the traditional population participating in NET.
    - Trip limits are limited to eight (8) one way trips to the Private Option population within each State Fiscal Year.
- **Provide an Efficient Reservation and Trip Assignment Process:** The Broker will provide a system to receive beneficiary requests for transportation and the Broker will either provide the service or assign the trip to a subcontractor for eligible beneficiaries.
- **Recruit and Negotiate with Subcontractors**: The Broker may operate as a Provider as part of the network or as a sole provider, as long as access to NET services remain sufficient to provide services for all qualified beneficiaries residing in the region served by the Broker. If not operating as a sole provider, the Broker must establish a network of subcontractors to deliver medically necessary transportation. The Broker must negotiate service delivery rates with each qualified subcontractor. The Broker must provide accurate and timely payment to each subcontractor based on the agreement between the Broker and Subcontractor and the authorized services rendered. The negotiated rate must be fully disclosed in the agreement between the subcontractor and the Broker.
- The Broker must ensure each region they are awarded maintains adequate transportation capabilities and adheres to all requirements of the Americans with Disabilities Act. The Broker's agreements with subcontractors must be in writing and specify the delegated activities and also specify their respective reporting requirements prior to beginning services and approved by DMS. These agreements must be provided to the DMS NET Contract Monitor.
- The Broker is responsible for ensuring that all transportation services are provided by drivers meeting the qualifications as set out in this RFP under the Operational Requirements section. The Broker is expressly prohibited from establishing or maintaining service agreements with subcontractors which have been convicted of Medicaid or Medicare fraud, or been terminated from the Medicaid or Medicare program, or have been excluded from participation in any Arkansas DMS Program. All personnel, including office staff, administrators, managers, board members, anyone having decision making or fiduciary responsibilities, whether paid or volunteer, in regards to the NET contract, will be checked against the State and Federal Medicare and Medicaid exclusion list. It is the Broker's responsibility to provide a roster and notify the NET contract monitor within five (5)

business days of all changes. This roster must include the following information for each person listed:

- Name (including Maiden or previously used names)
- Title
- Date of birth
- Social security number
- Date of hire
- Date of discharge
- Employees of the broker and the subcontractors are prohibited from employment in any way **connected** to Medicaid transportation if they have been convicted of Medicaid or Medicare fraud, or been terminated from the Medicaid or Medicare program, or have been excluded from participation in any Arkansas DMS Program.
- The Broker must ensure that all personnel, including those of subcontractors, have received and documented HIPAA compliance training at the time of hire and yearly thereafter.
- The Broker must terminate a service agreement with a subcontractor when unacceptable performance, as determined by the DMS, is identified or the subcontractor has failed to take satisfactory corrective action within a time period specified by DMS not to exceed thirty (30) calendar days from the date of notice of the unacceptable performance. The DMS reserves the right to direct the Broker to terminate any service agreement with a subcontractor when DMS determines this to be in the best interest of the State.
- Prior to beginning work, the Broker must submit for DMS approval a model service agreement that the Broker will use to obtain transportation service. The Broker's written agreements with subcontractors and employees must provide for revocation or other remedies for inadequate performance. The service agreement shall include the same terms of Confidentiality of Information and HIPAA Compliance as required of the Broker, and a specific provision that, in the event of default by the Broker, the agreement may, at the discretion of DMS, be assigned to DMS or its agent for continued provision of transportation services. This provision is further defined in the DMS performance monitoring section of the RFP. All terms, conditions and rates established by the agreement will remain in effect until or unless renegotiated with DMS or its assignee, subsequent to the default action. Copies of all service agreements between the Broker and sub-contractors must be forwarded to the Division of Medical Services (DMS) NET Monitoring Contractor. All written agreements with subcontractors must be submitted to DMS or NET monitoring contractor at least 30 calendar days prior to beginning of the transportation services. These agreements must be accompanied by Broker's attestation as to service that is covered by these agreements.
- The Broker will pay subcontractors in accordance with the terms of the service agreement between the Broker and the subcontractor. Brokers must make full payment to subcontractor for authorized trips within a reasonable time, not to exceed 30 calendar days, following the Broker's receipt of an invoice from the subcontractor.
- The Broker will render payment to subcontractors only for authorized trips made in accordance with this RFP and the terms of the contract.
- DMS will not be responsible to or intervene on behalf of any subcontractor should the Broker fail to provide timely payment or for any other matter of dispute between the Broker and the subcontractor.
- **Submit Accurate Encounter (Trip) Information:** Although payment is a per member per month rate, the Broker will submit encounter reporting, including a record of the beneficiaries, medical providers, trip costs, etc., as required by DMS. This information will be used for monitoring and

cost comparison purposes. It is also used in determining an actuarially sound per member per month payment. The encounter data must be submitted electronically, according to all DMS guidelines, no later than the last day of the month after the month transportation was provided. (Example: Transportation services delivered in June 2015 must be reported by July 31, 2015)

- Brokers must attest to the number of claims and trips submitted each month for the previous month of service.
- DHS/DMS NET monitoring contractor will verify claim data entered by brokers and resolve discrepancies.
- Should Brokers fail to report encounter data in an accurate and timely manner, payment for that month of service will be withheld until the data is accurately entered and accepted by the system and verified by the DHS/DMS NET monitoring contractor.

- **Assure Quality Services:** The Broker must ensure that subcontractors submit documentation, acceptable to DMS, which demonstrates adherence to all requisite health and safety standards for vehicle maintenance, operation, vehicular inspections as well as licensure, insurance and certification requirements, as applicable. The Broker will maintain on file this documentation for inspection by DMS or its agent as well as documentation demonstrating all driver(s) qualifications and training(s); beneficiary/complaint resolution; and the delivery of clean, courteous, safe, and timely transportation services.
- **Provide Administrative Oversight and Reporting:** The Broker will be responsible for the management of overall day-to-day operations necessary for the delivery of NET services and the maintenance of appropriate records and system of accountability to report to the DMS and respond to the terms of the contract.
- The Broker is financially responsible for all costs incurred in printing and mailing letters to notify the beneficiaries and facilities of changes including new telephone number fifteen (15) business days prior to start date.
- The Broker's central business office must be open on the contract start date and have the capability to receive beneficiary reservations ten (10) business days prior to the contract start date.
- Broker shall provide DMS with audited annual financial statements specifically detailing the Brokers' Arkansas Medicaid NET transportation services for each region in which they operate no later than April of each contract year.

Beneficiary Residence In/Outside NET Service Region

The Broker must arrange travel into and out of other regions when the Medicaid beneficiary being transported is a resident in the Broker's region. The Broker may enter into service agreements with other Brokers or individual subcontractors or volunteer providers in other regions, to provide transportation trips in cases where a beneficiary must travel outside the region of residence to obtain appropriate health care services. Brokers are not responsible for assuring that non-emergency transportation services are provided to Medicaid beneficiaries who reside outside the Broker's region.

Beneficiary Application for Services

Medicaid will not provide or pay for transportation if the beneficiary could have arranged for transportation on his or her own or if the transportation was otherwise unnecessary. All reasonable efforts to access other means of transportation – roommates, friends, extended family options – must be exercised. The Broker must obtain from the beneficiary, or an individual or agency acting on behalf of the beneficiary, sufficient information to make a decision regarding the beneficiary's need for NET services. This determination must take into consideration the beneficiary's ability to provide for his or her transportation outside of the NET program, as well as the beneficiary's needed level of transportation.

NET transportation will be provided only if beneficiary has indicated that:

1. No operational vehicle is available in the household.
2. No other form of transportation is available.
3. The beneficiary is not able to operate the vehicle, if one is available.
4. No one in the household is able to operate the vehicle.
5. The vehicle is not available at the time of the appointment.
6. Funds are not available to operate the vehicle.

If the beneficiary indicates they do not have access to transportation the Broker is required to transport.

During this gatekeeping process, if the beneficiary indicates they own or have access to a vehicle, the following questions must be asked by the Broker:

Do you have another form of transportation available? If yes:

- Is it drivable?
- Are you physically able to drive the vehicle? Is anyone else able to drive the vehicle?
- Is the vehicle available at the time of the appointment?
- Do you have the funds to operate the vehicle?

If the answer to any of the questions is “no” the Broker is required to transport.

If it is determined that the Broker must make provisions to provide transportation, the beneficiary must be told ‘You will be asked to sign a statement when your ride arrives stating your answers to the previous questions are true and correct and that you have no other means of transportation available’.

To request NET services, the beneficiary must contact the Broker at least 48 hours prior to an appointment, excluding weekends and state holidays. Brokers must check eligibility upon scheduling. Advance scheduling is mandatory for all NET services except urgent care, hospital discharges and follow-up appointments in which the timeframe does not allow advance scheduling. The Broker is required to notify beneficiaries of scheduling requirements and Broker contact information through the distribution of DMS approved communication tools such as brochures and posters. Distribution options include but are not limited to yearly mail-outs and distribution of materials on NET vehicles.
Medicaid beneficiaries must have a valid Medicaid number to receive NET services. If the number cannot be provided by the beneficiary, the beneficiary must be instructed to contact Medicaid or the Medicaid NET help line to obtain the number. Verification of eligibility is the responsibility of the Broker at the time of the reservation.

Arkansas Medicaid NET waiver program does not include transportation services for beneficiaries who are:

- Nursing facility residents
- Residents of intermediate care facilities for the mentally retarded (ICF-ID)
- Requesting transportation to Developmental Day Treatment Clinic Services (DDTCS) or Child Health Management Services (CHMS) facilities. Transportation to these facilities is addressed in the provisions for each service***
- Qualified Medicare Beneficiaries (QMB) (Medicaid pays only the Medicare premium, deductible and co-pay)
- Special Low Income Qualified Medicare Beneficiaries (SLMB)
- Qualifying Individual -1 (QI-1)
- ARKids First-B Beneficiaries
- Covered for periods of retroactive eligibility

***NET Brokers may contract independently with these facilities in order to provide transportation. Transportation Brokers choosing to engage in these business arrangements must understand that trips provided to and from DDTCS and CHMS facilities will not meet the criteria as being a Medical reimbursable trip and such trips will not be accepted as a legitimate NET encounter.

NET services available to beneficiaries participating in the Private Option are limited to eight (8) one way trips within each State Fiscal Year. The Broker will be responsible for maintaining a cumulative real time trip count for the Private Option population. The Broker will also be responsible for communications with other Brokers in order to obtain previous trip counts in case a beneficiary moves from one NET region to another NET region. Once a Private Option beneficiary has utilized their annual trip limit, the Private Option eligible must contact the DMS NET Monitoring Contractor and seek an Extension of Transportation Services (EOTS). All EOTS must be approved by the DMS Monitoring Contractor. The NET Monitoring Contractor will inform the Broker of the decision to deny or grant more trips. The Broker bears responsibility for creating an internal process within their call centers to accommodate and track the EOTS. Each Broker will have a "secure" email address and designated employees for the EOTS process. If transportation is provided to Private Option beneficiaries who have exceeded their transportation limits and no EOTS has been obtained, the Broker will not receive credit for those trips in subsequent Annual Adjustment Factor calculation(s). It will be the responsibility of the NET Monitoring Contractor to oversee Broker compliance with imposing the Private Option trip limit and the EOTS process.

In all cases, the Broker must provide the most appropriate and safe service available to meet the beneficiary's health needs. Regardless of the method or combination of methods used to provide NET service, the Broker is responsible for management, supervision and monitoring, and payment for all transportation provided with funds received through this RFP and subsequent contracts.

Summary of Determination Process

The Broker must structure "the need for services determination process" that complies with the requirements set forth in the Arkansas Medicaid Policy. The Broker will provide transportation service when:

- The Broker has verified that the beneficiary is eligible for one of the qualifying Aid Categories for Arkansas Medicaid NET program;
- The beneficiary has declared that he or she is a current resident of the Broker's region;
- The beneficiary has declared that he or she has a need for transportation;
- The historical beneficiary's requested transportation is to a Medicaid covered service provided by an enrolled Medicaid provider or the Private Option beneficiary's requested transportation to an enrolled Medicaid or non-Medicaid provider within their plan network;
- The Broker has recorded the beneficiary's Medicaid identification number and address for reporting purposes;
- The Broker is responsible for verifying the appointment at the time of the reservation;
- The required information for encounter (trip) information has been captured and will be submitted to DMS through the approved electronic submission process.

In determining if the beneficiary is eligible for NET services, the Broker will not consider as a basis for denial whether or not the medical service provider also provides transportation.

The Broker will then inform the beneficiary that at the time the transportation is provided, they will be asked to sign a statement prior to transport in order to be transported. If the beneficiary is a minor, incapacitated adult, or does not have the ability to sign, a parent or guardian must be available to sign.

Attestation Statement
Prior to transportation being provided to eligibles, at the A leg of the trip, via iPad or electronic mechanism of the Broker's choice or other means as determined by the Broker; the beneficiary (or parent or guardian or other as previously arranged at time the reservation was made) will be asked to sign the attestation statement certifying the intake questions at the time of the reservation were true and correct.

Each beneficiary's attestation statement will be valid for one year from the date of signing.

Example Attestation Statement:
I attest that the information I provided at the time the reservation for transportation was made is true, accurate, and complete. I understand any falsification, omission, or concealment of information may result in termination of future transportation services or additional penalty.
Print Name: _____
Signature: _____
Date: _____

The Broker will be responsible for ensuring the attestation statements are available upon request by DMS or the NET Monitoring Contractor.

Levels of Transportation
When determining the most appropriate mode of transportation for a beneficiary, a consideration must be the beneficiary's current level of mobility and functional independence. Modes other than public transportation must be used when the beneficiary:

- I**s traveling to and from a location which is inaccessible by public transportation;** pick up/drop off location does not provide safe access to location based on beneficiary's age, mobility and functional independence; or
- Indicates during the call requesting transportation that public transportation is neither appropriate nor a safe mode of transportation due to specific conditions of the beneficiary.

Provision of Services
The Broker will arrange for non-emergency transportation by:

- Providing the service themselves;
- Negotiating service agreements with qualified subcontractors;
- Entering into service agreements with federally funded or public transit, including not-for-profit agencies, transit authorities and licensed common carriers;
- Providing tokens or passes to beneficiaries to cover the fare for federally funded, established public or private transit service if the beneficiary has the physical and mental capacity to use such service.
- Arranging for volunteer transportation.
- Providing mileage reimbursement if the beneficiary has a working vehicle but is unable to afford the gasoline.

Attendant Care
When determining safe and appropriate transportation, Brokers must consider providing attendant care. DMS encourages Brokers to provide attendant care when transporting unaccompanied minors or incapacitated adults. When attendant care is provided, the attendant must meet the qualifications as stated in this RFP. The cost of attendants to accompany the beneficiaries is the responsibility of the Broker and is included in the per member per month payment.

If a parent or guardian of minor children or incapacitated adults specifically requests attendant care, the

Broker will provide the attendant care when the parent or guardian has certified that an attendant is necessary because all relatives are unavailable, a parent or guardian is not able to leave work, or that the parent or guardian is disabled.

Geographic Considerations
The Broker will provide transportation to and from qualified Medicaid providers that are located in the closest proximity to the beneficiary or that are located within the beneficiary's county.

The Broker will provide transportation to and from out-of-state providers enrolled in Arkansas Medicaid which are located within fifty (50) miles of the state of Arkansas border. The Broker is not responsible for transporting beneficiaries more than fifty (50) miles beyond state of Arkansas boundaries.

The Broker will provide transportation to and from qualified Medicaid providers that are **not** located in the closest proximity to the beneficiary or that are **not** within the beneficiary's county, only if:

- The transportation is for a visit to the beneficiary's assigned Medicaid primary care physician, or
- The beneficiary's assigned Medicaid primary care physician has made a referral to a specific provider for a medically necessary service, or
- The beneficiary's assigned Medicaid primary care physician has made a referral to a medically necessary service and sufficient medical resources are not available in the beneficiary's county.

Exceptional Transportation
Exceptional travel is not the NET Broker's responsibility and is not included in this RFP. Exceptional transportation service is defined as non-emergency transportation necessary under extraordinary medical circumstances that requires traveling out of state for health care treatment not normally provided through in-state health care providers.
Exceptional travel **does not** include direct service providers within fifty (50) miles of a driving distance of the state's borders who are used for routine care by individuals living in Arkansas.

Unallowable Transportation
Non-emergency transportation does not include emergency ambulance transportation or transportation to any service not reimbursable through the Medicaid program. The use of Medicaid funded transportation for any purpose other than as stated in this RFP is fraud which may subject the Broker, Subcontractor or both, to criminal prosecution, civil lawsuits or administrative sanctions.

Allowable Escort Transportation
A parent, foster parent or guardian may escort a Medicaid beneficiary who is a minor or an incapacitated adult. The transportation of an escort with a beneficiary should not be submitted as a separate encounter.

Allowable Transportation for Escort Visits
A parent, foster parent or guardian is considered an escort and is eligible for transportation to visit a minor Medicaid beneficiary that is an inpatient of a hospital, whether or not the escort is Medicaid eligible. There is a limit of one trip to and from the hospital for the escort to visit the minor beneficiary per episode of care. Transportation of individuals who are not Medicaid beneficiaries who are transported separately from the beneficiary should be reported as an encounter under the respective Medicaid beneficiary identification number. Transportation to visit adult Medicaid beneficiary inpatients is not covered.

Special Circumstances
Requests to provide transportation services home from the hospital emergency department when other means of transportation were utilized are not covered under the NET program, unless the beneficiary was admitted to the hospital as an inpatient or for a 23-hour hold, in which case the transport would be considered a hospital discharge.

When required by State law, the Broker must make prior arrangements to provide a child safety seat or wheelchair to a beneficiary being discharged and transported from the hospital when the beneficiary does not have their child safety seat or wheelchair in their possession at the time of hospital discharge.

DMS may require transportation for Medicaid beneficiaries or parents or guardians of a minor or incapacitated beneficiary, who do not meet criteria as specified by this RFP. These instances will be determined on a case by case basis and will be authorized by the Director of the Division of Medical Services or his or her designee.

The Broker is responsible for providing transportation services to all eligible foster children, regardless if the foster parent(s) owns or has access to a vehicle in their respective home.

Denial of Transportation

If a Broker denies transportation to a beneficiary, the Broker must give the beneficiary written notice. The Broker must submit a model denial notice to DMS for approval prior to the start of the contract. The notice must include: an explanation of the services and reason for the denial, the Medicaid NET Help Line phone number (888-987-1200, option 1) and the beneficiary's opportunity for a fair hearing under the Arkansas Administrative Procedure Act, Ark. Code Ann. §§ 25-15-201 – 25-15-218. A copy of each denial notice sent to a beneficiary must also be sent to the DMS NET Monitoring Contractor within twenty-four (24) hours of the denial.

The beneficiary may contact the Medicaid NET Helpline to attempt to resolve the matter. If the beneficiary chooses to appeal the denial, the beneficiary must submit the appeal request in writing to the Department of Human Services, Appeals and Hearings Section. The appeal request must be received by the Appeals and Hearings Section no later than thirty (30) calendar days from the next business day following the date of the postmark on the envelope containing the written notice of an adverse decision.

Complaints

The Broker is responsible for recording and responding to complaints concerning the delivery of services. The Broker must respond to the complainant within one (1) working day of the complaint and have a written record of the complaint and resolution. Upon request the complaint and its resolution must be provided to DMS or NET monitoring contractor within two (2) working days of the complaint. The Broker must also provide information to the complainant regarding the Medicaid NET Helpline.

The Broker shall compile and analyze complaints on a monthly basis and prepare a report to ensure the quality of services to beneficiaries. The report must be sent to the DMS NET Monitoring Contractor on a monthly basis and must include a description of corrective actions taken to assure service delivery conforms to the requirements of this contract. The Broker must maintain the complaint records for six (6) years.

2.3 OPERATIONAL REQUIREMENTS

Operations Oversight

The Broker will oversee the overall day to day operations in their region including but not limited to:

- Annual and on-going safety training for all vehicle operators;
- Field observations of operations;
- Monitor staff levels, including vehicle operators and their training;
- Brokers must have procedures in place to screen driving records of each prospective vehicle operator prior to hiring; and to monitor and report any serious traffic violations which result in points or a felony offence of hired vehicle operators;
- Vehicle maintenance standards; (repairs and preventative maintenance)
- Inspecting vehicles and vehicle maintenance records; (announced and unannounced)
- Safety oversight including safety audits; (announced and unannounced)
- The Broker will investigate all incidents and accidents and will be responsible for reporting incidents and accidents to DMS NET Monitoring Contractor within one (1) working day in the format prescribed by the NET contracting monitor.

Child Passenger Transportation Safety
The Broker will ensure compliance with the AR Child Passenger Protection Law pertaining to the transportation of children in age-appropriate child safety seats. Broker will ensure that safety certified child passenger restraints are provided by the beneficiary in accordance with federal and state laws. Broker will require that any person installing a child restraint has received appropriate training from a certified child passenger safety technician.

Broker shall advise beneficiary of state and federal laws regarding the use of child safety restraints at the time of scheduling. If the beneficiary notifies the Broker at the time of scheduling that the beneficiary does not have access to a child safety seat, the Broker will provide the seat for the transportation. If beneficiary claims to have child safety seat but upon arrival for transportation, the beneficiary does not provide safety seat(s), the Broker will not transport the child until such time that the requisite safety seat is available. The Broker will advise the beneficiary to reschedule the appointment.

Serious safety violations will result in immediate termination and possible criminal charges of driver and attendant include but are not limited to:

- Failure to conduct visual vehicle sweep resulting in a beneficiary left unattended
- Failure to correctly utilize child safety buzzers
- Failure to comply with Child Passenger Transportation Safety as described in this RFP
- Failure to properly secure wheelchairs

Staffing Requirements
The Broker will provide staff to perform all tasks specified as Broker responsibilities as required by the scope of work for services in the RFP.

The Broker must name a Project Director for this contract in their technical proposal within the organization for commitment of resources and to engage additional resources as needed for the Broker to meet all contract requirements without service interruption to Medicaid beneficiaries.

The Project Director will meet with DMS representatives at their offices in Little Rock on a periodic basis, as requested by DMS, to discuss the NET program for the region, and to answer pertinent inquiries regarding the program, its implementation, and its operation.

Hours of Operation
The Broker shall establish a duly licensed non-residential business office that is open, at a minimum, from the hours of 8:00 a.m. until 5:00 p.m., Central Time, Monday through Friday, except on days recognized as State holidays.

The Broker will maintain scheduling services, at a minimum, for the above referenced times. NET will be provided for dialysis and cancer patients on Saturday, from 8:00 a.m. until 5:00 p.m. Time of the actual transport is predicated on the need of the beneficiary. Although the business office may be closed on certain dates, the Broker is still responsible for transporting beneficiaries who require necessary routine medical care, such as dialysis and cancer patients, who generally have set treatment days.

Central Business Office Requirements
The Broker must establish a central non-residential business office within the state of Arkansas. The Broker may establish more than one business office within the state, but one non-residential business office must be designated as the central business office. Other offices in addition to a central business office are not required. The Project Director and scheduling staff must be located at the central business office. Scheduling staff must be at the central business office or any other business office during normal business hours and any additional hours necessary to perform the scheduling activity.
The Broker must have internet access and the capability to send and receive e-mails and facsimiles at the central business office at all times during business hours. The Broker must provide an administrative telephone number that will enable DMS staff and the DMS NET Monitoring Contractor to reach the Project Director directly, without going through the scheduling staff. The Broker must also have the capacity to

reproduce documents when requested.

All Broker records pertaining to the contract must be housed at the central business office and be retrievable within five (5) (business days) for review at the request of DMS and its authorized representatives. Records must be stored in a fire resistant container in a manner designed for retrieval upon request.

Telephone System Requirements
The Broker must provide Medicaid beneficiaries or persons or agents acting on behalf of the beneficiary, with long-distance toll free access to schedule trips. Access to the hearing and speech impaired must be provided by appropriate telecommunication equipment. All calls to inquire about or schedule services by the Broker must be answered within a reasonable time period. The Broker must answer ninety percent (90%) of all calls within five (5) rings and ensure that the wait time after answering will not exceed five (5) minutes.

All telephone calls received by the Broker from a beneficiary or agent before 5:00 p.m., including voice mail, must be returned before the end of the day.

Personnel assigned to the telephone must maintain a courteous and polite attitude in all dealings with the public. The personnel must identify the Broker and themselves by name upon answering.

The Broker is responsible for obtaining periodic busy signal studies as requested by DMS. Action to correct high busy signal conditions must be made to DMS's satisfaction.

Should the Broker operate any additional transportation services other than the NET program, the Broker shall ensure that the programs are operated separately and that Medicaid beneficiaries have adequate access to reservation staff during designated business hours. To ensure this, the Broker must provide separate telephone numbers for Medicaid beneficiaries.

For quality assurance purposes, the Broker must have a system in which phone calls are recorded and maintained for up to six months from the date of the call. DMS prefers systems in which recordings can be sent to DMS or the DMS NET Monitoring Contractor electronically.

Bilingual and TDD Communications
The Broker must provide communications in their region for all beneficiaries who do not speak English. The Broker must arrange for the capability to meet TDD needs.

Technology Requirements
The Broker must maintain in the central business office sufficient technology (such as computer hardware and software) to support automated call intake and electronic eligibility verification. The Broker must have adequate technology and computer systems to meet all reporting requirements prescribed under this RFP including electronic submission of encounter information. The following link provides the Technology Requirements: https://www.medicaid.state.ar.us/Provider/software/pes/pesinstall.aspx#System. All encounter information must be securely submitted to the Arkansas Medicaid Fiscal Agent via the Internet.

The Broker must submit a test file to DMS Monitoring Contractor for DMS's review and approval prior to the start of operations.

For testing instructions go to this link:
www.medicaid.state.ar.us/InternetSolution/Provider/hipaa/compan.aspx#compan

and open this document

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If the Broker does not have the capability after sixty (60) calendar days from the contract start date, the contract may be terminated for cause. All data stored electronically using the Broker's computer system

must be backed up on a daily basis and stored at a secure off-site location, in accordance with its Disaster Recovery Plan.

These are minimum requirements; Brokers are encouraged to propose additional capabilities that would enhance the quality, efficiency and cost-effectiveness of the program.

Scheduling, Pick-up and Delivery Standards
Brokers must collect and accurately report scheduled pick-up time, actual pick-up time, scheduled appointment (drop-off) time, and actual drop-off.

The Broker will ensure that services comply with the following minimum service delivery requirements:

- Medicaid beneficiaries will be transported in a safe and timely fashion to and from scheduled appointments.
- Medicaid beneficiaries will be advised of pick-up time at the time the transportation request is made.
- Providers will arrive at the pick-up location no later than fifteen (15) minutes after scheduled pick-up time.
- Providers will deliver the beneficiary to the site of the scheduled medical appointment fifteen (15) minutes prior to the scheduled appointment, but no earlier than one (1) hour before the appointment.
- Providers are not required to wait for the beneficiary more than fifteen (15) minutes after the scheduled pick-up time.
- The Broker will contact and confirm the scheduled pick-up time with the beneficiary within twenty-four (24) hours of the pick-up.
- The dispatcher or subcontractor must notify the Medicaid service provider to report late arrivals or deliveries.
- The Broker will monitor return trips to ensure beneficiaries are delivered home in a timely manner.
- If a delay of fifteen (15) minutes or more occurs, the Broker must contact the beneficiary at the pick-up point to inform him or her of the delay.
- Providers will advise beneficiaries of any alternate pick-up arrangements.
- In multiple-passenger situations, the Broker will ensure that all beneficiaries are not in a vehicle more than one (1) hour longer than the average travel time for direct transport from the beneficiary's point of pick-up to the destination.

These requirements must be stated in all transportation service agreements between the Broker and Subcontractor.

Subcontractor Records
The Broker must establish and maintain the following records and related information in its files for each non-public subcontractor with whom the Broker has entered into a service agreement. Any changes in subcontractors or changes in existing information regarding subcontractor must be recorded at the time of occurrence of the change, or within a maximum of 5 business days, and must be available to DMS Monitoring Contractor upon request.

- Broker's service agreement for each subcontractor
- Subcontractor's registration with the Arkansas Highway and Transportation Department
- Vehicle records, including, but not limited to, the following documentation for each vehicle

- manufacturer, make and model year
- Vehicle Identification Number (VIN)
- odometer reading at the time the vehicle entered service under this contract
- type of vehicle – examples include but not limited to: (minibus, wheelchair van or NET stretcher van)
- capacity (number of passengers)
- license plate number
- insurance certifications
- DF&A-issued registration permit and vehicle stamp
- Special equipment (lift, etc.)
- date, odometer reading and description of inspection activity (e.g., verification that vehicle meets RFP vehicle requirements, inspection of equipment including brakes, tire tread, turn signals, horn, seat belts, air conditioning/heating, etc.). Records must be maintained of the initial inspection and all subsequent inspections
- driver records, including but not limited to the following documentation for each driver
- driver's name, date of birth and social security number
- copy of the Arkansas driver's license
- driving record for previous three (3) years obtained from Arkansas State Police or Information Network of Arkansas (INA)
- certificates and documentation of current first aid and CPR training, child passenger safety, defensive driving, and lift operation and wheelchair securement training
- documentation of any complaints received about the driver and any accidents or moving violations involving the driver

Records Regarding Services Provided

The Broker must maintain such records as are necessary to fully disclose the extent of services provided and make such records available to DMS Monitoring Contractor upon request. Required records include completed vehicle manifests.

Vehicle manifests are to be completed by each vehicle operator daily and must contain the following information:

- Transportation provider's, and if applicable their subcontractor's, name
- Vehicle Operator (Driver) name
- Vehicle number or License Plate Number
- Date of service
- Beneficiary name
- Beneficiary Medicaid number
- Beneficiary telephone number
- Pick up point (address)
- Destination (address)

- Scheduled arrival time for pick up at point of origin
- Actual arrival time for pick up at point of origin
- Actual departure time from point of origin
- Scheduled appointment time with provider
- Actual arrival time at destination
- Return Trip: Actual arrival time for pick up at destination
- Return Trip: Actual drop off time at point of origin
- Name of escort and relationship to beneficiary (if applicable)
- Name of Broker-provided attendant (if applicable)

Vehicle Requirements

The Broker must assure that Transportation Providers maintain vehicles and vehicle equipment adequately to meet the requirements of this RFP and contract. All vehicles must meet the following basic requirements:

- Vehicles shall maintain passenger compartments that are clean and are free from torn upholstery and floor covering, damaged and broken seats, and protruding sharp edges. They shall be free of dirt, oil, grease, and litter;
- Vehicles exterior must be clean and free from damages, including windshields;
- Vehicles involved in an accident must be repaired and documentation must be provided to NET Monitoring Contractor before the vehicle can be put back to service in the NET program.
- Vehicle floor shall be covered with commercial anti-skid, ribbed rubber flooring or carpeting. Ribbing shall not interfere with wheelchair movement between the lift and wheelchair positions;
- Vehicles and components must comply with or exceed the standards as set by the manufacturer and state and federal regulating authorities.
- Vehicles must meet or exceed safety and mechanical operating and maintenance standards for the particular vehicles and models used under this contract.
- Vehicles must comply with applicable federal laws including the lift equipped vehicle requirements of ADA regulations for wheelchair passengers and shall also meet all future revisions and requirements that ADA may adopt.
- Vehicles must have heat, air conditioning, and lap and shoulder belts.
- Vehicles must prominently display the Transportation Provider's name and contact information as well as the contact information for the DMS Medicaid NET Helpline.
- Vehicles must be licensed, have all permits, certificates and have commercial liability insurance as required by the AR Highway Commission rules for passenger carriers.
- Vehicle with a floor threshold of greater than twelve (12) inches shall include a retractable step or a step stool to aid in passenger boarding. The step stool shall be used to minimize ground-to-first-step, shall have four (4) legs and with anti-skid tips; under no circumstances shall a milk crate or similar substitute be permitted on any vehicle;
- Multi-passenger vehicles used to transport children must have child safety precautions such as child safety buzzers.

Any vehicle found non-compliant with RFP requirements or any Arkansas licensing requirements, safety standards, Arkansas Highway and Transportation Department, ADA regulations, or any other State or Federal law or regulation, must be removed from service immediately. Brokers or Subcontractors failing to

meet any of the vehicle requirements are subject to termination from the program.

Monthly Vehicle Inspections
The Broker must describe the monthly inspection process to verify that vehicles meet the requirements as specified by the RFP. The provider's vehicles must be made available to DMS or its agent for inspection at any time.

Daily walk around vehicle inspection sheets must be maintained and made available to DMS or the NET Monitoring Contractor upon request.

Prior to the execution of a service agreement between the Broker and a subcontractor, the Broker must conduct an initial inspection of all the subcontractor's vehicles and certify that the vehicles are in compliance with the specifications of this RFP. Subsequent inspections to identify the need for repairs and to record preventative maintenance must be completed no later than thirty (30) calendar days after the most recent inspection. Records of all inspections must be maintained and available at the central business office for inspection by DMS.

Prohibition of Smoking
Smoking is prohibited in the vehicles. "No Smoking" signs shall be visible to all passengers.

Driver Qualifications
Though a Broker may establish additional qualifications, the Broker must ensure that the following minimum qualifications are met by all individuals responsible for driving Medicaid beneficiaries under the terms of this RFP:

- Drivers must possess a valid driver's license for the state in which they reside for the class of vehicle to which they are assigned.
- Drivers must be at least twenty-one (21) years of age, or older if required by the insurance carrier;
- Drivers must be competent in their driving habits; be courteous, patient and helpful to all passengers; and be neat and clean in appearance.
- Drivers must meet current State and Federal Motor Carrier Safety Regulations and guidelines;
- Brokers shall ensure all drivers are in an appropriate United States Department of Transportation (USDOT) drug and alcohol testing program; or, a non-USDOT drug and alcohol testing program which mirrors the USDOT requirements.
- A person who has been convicted of a misdemeanor or felony for a drug or substance abuse related offense during the last five (5) years cannot drive or attend passengers;
- A person who has been convicted of any sexual offense or crime of violence cannot drive or attend passengers;
- A person who has been convicted of any felony during the last five (5) years cannot drive or attend passengers.
- A person who has been convicted of a crime listed in A.C.A. §21-15-101 *et seq*, cannot drive or attend passengers.
- A person who has been named as an offender or perpetrator in a true, substantiated or founded report from the Child Maltreatment Central Registry or the Adult and Long-Term Care Facility Resident Maltreatment Central Registry, cannot drive or attend passengers.
- Brokers and Subcontractors must not use drivers who are known abusers of alcohol or known consumers of narcotics or other drugs that could impair their ability to perform their duties, including operate a vehicle in safe manner. If the Broker or provider suspects a driver to be driving under the influence of alcohol, narcotics or other drugs, the Broker or provider will immediately remove the

driver from providing service to Medicaid beneficiaries until satisfactory review by the Broker and Subcontractor and DMS is completed.

- Individuals who currently have or have had a suspended or revoked driver's license, commercial or other, within the last five (5) years, are prohibited from driving for any purpose under this contract.

- Drivers must have current First Aid and CPR Training Certificates and documentation of child passenger safety, defensive driving, and lift operation and wheelchair securement training.
- Current and potential drivers who receive(d) any combination of two (2) moving violations or accidents, where the driver was at fault, during the last twelve (12) months must be removed from service.

Attendant Qualifications

Though a Broker may establish additional qualifications, the Broker must ensure that the following minimum qualifications are met by all individuals responsible for attending Medicaid beneficiaries under the terms of this RFP:

- Attendants must be competent, courteous, patient and helpful to all passengers and neat and clean in appearance.
- All attendants must be at least twenty-one (21) years of age.
- A person who has been convicted of a misdemeanor or felony for a drug or substance abuse related offense during the last five (5) years cannot drive or attend passengers;
- A person who has been convicted of any sexual offense or crime of violence cannot drive or attend passengers;
- A person who has been convicted of any felony during the last five (5) years cannot drive or attend passengers.
- A person who has been convicted of a crime listed in A.C.A. §21-15-101 *et seq*, cannot drive or attend passengers.
- A person who has been named as an offender or perpetrator in a true, substantiated, or founded report from the Child Maltreatment Central Registry or the Adult and Long-Term Care Facility Resident Maltreatment Central Registry, cannot drive or attend passengers.

Driver and Attendant Conduct

The Broker must assure that drivers and attendants abide by the following requirements which must be stated in all transportation service agreements:

- Drivers and attendants must maintain a professional and well-groomed appearance at all times;
- Jewelry or other accessories that may interfere with the vehicles operator's duties will not be permitted;
- All drivers and attendants must wear or have visible, easily readable proper company identification;
- All drivers and attendants must carry government issued identification;
- **All drivers must carry a valid driver's license.**
- At no time shall drivers or attendants smoke, while in the vehicle or while involved in beneficiary assistance, entering or exiting the vehicle, or while in the presence of any beneficiary;
- Drivers or attendants must provide assistance, as necessary, to and from the main door of the place of destination;

- Drivers or attendants must identify and announce their presence at the entrance of the building at the specified pick-up location if the passenger is not waiting at the curbside;
- Drivers or attendants must assist the passengers in the process of being seated, as necessary, including the fastening of seat belts. Drivers shall confirm, prior to allowing any vehicle to proceed, that wheelchairs and wheelchair passengers are properly secured and that all passengers' seat belts are fastened;
- Drivers or attendants must provide support and oral directions to passengers and assist wheelchair and mobility-limited persons as they enter or exit the vehicle using the wheelchair lift. Driver assistance shall also include stowage of mobility aids and folding wheelchairs;
- Drivers or attendants are not responsible for passenger's personal items.

Disaster Recovery Plan

The Broker must develop and maintain a disaster recovery plan, designed to minimize any disruption to transportation services caused by a disaster at the Broker's central business office or other facilities. It is the sole responsibility of the Broker to maintain adequate backup to ensure continued scheduling and transportation capability.

Insurance and Insurance Certificate

All insurance shall be from responsible companies duly licensed and approved to do business in the State of Arkansas and provided in accordance with the terms and conditions of the contract.

The Broker shall maintain insurance in the amount required on each vehicle which shall defend, indemnify, and hold harmless Broker and the State of Arkansas from any claims which may arise out of operations under the contract. Broker shall procure the insurance policies at the Broker's own expense and shall, prior to contract start date, under any resulting contract, furnish the State an insurance certificate listing the State as loss payee. The insurance certificate must document that the liability insurance coverage purchased by Broker includes contractual liability coverage to protect the State, and must contain information required by the Insurance Department of the State of Arkansas.

The Broker shall verify and ensure that any vehicles owned or operated by any to provide any service under this contract maintain insurance in the amount required on each subcontractor vehicle which shall defend, indemnify, and hold harmless subcontractor, Broker and the State of Arkansas from any claims which may arise out of operations under the contract. The insurance policies shall list the State as loss payee. The insurance certificate must document that the liability insurance coverage purchased by any subcontractor includes contractual liability coverage to protect the State, and must contain information required by the Insurance Department of the State of Arkansas.

License, Permit and Certification Requirements

The Broker must assure that subcontractors maintain current licenses, permits or certifications as required by all levels of government in Arkansas for the operation of necessary vehicles. This includes, but is not limited to, vehicle licenses, driver's license for each vehicle operator, and a business license. The Broker must maintain a copy of the registration permits issued by the Arkansas Department of Finance and Administration (DF&A) for each vehicle operated. The Broker must provide written assurance to DMS that all vehicles used for beneficiary transport are in compliance with all requirements of the DF&A for class I.E. (Intrastate Exempt) prior to award and upon any contract renewal periods.

2.4 REPORTING, QUALITY ASSURANCE AND PERFORMANCE MONITORING

Encounter Information

Submission of encounter information on every trip is a requirement of the contract. The Broker must timely and accurately submit encounter information through a secure internet connection. The following link provides the Technology Requirements:
https://www.medicaid.state.ar.us/Provider/software/pes/pesinstall.aspx#System. A summary of the required reporting formats can be found in Attachment B. The Broker must submit encounter information by the last

working day of the month following the end of the reporting month. Encounter information must be complete and accurate. Failure to provide or provision of false or inaccurate information may be considered fraud and may result in termination of the contract.

Encounter reporting must include all information in Attachment B. Additionally, at a minimum, the following statistical data must be reported with the encounter:

- Destination provider Medicaid identification number
- Date the trip was requested
- Mode of transportation
- Whether or not the appointment was after hours
- Whether or not the appointment was to a provider within the beneficiary's region
- Identification of others riding with the beneficiary
- Scheduled arrival time for pick up at point of origin
- Actual arrival time for pick up at point of origin
- Scheduled appointment time with provider
- Actual arrival time at destination
- Return Trip: Actual arrival time for pick up at destination
- Return Trip: Actual drop off time at point of origin
- Miles
- Door to Door – Curb to Curb
- Ambulance, wheelchair or stretcher

Driver Reports
The Broker must provide the DMS NET Monitoring Contractor a roster of drivers before the start of operations. Drivers must be listed separately for each subcontractor. The roster must include at a minimum:

- Driver's name
- Driver's date of birth
- Arkansas driver's license number
- Social security number

The roster shall be updated to reflect additions and deletions in personnel, and submitted to DMS each calendar month. This roster is due by the fifteenth (15th) working day of the month following the end of the reporting month.

Vehicle Reports
The Broker shall provide the DMS NET Monitoring Contractor with a listing of all vehicles placed in service for the performance of obligations under this contract before the start of operations. The list shall include for each vehicle:

- Name of Transportation Provider;
- Manufacturer and model;
- Model year;
- Vehicle Identification Number; and

- Type of vehicle (minibus, wheelchair van).

The roster shall be updated to reflect vehicle additions and deletions. The updated roster is due by the fifteenth (15th) working day of the month following the end of the reporting month.

Reports of Accidents and Moving Violations

The Broker will notify the NET Monitoring Contractor immediately of any accident while delivering services under the contract whether or not it resulted in a driver or passenger injury or fatality. The Broker will file a written accident report and the police report with the DMS NET Monitoring Contractor within three (3) working days of the accident. The Broker will cooperate with DMS during any ensuing investigation. The Broker will notify the DMS NET Monitoring Contractor within twenty-four (24) hours of any moving violations that occur while delivering services under this contract. The Broker must provide a copy of the citation to the DMS NET Monitoring Contractor within ten (10) working days of the violation.

The Broker will maintain copies of each accident report in the files of both the vehicle and the driver involved in the accident. Police reports associated with moving violations must be maintained in the file of the responsible driver.

The requirements of this section must be incorporated in all service agreements between the Broker and Subcontractors.

Financial Reports - Mandatory Requirement

Dun & Bradstreet Supplier Qualifier Report (SQR)

OSP requires submission of the Respondent's Supplier Qualifier Report (SQR) prepared by Dun & Bradstreet (D&B). The Supplier Qualifier Report is a standard report detailing financial and operational capability.

a. Respondent shall request the SQR report from D&B at: https://supplierportal.dnb.com/webapp/wcs/stores/servlet/SupplierPortal?storeId=11696

   i. Enter at the ***D&B Contractor Management Portal*** link.
   ii. Enter your Duns Number under the Duns Number heading if you know your Duns Number. If you don't know your company's Duns Number, you may use the search feature under Company Name to find it. Enter your Company Name, City, State and then Search.
   iii. Select your Company.
   iv. Confirm Registration.
   v. Upon Confirmation, Enter **Arkansas Office of State Procurement** in the Company Name Field and the following email address tamara.debord@dfa.arkansas.gov and telephone number 501-683-0253 and select ***YES*** for the End User License Agreement.
   vi. Complete Registration – The cost of the preparation of the D&B report shall be the responsibility of the Respondent. The price of the D&B SQR is $91.95. Enter payment method and information and complete registration. Once the process is complete, a copy will be emailed to OSP, and a confirmation will be available for the Respondent.

b. Respondents are advised to allow sufficient time before the proposal due date for the D&B processing. Respondents should allow a minimum of ten (10) business days for D&B to process. If OSP does not receive a SQR from D&B prior to the opening date of the solicitation as stated in the Anticipated Schedule of Events (Section 1.24), the proposal will be disqualified from consideration.

Complaint Reports

The Broker must compile and analyze complaints on a monthly basis. A written report including the number of complaints by type and a description of corrective actions taken must be sent to the DMS NET Monitoring Contractor by the fifteenth (15th) working day of the month following the end of the reporting month.

Denial Reports
As previously stated, the Broker must send copies of all denial notices to the DMS NET Monitoring Contractor at the time of the denial. Additionally, the Broker must compile and analyze denials on a monthly basis and send to the DMS NET Monitoring Contractor by the fifteenth (15th) working day of the month following the end of the reporting month.

DMS Performance Monitoring
DMS and the DMS NET Monitoring Contractor will monitor the Broker's performance under this contract through telephone contact, customer service satisfaction surveys, evaluation and verification of encounter information, and onsite inspections. DMS reserves the right to review the Broker's records to validate service delivery reports and other information.

DMS or the DMS NET Monitoring Contractor may ride on trips to monitor service. The subcontractor's vehicles must be made available to DMS or the DMS NET Monitoring Contractor for inspection at any time.

The DMS NET Monitoring Contractor will review reports of complaints from beneficiaries regarding service and response time for scheduling transportation.

The DMS NET Monitoring Contractor maintains a toll-free hotline to receive service complaints from beneficiaries and health care providers. The Broker's Project Director or designee must be available to respond to DMS concerning these complaints immediately.

Broker Performance Reports
The DMS NET Monitoring Contractor will collect and publish information on the Broker's performance in the form of quarterly performance reports. This data may include, but is not limited to:

- Average monthly number of beneficiaries in the region
- Number of unduplicated beneficiaries receiving transportation
- Number of trips provided
- Number of requests for transportation denied, by reason
- Denial rate (trips provided and/ trips denied)
- Number of complaints, by type
- Complaint rate (complaints divided by trips provided)
- Percentage of pick-ups and deliveries completed on time
- Percentage of trips reported in which required trip data was accurately provided
- Beneficiary satisfaction surveys

This information may be used to assess penalties or for termination of the contract.

SECTION 3 – PROPOSAL SUBMISSION REQUIREMENTS

The vendor should address each paragraph specifically Section 2 & 3 listed in this RFP to be guaranteed a complete evaluation. At a minimum, the proposal must provide:

Minimum Qualifications of Respondents
Due to the need to select a qualified and experienced vendor, DHS/DMS has established the following minimum criteria to be included in proposal submissions:

- The vendor must have three (3) years of experience in non-emergency medical transportation.
- The vendor must have and submit a Dun and Bradstreet Rating of 6 or better.
- Brokers who abandon their contract will not be considered in the subsequent award process for the NET region(s) they abandon.

Organization Overview - Provide the following information:

- Corporate name
- Address
- Telephone
- Organizational Chart

Qualification and Experience - Provide the following information:

- Qualifications and experience of the Broker as related to providing quality and safe Medicaid transportation specified in Section 2.
- Qualifications and experience of the Broker's Project Director and staff as related to providing quality and safe Medicaid transportation specified in Section 2.
- Experience working with children, persons with disabilities and special needs, the aging population, senior citizen programs and the ability to adhere to program guidelines.

Performance Capabilities - Provide the following information:

- Evidence that Broker can employ, or contract with adequately trained personnel, subcontractor, experienced vehicle operators and attendants, and secure appropriate well maintained vehicles to safely provide Medicaid transportation services as specified in Section 2.
- Procedures for oversight of day to day operation.
- Telephone, trip scheduling and dispatch capabilities.
- Data collection and reporting procedures.
- Disaster Recovery Plan contingency plans and ability to provide services in the event of unforeseen circumstances.
- Additional capabilities.
- Technology Requirements.

Quality Assurance Plan - Provide the following information:

- Detailed description of the processes and procedures to be used for adherence and performance reporting and monitoring of transportation operators regarding all requisite health and safety standards, vehicle maintenance, operation, vehicular inspections, vehicle licenses, driver's license, a copy of the registration permits issued by the Arkansas Department of Finance and Administration (DF&A) for each vehicle operated, and Broker must provide written assurance to DMS that all vehicles used for beneficiary transport are in compliance with all requirements of the DF&A for class I.E. (Intrastate Exempt) prior to award and upon any contract renewal periods.
- Business License.
- Samples of reports.

- Detailed description of the quality assurance measures related to efficient and timely trip scheduling and error free dispatch capabilities.

Financial Disclosure

Dun and Bradstreet Rating: The rating will be evaluated in accordance with score point schedule listed below:

SQR Risk Score	Points Assigned
1	30.0
2	25.0
3	20.0
4	15.0
5	10.0
6	5.0

SECTION 4 - CRITERIA FOR SELECTION

CRITERIA	POSSIBLE POINTS
Qualifications and Experience as specified in Section 2	175
Performance and Capabilities as specified in Section 2	345
Quality Assurance Plan as specified in Section 2	150
Financial Disclosure as specified in Section 2	30
Dun and Bradstreet Rating:	
The following scale will be used to assign points for Financial Status:	
SQR Risk Score / **Points Assigned**	
1 / 30	
2 / 25	
3 / 20	
4 / 15	
5 / 10	
6 / 5	
Total Possible Points for Technical Proposal	**700**
A maximum score of 300 points will be awarded as defined in Section 5 Evaluation of Cost Proposals	300
Total Possible Points	**1000**

SECTION 5- EVALUATION OF COST PROPOSALS

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

A maximum score of up to 300 total cost points (TCP) will be awarded based on the cost effectiveness of each vendor's proposed reimbursement rates. All bids will be reviewed by DHS/DMS for actuarial soundness prior to being assigned cost points.

Each prospective vendor must bid two distinct per member per month proposed rates per region for each region that they bid:

- Traditional Population
- Private Option population

Traditional Population will be worth 70% of the 300 total cost points **(210 points possible)**; Private Option population will be worth 30% of the 300 total cost points **(90 points possible)**.

The following formula will be used per region for traditional population, a/b x c = d (dividing lowest **traditional population**(a) by the next lowest traditional population(b) and multiplying by 210, the total cost points available (c) will equal the number of cost points awarded (d). The effect of the formula is to insure that the proposal with the lowest final cost receives the maximum number of points and each of the other proposals receive proportionately fewer points based on the total cost points available for each region.

The following formula will be used per region for private option population, a/b x c = d (dividing lowest **private option population**(a) by the next lowest private option population (b) and multiplying by 90, the total cost points available (c) will equal the number of cost points awarded (d). The effect of the formula is to insure that the proposal with the lowest final cost receives the maximum number of points and each of the other proposals receive proportionately fewer points based on the total cost points available for each region.

The final total cost points (FTCP) per region will be determined by adding the traditional population points to the private option population points.

CRITERIA FOR SELECTION

Submission of a proposal implies vendor acceptance of the evaluation technique and recognition that objective judgments must be made by the Evaluation Committee during the assignment of rating points.

Proposals will be evaluated in three (3) phases. The first phase will determine if the mandatory requirements and minimum qualifications of this Request for Proposals have been agreed to and/or met. Failure to comply will deem a proposal non-responsive. Any proposal that is incomplete may be rejected by the State. However, the State may waive minor irregularities. This phase is to be completed by the Office of State Procurement.

The second phase will be based on the evaluation of the technical proposals. An evaluation team appointed by the Arkansas Department of Human Services will score the written proposals. The Evaluation Committee will evaluate and score the technical proposals using the criteria specified in the table shown in Section 4 prior to the opening of the cost proposals; however the vendor's entire proposal should address each paragraph in this RFP in order to be guaranteed a complete evaluation.

The third phase will be the awarding of the cost points by the Office of State Procurement. The technical proposal points and cost points will then be added together and ranked.

OFFICIAL PROPOSAL PRICE SHEET – REGION A

Submit one (1) original Official Proposal Price Sheet (marked COST PROPOSAL) for each region that your company is bidding on.

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

Bids will consist of two separate and distinct rates:

1. Traditional Population $_____.____ per member per month (PMPM)

2. Private Option Population $_____.____ per member per month (PMPM)

Both rates must be a specific dollar amount with two digits following the decimal point (e.g. $1.00). Bid rates must fall within actuarial sound boundaries. All bids will be reviewed by DHS for actuarial soundness prior to being assigned cost points. If requested by DMS, brokers will provide details as to how their cost was calculated.

OFFICIAL PROPOSAL PRICE SHEET – REGION B

Submit one (1) original Official Proposal Price Sheet (marked COST PROPOSAL) for each region that your company is bidding on.

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

Bids will consist of two separate and distinct rates:

1. Traditional Population $_____.____ per member per month (PMPM)

2. Private Option Population $_____.____ per member per month (PMPM)

Both rates must be a specific dollar amount with two digits following the decimal point (e.g. $1.00). Bid rates must fall within actuarial sound boundaries. All bids will be reviewed by DHS for actuarial soundness prior to being assigned cost points. If requested by DMS, brokers will provide details as to how their cost was calculated.

OFFICIAL PROPOSAL PRICE SHEET – REGION C

Submit one (1) original Official Proposal Price Sheet (marked COST PROPOSAL) for each region that your company is bidding on.

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

Bids will consist of two separate and distinct rates:

1. Traditional Population $_____.____ per member per month (PMPM)

2. Private Option Population $_____.____ per member per month (PMPM)

Both rates must be a specific dollar amount with two digits following the decimal point (e.g. $1.00). Bid rates must fall within actuarial sound boundaries. All bids will be reviewed by DHS for actuarial soundness prior to being assigned cost points. If requested by DMS, brokers will provide details as to how their cost was calculated.

OFFICIAL PROPOSAL PRICE SHEET – REGION D

Submit one (1) original Official Proposal Price Sheet (marked COST PROPOSAL) for each region that your company is bidding on.

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

Bids will consist of two separate and distinct rates:

1. Traditional Population $_____.____ per member per month (PMPM)

2. Private Option Population $_____.____ per member per month (PMPM)

Both rates must be a specific dollar amount with two digits following the decimal point (e.g. $1.00). Bid rates must fall within actuarial sound boundaries. All bids will be reviewed by DHS for actuarial soundness prior to being assigned cost points. If requested by DMS, brokers will provide details as to how their cost was calculated.

OFFICIAL PROPOSAL PRICE SHEET – REGION E

Submit one (1) original Official Proposal Price Sheet (marked COST PROPOSAL) for each region that your company is bidding on.

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

Bids will consist of two separate and distinct rates:

1. Traditional Population $_____.____ per member per month (PMPM)

2. Private Option Population $_____.____ per member per month (PMPM)

Both rates must be a specific dollar amount with two digits following the decimal point (e.g. $1.00). Bid rates must fall within actuarial sound boundaries. All bids will be reviewed by DHS for actuarial soundness prior to being assigned cost points. If requested by DMS, brokers will provide details as to how their cost was calculated.

OFFICIAL PROPOSAL PRICE SHEET – REGION F

Submit one (1) original Official Proposal Price Sheet (marked COST PROPOSAL) for each region that your company is bidding on.

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

Bids will consist of two separate and distinct rates:

1. Traditional Population $_____.____ per member per month (PMPM)

2. Private Option Population $_____.____ per member per month (PMPM)

Both rates must be a specific dollar amount with two digits following the decimal point (e.g. $1.00). Bid rates must fall within actuarial sound boundaries. All bids will be reviewed by DHS for actuarial soundness prior to being assigned cost points. If requested by DMS, brokers will provide details as to how their cost was calculated.

OFFICIAL PROPOSAL PRICE SHEET – REGION G

Submit one (1) original Official Proposal Price Sheet (marked COST PROPOSAL) for each region that your company is bidding on.

PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE SEALED ENVELOPE. ANY REFERENCE TO COST(S) INCLUDED WITH THE TECHNICAL/BUSINESS PROPOSAL WILL RESULT IN OFFEROR'S PROPOSAL BEING REJECTED. THE TECHNICAL/BUSINESS PROPOSAL WILL BE EVALUATED PRIOR TO THE COST PROPOSAL CONTENTS BEING REVIEWED.

Bids will consist of two separate and distinct rates:

1. Traditional Population $_____.____ per member per month (PMPM)

2. Private Option Population $_____.____ per member per month (PMPM)

Both rates must be a specific dollar amount with two digits following the decimal point (e.g. $1.00). Bid rates must fall within actuarial sound boundaries. All bids will be reviewed by DHS for actuarial soundness prior to being assigned cost points. If requested by DMS, brokers will provide details as to how their cost was calculated.

STANDARD TERMS & CONDITIONS

GENERAL: Any special terms and conditions included in the Request for Proposals override these standard terms and conditions. The standard terms and conditions and any special terms and conditions become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.
ACCEPTANCE AND REJECTION: The State reserves the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the State.
PROPOSAL SUBMISSION: Proposals must be submitted to the Office of State Procurement on this form, with attachments when appropriate, on or before the date and time specified for bid opening. If this form is not used, the proposal may be rejected. The proposal must be typed or printed in ink. The signature must be in ink. Unsigned proposals will be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Each proposal should be placed in a separate envelope completely and properly identified. Late bids will not be considered under any circumstances.
PRICES: Quote F.O.B. destination. Bid the unit price. In case of errors in extension, unit prices shall govern. Prices are firm and not subject to escalation unless otherwise specified in the proposal. Unless otherwise specified, the proposal must be firm for acceptance for thirty days from the bid opening date. "Discount from list" bids are not acceptable unless requested in the proposal.
QUANTITIES: Quantities stated in term contracts are estimates only, and are not guaranteed. Bid unit price on the estimated quantity and unit of measure specified. The State may order more or less than the estimated quantity on term contracts. Quantities stated on firm contracts are actual requirements of the ordering agency.
BRAND NAME REFERENCES: Any catalog brand name or manufacturer's reference used in the Request for Proposals is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality will be considered. If bidding on other than referenced specifications, the bid must show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The State reserves the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the State may require the bidder to supply additional descriptive material. The bidder guarantees that the product offered will meet or exceed specifications identified in this Request for Proposals. If the bidder takes no exception to specifications or reference data in this bid he will be required to furnish the product according to brand names, numbers, etc., as specified in the request.
GUARANTY: All items bid shall be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the Request for Proposals. The bidder hereby guarantees that everything furnished hereunder will be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it will conform thereto and will serve the function for which it was furnished. The bidder further guarantees that if the items furnished hereunder are to be installed by the bidder, such items will function properly when installed. The bidder also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The bidder's obligations under this paragraph shall survive for a period of one year from the date of delivery, unless otherwise specified herein.
SAMPLES: Samples or demonstrators, when requested, must be furnished free of expense to the State. Each sample should be marked with the bidder's name and address, bid number and item number. If samples are not destroyed during reasonable examination they will be returned at bidder's expense, if requested, within ten days following the opening of bids. All demonstrators will be returned after reasonable examination.
TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE: Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and requirements of the specifications, the cost of the sample used and the reasonable cost of the testing shall be borne by the bidder.
AMENDMENTS: The proposal cannot be altered or amended after the bid opening except as permitted by regulation.
TAXES AND TRADE DISCOUNTS: Do not include state or local sales taxes in the bid price. Trade discounts should be deducted from the unit price and the net price should be shown in the bid.
AWARD: Term Contracts: A contract award will be issued to the successful bidder. It results in a binding obligation without further action by either party. This award does not authorize shipment. Shipment is authorized by the receipt of a purchase order from the ordering agency. Firm Contracts: A written state purchase order authorizing shipment will be furnished to the successful bidder.

LENGTH OF CONTRACT: The Request for Proposals will show the period of time the term contract will be in effect.
DELIVERY ON FIRM CONTRACTS: The Request for Proposals will show the number of days to place a commodity in the ordering agency's designated location under normal conditions. If the bidder cannot meet the stated delivery, alternate delivery schedules may become a factor in an award. The Office of State Procurement has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost will be borne by the vendor.
DELIVERY REQUIREMENTS: No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery shall be made during agency work hours only 8:00 a.m. to 4:30 p.m., unless prior approval for other delivery has been obtained from the agency. Packing memoranda shall be enclosed with each shipment.
STORAGE: The ordering agency is responsible for storage if the successful vendor delivers within the time required and the agency cannot accept delivery.
DEFAULT: All commodities furnished will be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications authorize the Office of State Procurement to cancel this contract or any portion of it and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting successful vendor. The successful vendor must give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. Consistent failure to meet delivery without a valid reason may cause removal from the bidders list or suspension of eligibility for award.
VARIATION IN QUANTITY: The State assumes no liability for commodities produced, processed or shipped in excess of the amount specified on the agency's purchase order.
INVOICING: The successful vendor shall be paid upon the completion of all of the following: (1) submission of an original and the specified number of copies of a properly itemized invoice showing the bid and purchase order numbers, where itemized in the Request for Proposals, (2) delivery and acceptance of the commodities and (3) proper and legal processing of the invoice by all necessary State agencies. Invoices must be sent to the "Invoice To" point shown on the purchase order.
STATE PROPERTY: Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the successful vendor hereunder or in contemplation hereof or developed by the successful vendor for use hereunder shall remain property of the State, be kept confidential, be used only as expressly authorized and returned at the successful vendor's expense to the F.O.B. point properly identifying what is being returned.
PATENTS OR COPYRIGHTS: The successful vendor agrees to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.
ASSIGNMENT: Any contract entered into pursuant to this Request for Proposals is not assignable nor the duties there under delegable by either party without the written consent of the other party of the contract.
OTHER REMEDIES: In addition to the remedies outlined herein, the successful vendor and the State have the right to pursue any other remedy permitted by law or in equity.
LACK OF FUNDS: The State may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods will be returned in normal condition to the successful vendor by the State. If the State is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the successful vendor may file a claim with the Arkansas Claims Commission. If the successful vendor has provided services and there are no longer funds legally available to pay for the services, the successful vendor may file a claim.
DISCRIMINATION: In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the bidder agrees that: (a) the bidder will not discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the bidder will state that all qualified applicants will receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the bidder will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the bidder to comply with the statute, the rules and regulations promulgated there under and this nondiscrimination clause shall be deemed a breach of contract and it may be cancelled, terminated or suspended in whole or in part; (e) the bidder will include the provisions of items (a) through (d) in every subcontract so that such provisions will be binding upon such subcontractor or vendor.

CONTINGENT FEE: The bidder guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the bidder for the purpose of securing

ANTITRUST ASSIGNMENT: As part of the consideration for entering into any contract pursuant to this Request for Proposals, the bidder named on the front of this Request for Proposals, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of this assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.

DISCLOSURE: Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of this contract. Any successful vendor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

Attachment A
Data book (attached)

Attachment B
Encounter Information and Statistical Data Reporting Formats
Page 1 of 2

Header Fields

Header Field	Description
Provider ID	NET Medicaid provider ID number
Entity Type Qualifier	Value 2 = NET provider (non-person provider)
Last/Organization Name	NET provider's name
Employer's Tax ID Qualifier	Value 24 = NET provider's tax ID number
(Provider) Address	Provider's street address
City	Provider's city name
State	Provider's postal abbreviated state name
Zip	Provider's postal code
Claim Frequency	1 = original or corrected claim or 8 = void of previously filed claim
ICN	Enter ICN if claim frequency = 8
Recipient ID	Medicaid recipient ID number
Account Number	Number assigned by NET provider to identify patient for internal records
Recipient SSN	Recipient's social security number
Last Name	Medicaid recipient's last name
First Name	Medicaid recipient's first name
Recipient DOB	Medicaid recipient's date of birth
Gender	Medicaid recipient's sex
(Subscriber) Address	Recipient's street address
City	Recipient's city name
State	Recipient's postal abbreviated state name
Zip	Recipient's postal code
(Diagnosis) Primary Code	NET diagnosis code = 7999
Place of Service	NET place of service code = 99
Miles Per Trip	Actual Miles Per Trip
Type of Service	Curb to Curb, Door to Door
Special Needs	Ambulatory, Wheelchair, Stretcher

Service Fields

Service Field	Description
From DOS	Service beginning date of service
To DOS	Service ending date of service
Procedure	NET procedure code = Z2713
Diagnosis Pointer	Diagnosis Pointer = 1 (primary)
Unit of Measure	UN = units
Units	Trip = Enter 1 if trip is one way; enter 2 if round trip; enter 3 or more for additional stops
Charges	Total charge for trip

Attachment B
Encounter Information and Statistical Data Reporting Formats

Required Fields

NET Statistical Data Required Field	Description
Destination Provider	Destination provider's Medicaid ID number or NPI
Request Date	Date ride was requested
Transportation	Mode of transportation provided (B = bus; C = car; T = taxi; V = van)
Appointment After Hours	Was appointment after hours (Y = yes; N =no)
Within Service Region	Was service provided within region assigned to Broker (Y = yes; N =no)
Others Riding	Identify others riding (N = none; E = escort; I = parent to an inpatient visit)
Scheduled Pick Up Time at Original Destination	Time recipient was scheduled to be picked up at their home or other originating destination. Enter 4 digit military time (Example: 1:30 p.m.= 1330)
Actual Pick Up Time at Original Destination	Actual time recipient was picked up at their home or other originating destination. Enter 4 digit military time (Example: 1:35 p.m. = 1335)
Appointment Time with Provider	Scheduled appointment time at provider facility. Enter 4 digit military time (Example: 2:00 p.m. = 1400)
Actual Drop Off Time at Destination Provider	Actual time recipient was dropped off at provider facility. Enter 4 digit military time (Example: 1:55 p.m. = 1355)
Actual Pick Up Time at Provider Destination	Actual time recipient was picked up at provider facility. Enter 4 digit military time (Example: 3:15 p.m. = 1535)
Actual Drop Off Time at Original Destination	Actual time recipient was dropped off at original destination. Enter 4 digit military time (Example: 4:00 p.m. = 1600)
NOTE	If recipient was not returned to original destination, enter time of 2359 to indicate no return trip. To indicate public transportation was provided, enter all times as 2359.

Attachment C
Page 1 of 4
Ownership and Conviction Disclosure
DHS Division of Medical Services, Title XIX (Medicaid)
DMS-675 (9/08)

[As required by 42 C.F.R. §455, Subpart B: Disclosure of Information by Providers and Fiscal Agents]

IMPORTANT

Read ALL instructions and definitions contained on this form and use the information as a reference while completing the Ownership and Conviction Disclosure Form.
Completion and submission of this form is a condition of participation in the Medicaid Program and is a condition of approval or renewal of a provider agreement between the disclosing entity and the Division of Medical Services.
Full and accurate disclosure of ownership and financial interests is required. Failure to submit full and accurate requested information may result in a refusal to enter into a provider agreement or contract, or in termination of existing provider agreements.

INSTRUCTIONS FOR COMPLETING DISCLOSURE FORM

Answer all questions as of the current date. If additional space is needed, attach the information at the end of the provider application before returning to the Medicaid Provider Enrollment Unit.

DEFINITIONS

Provider: a named person or entity that furnishes, or arranges for furnishing health related services for which it claims payment under the Medicaid Program
Disclosing entity: a Medicaid provider (other than an individual practitioner or group of practitioners), or a fiscal agent.
Indirect ownership: an ownership interest in an entity that has direct or indirect ownership interest in the disclosing entity. The amount of indirect ownership interest in the disclosing entity that is held by any other entity is determined by multiplying the percentage of ownership interest at each level. (Example: If A owns 10% of the stock in a corporation which owns 80% of the stock of the disclosing entity, A's interest equates to an 8% indirect ownership interest in the disclosing entity and must be reported. Conversely, if B owns 80% of the stock of a corporation which owns 5% of the stock of the disclosing entity, B's interest equates to a 4% indirect ownership interest in the disclosing entity and need not be reported).
Ownership or control interest: a person or corporation that: (1) has an ownership interest totaling 5 percent or more in a disclosing entity; (2) has an indirect ownership interest equal to 5 percent or more in a disclosing entity; (3) has a combination of direct and indirect ownership interest equal to 5 percent or more in a disclosing entity; (4) owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5 percent of the value of the property or assets of the disclosing entity; (5) is an officer or director of a disclosing entity that is organized as a corporation; or (6) is a partner in a disclosing entity that is organized as a partnership.
Ownership Interest: equity in the capital, stock, or profits of the disclosing entity. To determine the percentage of ownership, mortgage, deed of trust, note, or other obligation, the percentage of interest owned in the obligation is multiplied by the percentage of the disclosing entity's assets used to secure the obligation. (Example: If A owns 10% of a note secured by 60% of the provider's assets, A's interest in the provider's assets equates to 6% and must be reported. If B owns 40% of a note secured by 10% of the provider's assets, B's interest in the provider's assets equates to 4% and need not be reported).
Managing employee: a general manager, business manager, administrator, director, or other individuals who exercise operational or managerial control over, or who directly or indirectly conducts the day-to-day operations of an institution, organization, or agency
Subcontractor: (1) an individual, agency, or organization to which a disclosing entity has contracted or delegated some of its management functions or responsibilities of furnishing health related services; or (2) an individual, agency, or organization with which a fiscal agent has entered into a contract, agreement, purchase order, or lease to obtain space, supplies, equipment, or services provided under the Medicaid agreement. Additionally, if the accrediting agency prohibits subcontracting, sub-leasing or lending its accreditation to another organization, Arkansas Medicaid will follow the restrictions set forth by the accrediting agency.
Supplier: an individual, agency, or organization from which a provider purchases goods or services used in carrying out its responsibilities under Medicaid (e.g., a commercial laundry, a manufacturer of hospital beds, or a pharmaceutical firm).
Wholly owned supplier: a supplier whose total ownership interest is held by a provider or by a person/ persons or other entity with an ownership or control interest in a provider.
Significant business transaction: any business transaction or series of related transactions that, during any one fiscal year, exceeds either $25,000 or 5 percent of a provider's total operating expenses.

Attachment C
Page 2 of 4
Ownership and Conviction Disclosure
DHS Division of Medical Services, Title XIX (Medicaid)
DMS-675 (9/08)

[As required by 42 C.F.R. §455, Subpart B: Disclosure of Information by Providers and Fiscal Agents]

Print the name, address and percentage of interest of each person, Corporation, Limited Liability Company, Partnership, Limited Liability Partnership, or other organization with a direct or indirect ownership or control interest of 5% or more in the named entity or in any Subcontractor in which the named entity has direct or indirect ownership of 5% or more. [This applies to all Medicaid providers.]

Individuals – for each individual listed, provide date of birth and social security number

Name	Address	% of interest	DOB	SS#

Corporations/Limited Liability Companies/Partnerships/Other legal Entities or Organizations – for each legal entity or organization listed, provide the tax identification number and submit a copy of the legal entity or organization's IRS form SS4 and the approval letter with this application.

Name	Address	% of interest	Tax ID #

Are any of the above mentioned persons related to each other as a spouse, parent, child, or sibling?
Yes_____ No_____ If yes, print name and provide relationship.

Name	Relationship

Do any of the persons, legal entities or organizations with an ownership or control interest have any ownership or control interest of 5% or more in any other entity doing business with the Arkansas Medicaid Program?
Yes_____ No_____ If yes, print name and give other provider name and percentage of interest.

Name	Other Provider	% of Interest

Attachment C
Page 3 of 4
Ownership and Conviction Disclosure
DHS Division of Medical Services, Title XIX (Medicaid)
DMS-675 (9/08)

[As required by 42 C.F.R. §455, Subpart B: Disclosure of Information by Providers and Fiscal Agents]

List the name, address, date of birth, and social security number for any person who is a managing employee of the named entity:

Name	Address	DOB	SS#

List any person who has a direct or indirect ownership or control interest in the named entity, or is an agent, or managing employee of the named entity who has been convicted of a criminal offense related to that person's involvement in any program under Medicaid, Medicare, or Title XX programs in any state:

Name	Offense

List names of persons or entities with direct/indirect ownership or control interest in the named entity, or is an agent or managing employee of the named entity who, as listed in DHS Policy 1088 (Participant Exclusion Rule), has been found guilty, or pled guilty or nolo contendere, to any crime related to: (1) obtaining, attempting to obtain, or performing a public or private contract or subcontract, (2) embezzlement, theft, forgery, bribery, falsification or destruction of records, any form of fraud, receipt of stolen property, or any other offense indicating moral turpitude or a lack of business integrity or honesty, (3) dangerous drugs, controlled substances, or other drug-related offenses when the offense is a felony, (4) federal antitrust statutes, (5) the submission of bids or proposals, (6) any physical or sexual abuse or neglect when the offense is a felony.

Name	Offense

Attachment C
Page 4 of 4
Ownership and Conviction Disclosure
DHS Division of Medical Services, Title XIX (Medicaid)
DMS-675 (9/08)
[As required by 42 C.F.R. §455, Subpart B: Disclosure of Information by Providers and Fiscal Agents]

Provider Statement:

"By signing this form, I certify that the information provided on this form is true and correct. I will notify the Division of Medical Services Medicaid Provider Enrollment Unit if any information changes. I will comply with all aspects of this disclosure form. By completing and signing this form, I give consent for the information contained herein to be disclosed to the Department of Health and Human Services or any other appropriate governmental agencies, including the Office of Homeland Security."

Name:_____ Title:_____
(Print or Type) (Print or Type)

Signature:_____ Date:_____

Attachment D
Page 1 of 2

Disclosure of Significant Business Transactions
DHS Division of Medical Services, Title XIX (Medicaid)
DMS-689 (9/08)
[As required by 42 C.F.R. §455, subpart B: Disclosure of Information by Providers and Fiscal Agents]

IMPORTANT

Read ALL instructions and definitions contained on this form and use the information as a reference while completing the Significant Business Transactions Disclosure Form.

Completion and submission of this form is a condition of participation in the Medicaid Program and is a condition of approval or renewal of a provider agreement between the disclosing entity and the Division of Medical Services.

Full, complete and accurate disclosure of ownership and financial interests is required. Failure to submit requested information may result in a refusal to enter into a provider agreement or contract, or in termination of existing provider agreements.

INSTRUCTIONS FOR COMPLETING DISCLOSURE FORM

Answer all questions as of the current date. If additional space is needed, please attach the information at the end of the application for new enrollments, or attached to the form for updated information from existing providers, before returning to the Medicaid Provider Enrollment Unit.

DEFINITIONS

Provider: a named person or entity that furnishes, or arranges for furnishing health related services for which it claims payment under the Medicaid Program.

Disclosing entity: a Medicaid provider (other than an individual practitioner or group of practitioners), or a fiscal agent.

Subcontractor: (1) an individual, agency, or organization to which a disclosing entity has contracted or delegated some of its management functions or responsibilities of furnishing health related services; or (2) an individual, agency, or organization with which a fiscal agent has entered into a contract, agreement, purchase order, or lease to obtain space, supplies, equipment, or services provided under the Medicaid agreement. Additionally, if the accrediting agency prohibits subcontracting, sub-leasing or lending its accreditation to another organization, Arkansas Medicaid will follow the restrictions set forth by the accrediting agency.

Supplier: an individual, agency, or organization from which a provider purchases goods or services used in carrying out its responsibilities under Medicaid (e.g., a commercial laundry, a manufacturer of hospital beds, or a pharmaceutical firm).

Wholly owned supplier: a supplier whose total ownership interest is held by a provider or by a person/persons or other entity with an ownership or control interest in a provider.

Significant business transaction: any business transaction or series of related transactions that, during any one fiscal year, exceeds either $25,000 or 5 percent of a provider's total operating expenses.

Attachment D
Page 2 of 2

Disclosure of Significant Business Transactions
DHS Division of Medical Services, Title XIX (Medicaid)
DMS-689 (9/08)
[As required by 42 C.F.R. §455, subpart B: Disclosure of Information by Providers and Fiscal Agents]

DISCLOSURE OF SIGNIFICANT BUSINESS TRANSACTIONS

Submit full, accurate and complete disclosure concerning the following information:

1) Ownership of any Subcontractor with whom the named entity has had business transactions totaling more than $25,000 during the last 12 months (12 month period ending as of the date on this application).
   _____
   _____
   _____

2) Any significant business transaction between the named entity and any wholly owned supplier in the last 5 years (5 year period ending as of the date of this application).
   _____
   _____
   _____

3) Any significant business transaction between the named entity and any Subcontractor in the last 5 years (5 year period ending as of the date of this application).
   _____
   _____
   _____

Beginning on the effective date of enrollment in the Arkansas Medicaid Program, full, accurate and complete disclosure shall be submitted concerning any significant business transaction that occurs between the named entity and any Subcontractor or wholly owned supplier. This information shall be submitted within 35 days of the date the transaction takes place.

Provider Statement:

"By signing this form, I certify that the information provided on this form is true and correct. I will notify the Division of Medical Services Medicaid Provider Enrollment Unit if any information changes. I will comply with all aspects of this disclosure form. By completing and signing this form, I give consent for the information contained herein to be disclosed to the Department of Health and Human Services or any other appropriate governmental agencies, including the Office of Homeland Security."

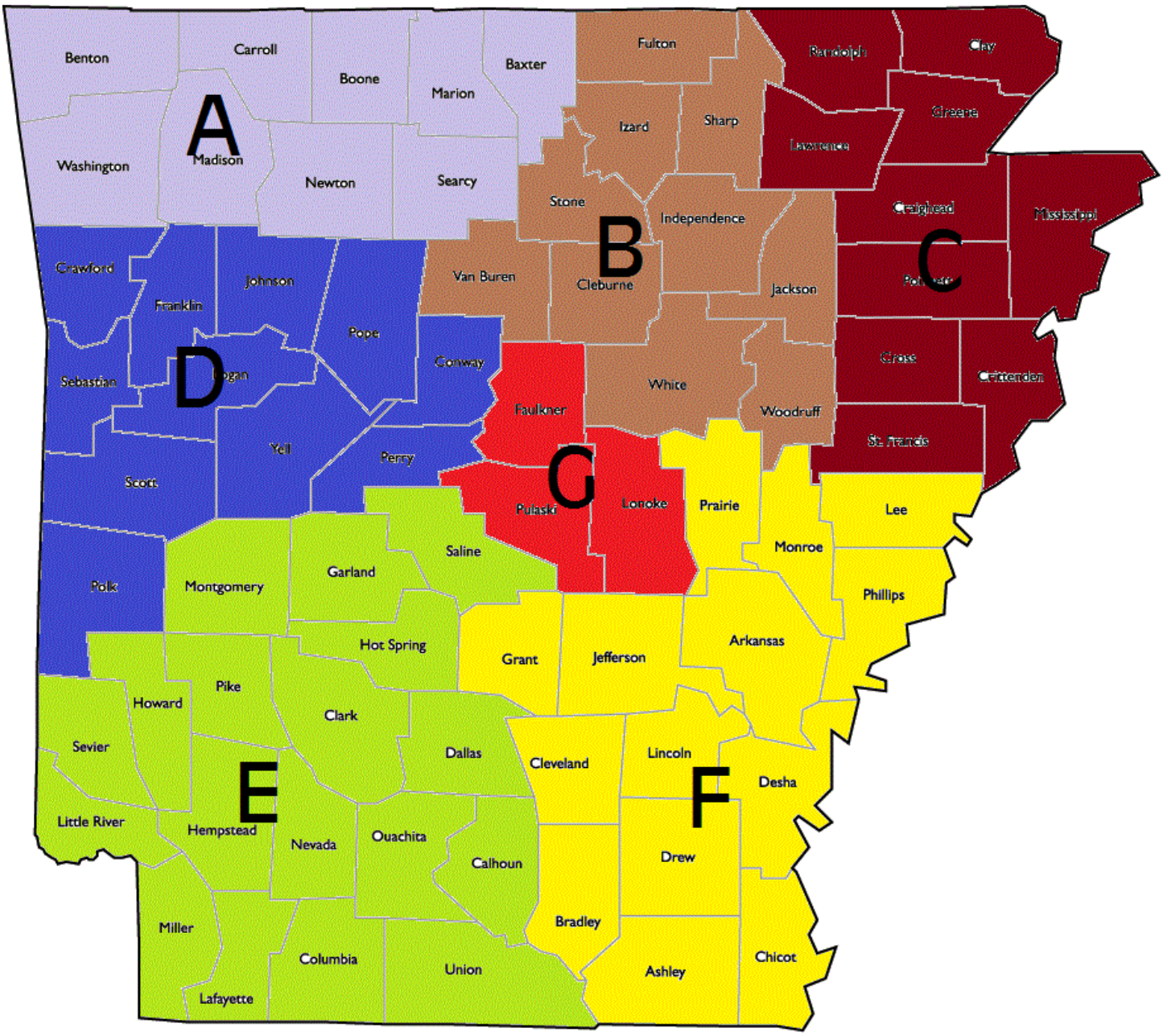
Name: _____ Title: _____
(Print or Type) (Print or Type)

Signature: _____ Date: _____

Attachment E

Page 1 of 1

Map of Regions



Attachment F
DHS-4001 6/3/10
Page 1 of 6

BUSINESS ASSOCIATE AGREEMENT

between

ARKANSAS DEPARTMENT OF HUMAN SERVICES

and

_____,
(Business Name)

_____
(Business Taxpayer Identification Number)

This Business Associate Agreement ("Agreement") is made effective the ____day of_____ ,_____ (the "Effective Date") by and between the Arkansas Department of Human Services ("Covered Entity") and ("Business Associate") ("collectively the "Parties").

1. BACKGROUND

a. Covered Entity has been designated as a hybrid entity for purposes of the HIPAA Privacy Rule, and it has designated several of its component agencies as health care components.

b. In accordance with the laws of Arkansas, Business Associate provides services for Covered Entity unrelated to treatment, payment or healthcare operations and therefore the Parties believe a Business Associate Agreement is required. The provision of such services may involve the disclosure of individually identifiable health information from Covered Entity to Business Associate.

c. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a "business associate" within the meaning of the HIPAA Privacy Rule.

d. The Parties enter into this Agreement with the intention of complying with the HIPAA Privacy and Security Rule provisions and the Health Information Technology for Economic and Clinical Health (HITECH) Act, that a covered entity may disclose protected health information to a business associate, and may allow a business associate to create or receive protected heath information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

2. DEFINITIONS

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

a. "Breach" shall have the meaning set out in its definition at 45 C.F.R. § 164.402, as such provision is currently drafted and as it is subsequently updated, amended or revised.

b. "HIPAA" shall mean the Administrative Simplification Provisions, Sections 261 through 264, of the

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Page 2 of 6

federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

c. "Individual" shall have the same meaning as the term "individual" in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

d. "Jurisdiction" means a geographic area smaller that a state, such as a county, city or town.

e. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.

f. "Protected Health Information" ("PHI") shall have the same meaning as the term "protected health information" in 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

g. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.103.

h. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his designee.

i. "State" For the purpose of notification of breaches of unsecured Protected Health Information, State shall include any of the several states, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa and the Northern Mariana Islands.

j. "Unsecured Protected Health Information" shall have the meaning set out in its definition at 45 C.F.R. Section 164.402; as such provision is currently drafted and as it is subsequently updated, amended or revised.

Unless otherwise defined in this Agreement, terms used herein shall have the same meaning as those terms have in the HIPAA Privacy Rule.

3. OBLIGATIONS OF BUSINESS ASSOCIATE

In connection with this Agreement and in consideration of the mutual promises contained herein, the sufficiency of which is acknowledged by the parties, the parties hereby agree as follows:

a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by this Agreement or as required by law.

b. Business Associate agrees to use reasonable administrative, physical and technical safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

d. Business Associate agrees to report to Covered Entity any unauthorized acquisition, access, use, or disclosure of unsecured PHI the Business Associate holds on behalf of the covered entity, including the identity of each individual who is the subject of the unsecured PHI of which it becomes aware without unreasonable delay and in no case later than ten calendar days after the discovery of the breach.

e. Business Associate agrees to ensure that any agent, including a Subcontractor, to whom it provides

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Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

f. Business Associate agrees to provide access, at the request of Covered Entity, to Protected Health Information in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.

g. Business Associate agrees, at the request of Covered Entity, to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526.

h. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

i. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528, and to provide this information to Covered Entity or an Individual to permit such a response.

Business Associate agrees to implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the Protected Health Information that the Business Associate creates, receives, maintains or transmits on behalf of the Covered Entity.

4. PERMITTED USES AND DISCLOSURES

a. Except as otherwise limited in this Agreement or by other applicable law or agreements, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Professional Services or Technical Services Contract ("the Contract") between the parties, provided that such use or disclosure:

1) would not violate the Privacy Rule if done by Covered Entity; or

2) would not violate the minimum necessary policies and procedures of the Covered Entity.

b. Notwithstanding the foregoing provisions, Business Associate may not use or disclose Protected Health Information if the use or disclosure would violate any term of other applicable law or agreements.

5. DISCOVERY AND NOTIFICATION OF BREACH

a. Business Associate shall implement reasonable systems, policies, and procedures for discovery of possible HIPAA violations and breaches (as defined below), and shall ensure that its workplace

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members and other agents are adequately trained and aware of the importance of timely reporting of possible breaches.

b. Upon the discovery of any HIPAA violation by the Business Associate or any member of its workforce, (which includes, without limitation, employees, Subcontractors and agents), with respect to Protected Health Information ("PHI"), the Business Associate shall promptly perform a risk assessment to determine whether a breach of unsecured PHI has occurred and whether or not the breach has resulted in reputation harm to the owner of the PHI as required by HITECH Act.

c. When performing such risk assessment, the Business Associate shall consider who impermissibly used or to whom the information was impermissibly disclosed and the type and amount of PHI involved, keeping in mind that many forms of health information are considered sensitive for purposes of the risk of reputational harm to an individual.

d. When performing risk assessments with respect to impermissible use or disclosure of limited data sets, which include zip codes and dates of birth, the Business Associate shall consider the risk of re-identification.

e. The Business Associate shall maintain fact specific documentation of all risk assessments performed with respect to the PHI for a minimum of six years from the date the documentation is created, and shall make such documentation available to the ADHS upon request. Such documentation shall include whether the HIPAA violation that triggered the risk assessment was or was not determined to be a breach and the reason for such determination.

f. The Business Associate shall take immediate steps to mitigate any HIPAA violation with respect to the Covered Entity's PHI that is discovered and shall provide the Covered Entity with written documentation of such steps.

g. If the Business Associate determines that a breach of unsecured PHI has occurred, the Business Associate shall notify the Covered Entity of such breach within ten calendar days.

Such notice shall include:

(i) A brief description of the occurrence, including the date of the breach and the date of discovery, if known;
(ii) To the extent possible, the identity of each individual whose unsecured PHI has been, or is reasonably believed to have been, breached;
(iii) A description of the types of unsecured PHI involved;
(iv) A brief description of what the owners of the PHI can do to protect themselves;
(v) A brief description of what the Business Associate is doing to investigate the breach, mitigate harm to affected individuals, and protect against further breaches; and
(v) Any other information that the Covered Entity reasonably believes necessary to enable it to comply with its obligations under HIPAA.

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h. The Business Associate shall continue to provide the Covered Entity with any additional information related to the required disclosures that becomes available following initial notice of the breach.

1) For a breach involving unsecured PHI of more than 500 individuals of a state or jurisdiction, the Business Associate shall promptly provide notice of such breach to the Covered Entity.

2) The Business Associate agrees to maintain a log of all breaches of unsecured PHI, and to submit such log to the Secretary of Health and Human Services ("Secretary") annually, no later than 60 days after the end of each calendar year.

3) The Business Associate agrees to maintain documentation of all breaches of unsecured PHI for a minimum of six years after the creation of the documentation, and shall make such documentation available to the Secretary upon request.

i. The Business Associate hereby agrees to indemnify and hold the Covered Entity harmless from and against all liability and costs, including attorney's fees, created by any breach resulting from the acts of its employees, agents or workforce members.

6. TERM AND TERMINATION

a. **Term**. This Agreement shall be effective as of the effective date stated above and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or if it infeasible to return or destroy the Protected Health Information, protections acceptable to Covered Entity are extended to such information in accordance with the termination provisions below.

b. **Termination for Cause**. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option, provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and the Contract

c. If Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; as provided in 45 C.F.R. Section 165.504(e)(2)(iii), the Covered Entity may immediately terminate this Agreement and any related agreements, including the Contract between the Covered Entity and DHS, if the Covered Entity makes the determination that the Business Associate has breached the Business Associate Agreement and has not taken steps to cure such breach. Alternatively, the Covered Entity may choose to:

(i) Provide the Business Associate with ten days written notice of the existence of an alleged material breach; and
(ii) Afford the Business Associate an opportunity to cure said alleged material breach upon mutually agreeable terms.

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Nonetheless, in the event that mutually agreeable terms cannot be achieved within 30 days, the Business Associate must cure said breach to the satisfaction of the Covered Entity within 30 days. Failure to cure this breach to the satisfaction of the Covered Entity is grounds for immediate termination of this Agreement. If neither termination nor a cure is feasible, Covered Entity shall report the violation to the Secretary as provided in the Privacy Ruled.

d. **Effect of Termination**.

i. Except as provided in paragraph (2) of this section or in this Agreement or by other applicable law or agreements, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, including PHI disclosed to its agents or Subcontractors pursuant to 45 C.F.R. Section I 64.504(e)(2)(I) and upon destruction of the PHI provide a Certificate of Destruction acceptable to Covered Entity. This provision shall apply to Protected Health Information that is in the possession of Subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information. In addition, certain provisions and requirements of the Agreement shall survive its expiration or other termination in accordance with Section 5 (e) above.

ii. In the event that Business Associate determines that destroying the Protected Health Information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make destruction not feasible. Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed in its name and on its behalf effective as of this Effective Date.

Business Associate: _____

By: _____

Title: _____

Date: _____