

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

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

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

Service Criteria ⁱ	Acceptable Performance	Damages for Insufficient Performance ⁱⁱ
<p>A The contractor shall be responsible for implementing and administering a Health Insurance Premium Payment (HIPP) program. The contractor shall conduct outreach activities required to enroll beneficiaries in the HIPP program based on a cost effectiveness formula approved by DMS.</p>	<p>1 The contractor shall create an online application and ARHIPP website for easy access to information about the program as well as paper applications.</p> <p>2 The contractor shall maintain staff to complete the performance requirements of the ARHIPP operations unit. The Contractor must be available 8:00 a.m. – 5:00 p.m. Central Standard Time, Monday-Friday exclusive of state holidays. DMS must be notified in writing and by the next business day of all reasonable exceptions to regular business hours. The Contractor must provide a toll-free number (i.e. 800-888) to answer inquiries.</p> <p>3 The contractor shall make an ARHIPP eligibility decision and send notice of decision by paper media to the policyholder for all submitted ARHIPP applications within thirty (30) calendar days of receipt.</p> <p>4 Contractor shall provide ARHIPP policy information and ARHIPP begin and end dates along with all updates weekly to the MMIS and Interchange electronically. ARHIPP contractor shall verify weekly ARHIPP enrollee information including enrollee ID, policy number, group number (if applicable), RX group, BIN (Bank Identification Number), PCN (Patient Control Number) insurance carrier, effective date of coverage, and ARHIPP begin and end dates. ARHIPP contractor shall have quality control measures in place to verify the accuracy of the ARHIPP information provided to the MMIS and the Interchange.</p> <p>5 The contractor shall be responsible for all communication with beneficiaries applying for, requesting information and receiving ARHIPP payments. This includes but is not limited to approvals, denials, pending ARHIPP cases, and any other information.</p> <p>6 The contractor shall provide DMS with access to all case records in an electronic format and paper media when requested.</p> <p>7 The contractor shall provide outreach to Medicaid beneficiaries, employers, providers and other groups that are necessary for the growth of the program. The contractor must provide a monthly report electronically with the number of outreach contacts that were made and the number that responded back.</p> <p>8 The contractor shall pay premiums with the timeframes of the specified plan and submit monthly invoicing to DMS that includes: ARHIPP case id, Medicaid recipients (first name and last name), Medicaid id number, policy holders (first name and last name), the payment month, relationship (self, child or other), social security number of recipient, date of birth of the recipient, and full mailing address of the policy holder.</p> <p>9 The contractor shall maintain a bank account specifically and solely for ARHIPP at no cost to DMS. DMS must have access to the bank account which allows DMS to deposit funds for premium payments.</p>	<p>The contractor shall 100% comply with the stated program deliverables and performance indicators.</p> <p>A 5% monthly invoice deduction shall be applied for each deficient month or while there is deficient performance under this Contract..</p>

10 The contractor shall provide DMS with a monthly report electronically of program overpayments and subsequent efforts by the contractor to collect those overpayments. This report must include ARHIPP case id, Medicaid recipients (first name and last name), Medicaid id number, policy holders (first name and last name), the payment month, relationship (self, child or other), social security number of recipient, date of birth of the recipient, full mailing address of the policy holder, and the amount of the recovers.

11 The contractor shall provide the MMIS and Interchange with a weekly electronic file of Medicaid eligible ARHIPP approved case files including but not limited to employer, insurance carrier, type of coverage, etc.

12 The contractor shall correspond (i.e. by provider portal, e-mail, telephone conversations, facsimiles, and etc.) to the ARHIPP enrollees, DMS, employers and other stakeholders to maintain communication about active, inactive and pending ARHIPP cases.

13 The contractor shall send funding requests every two weeks to DMS for approval. Once approved then the requests will be sent to the DMS Financial Section for funding transfer to contractors maintained, ARHIPP account. Then contractor will send out premium check payments once funding has been deposited.

B The contractor shall be responsible for monitoring all cases and assess each case at least every six (6) months to determine if the case remains cost effective according to a DMS approved formula.

1 The contractor shall analyze each case at least every six (6) months s to ensure the cost effectiveness of premium payment.

2 The contractor shall terminate cases that are no longer cost effective before the next premium payment becomes due.

3 The contractor shall notify the beneficiary, within 30 calendar days s, of the ARHIPP decisions. Notification will be in the form of paper media or electronically.

The contractor shall 100% comply with the stated program deliverables and performance indicators. A 5% monthly invoice deduction shall be applied for each deficient month or while there is deficient performance under this Contract..

C. The contractor shall provide reports of ARHIPP Status Monthly.	<p>1 The contractor shall be responsible for monthly status reports including but not limited to case activity report, enrollment report, renewal report, outreach report, annual cost saving, monthly cost savings, total active cases, total denied cases, total termed cases and total renewed cases. The reports will be in an electronic format.</p> <p>2 The contractor shall be responsible for any ARHIPP reports deemed necessary by DMS within the scope of work.</p>	<p>The contractor shall 100% comply with the stated program deliverables and performance indicators.</p> <p>A 5% monthly invoice deduction shall be applied for each deficient month or while there is deficient performance under this Contract..</p>
D. Upon receipt of notification of DHS's intent to transfer the contract functions to another contractor, the contractor must provide a Turnover Plan to DHS within the seven (7) business days. Time lines for turnover activities will be specified by DHS.	<p>The Transition Plan must include, but is not limited to the following:</p> <ol style="list-style-type: none">1. Approved approach to turnover2. Tasks and subtasks for turnover3. Approved schedule for turnover4. Detailed chart depicting the Contractor's total operation5. Transfer of Medicaid documents to DHS or its designated agent	<p>One hundred percent (100%) compliance with the performance indicators, or a penalty of 15% of the previous month's billed amount may be imposed if this performance indicator is not met.</p>

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

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

Should any compensation be owed to the agency due to the assessment of damages, vendor **shall** follow the direction of the agency regarding the required compensation process.

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

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

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

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

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