

STATE OF COLORADO CONTRACT
COVER PAGE

State Agency
Colorado Department of Health Care Policy and
Financing
Contractor
The North Highland Company LLC
Contract Number
26-197963
Contract Performance Beginning Date
The Effective Date
Initial Contract Expiration Date
June 30, 2028

Contract Maximum Amount
Initial Term
State Fiscal Year 2026: \$2,162,511.48
State Fiscal Year 2027: \$3,468,732.72
State Fiscal Year 2028: \$3,468,732.72
Extension Terms
State Fiscal Year 2029: \$3,468,732.72
State Fiscal Year 2030: \$3,468,732.72
State Fiscal Year 2031: \$1,445,305.32
Total for All State Fiscal Years: \$17,482,747.66
Contract Authority
Authority to enter into this Contract exists in C.R.S.
§25.5-1-101, et. seq./RFP UHAA 2024000361

Contract Purpose
This Contract is established for Contractor to provide enterprise-level testing and augmented staff support to oversee all testing activities across designated Colorado Medicaid Enterprise Solutions (CMES) modules. The Contractor shall provide seamless interoperability, functionality, and security of the various modules/systems. This Contract is a result of RFP UHAA 2024000361.

Exhibits and Order of Precedence
The following Exhibits and attachments are included with this Contract:

- 1. Exhibit A – HIPAA Business Associate Agreement
- 2. Exhibit B – Statement of Work
- 3. Exhibit C – Rates
- 4. Exhibit D – Terminology
- 5. Exhibit E – Contractor’s Administrative Requirements
- 6. Exhibit F – Sample Option Letter
- 7. Exhibit G – Federal Provisions
- 8. Exhibit H – PII Certification
- 9. Exhibit I – Service Level Agreements

In the event of a conflict or inconsistency between this Contract and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

- 1. Exhibit A, HIPAA BAA
- 2. Exhibit G, Federal Provisions
- 3. Colorado Special Provisions in §17 of the main body of this Contract.
- 4. The provisions of the other sections of the main body of this Contract.
- 5. Exhibit B, Statement of Work
- 6. Exhibit D, Terminology
- 7. Exhibit E, Contractor’s Administrative Requirements
- 8. Exhibit C, Rates
- 9. Exhibit I, Service Level Agreements
- 10. Exhibit H, PII Certification.
- 11. Exhibit F, Sample Option Letter

Principal Representatives

For the State:

Nathan Culkin
Department of Health Care Policy and Financing
303 E. 17th Avenue
Suite 1100
Denver, CO 80203
Nathan.culkin@state.co.us

For Contractor:

Ryan Kell
The North Highland Company LLC
1401 17th St
Suite 610
Denver, CO 80202
Ryan.Kell@northhighland.com

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

Each person signing this Contract represents and warrants that he or she is duly authorized to execute this Contract and to bind the Party authorizing his or her signature.

CONTRACTOR

Rick Zelznak, Senior Managing Director
The North Highland Company LLC

STATE OF COLORADO

Jared S. Polis, Governor
Department of Health Care Policy and Financing
Kim Bimestefer, Executive Director

DocuSigned by:

Rick Zelznak

33704B704C89403...

DocuSigned by:

KB

0B0A04787EA0493...

Date: 11/21/2025 | 08:40 PST

Date: 11/21/2025 | 19:01 MST

STATE CONTROLLER

Robert Jaros, CPA, MBA, JD
Department of Health Care Policy and Financing
Jerrod Cotosman, Controller

DocuSigned by:

Jerrod Cotosman

76F69541272B43A

Effective Date: 11/22/2025 | 06:46 MST

In accordance with §24-30-202, C.R.S., this Contract is not valid until signed and dated above by the State Controller or an authorized delegate.

TABLE OF CONTENTS

COVER PAGE	1
SIGNATURE PAGE.....	2
TABLE OF CONTENTS	3
CONTRACT PROVISIONS	4
1. PARTIES	4
2. TERM AND EFFECTIVE DATE.....	4
3. DEFINITIONS.....	5
4. STATEMENT OF WORK	8
5. PAYMENTS TO CONTRACTOR	8
6. REPORTING - NOTIFICATION	9
7. CONTRACTOR RECORDS	10
8. CONFIDENTIAL INFORMATION-STATE RECORDS	11
9. CONFLICTS OF INTEREST	13
10. INSURANCE.....	13
11. LIMITATIONS OF CONTRACTOR LIABILITY	15
12. BREACH OF CONTRACT	16
13. REMEDIES	16
14. DISPUTE RESOLUTION	18
15. NOTICES AND REPRESENTATIVES	18
16. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION	18
17. GENERAL PROVISIONS	20
18. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)	24
EXHIBIT A, HIPAA BUSINESS ASSOCIATE AGREEMENT.....	1
APPENDIX TO HIPAA BUSINESS ASSOCIATE AGREEMENT.....	1
EXHIBIT B, STATEMENT OF WORK.....	1
EXHIBIT C, RATES.....	1
EXHIBIT D, TERMINOLOGY	1
EXHIBIT E, CONTRACTOR'S ADMINISTRATIVE REQUIREMENTS	1
EXHIBIT F, SAMPLE OPTION LETTER	1
EXHIBIT G, CONTRACT FEDERAL PROVISIONS	1
EXHIBIT H, PII CERTIFICATION	1
EXHIBIT I, SERVICE LEVEL AGREEMENTS.....	1

CONTRACT PROVISIONS

1. PARTIES

This Contract is entered into by and between Contractor named on the Cover Page for this Contract (“Contractor”), and the STATE OF COLORADO acting by and through the State agency named on the Cover Page for this Contract (the “State,” the “Department,” or “HCPF”). Contractor and the State agree to the terms and conditions in this Contract.

2. TERM AND EFFECTIVE DATE

A. Effective Date

This Contract shall not be valid or enforceable until the Effective Date. The State shall not be bound by any provision of this Contract before the Effective Date and shall have no obligation to pay Contractor for any Work performed or expense incurred before the Effective Date or after the expiration or sooner termination of this Contract.

B. Initial Term

The Parties’ respective performances under this Contract shall commence on the Contract Performance Beginning Date shown on the Cover Page for this Contract and shall terminate on the Initial Contract Expiration Date shown on the Cover Page for this Contract (the “Initial Term”) unless sooner terminated or further extended in accordance with the terms of this Contract.

C. Extension Terms - State’s Option

The State, at its discretion, shall have the option to extend the performance under this Contract beyond the Initial Term for a period, or for successive periods, of five years or less at the same rates and under the same terms specified in the Contract (each such period an “Extension Term”). In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to the Sample Option Letter attached to this Contract. Except as stated in **§2.D**, the total duration of this Contract, including the exercise of any options to extend, shall not exceed five years from the Start Up period, which shall be completed six months from the Effective Date, absent prior approval from the Chief Procurement Officer in accordance with the Colorado Procurement Code.

D. End of Term Extension

If this Contract approaches the end of its Initial Term, or any Extension Term then in place, the State, at its discretion, upon written notice to Contractor as provided in **§14**, may unilaterally extend such Initial Term or Extension Term for a period not to exceed two months (an “End of Term Extension”), regardless of whether additional Extension Terms are available or not. The provisions of this Contract in effect when such notice is given shall remain in effect during the End of Term Extension. The End of Term Extension shall automatically terminate upon execution of a replacement contract or modification extending the total term of this Contract.

E. Early Termination in the Public Interest

The State is entering into this Contract to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Contract ceases to further the public interest of the State, the State, in its discretion, may terminate this Contract in whole or in part. A determination that this Contract should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. This

subsection shall not apply to a termination of this Contract by the State for Breach of Contract by Contractor, which shall be governed by **§12.A.i.**

i. **Method and Content**

The State shall notify Contractor of such termination in accordance with **§14**. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Contract, and shall include, to the extent practicable, the public interest justification for the termination.

ii. **Obligations and Rights**

Upon receipt of a termination notice for termination in the public interest, Contractor shall be subject to the rights and obligations set forth in **§12.A.i.a.**

iii. **Payments**

If the State terminates this Contract in the public interest, the State shall pay Contractor an amount equal to the percentage of the total reimbursement payable under this Contract that corresponds to the percentage of Work satisfactorily completed and accepted, as determined by the State, less payments previously made. Additionally, if this Contract is less than 60% completed, as determined by the State, the State may reimburse Contractor for a portion of actual out-of-pocket expenses, not otherwise reimbursed under this Contract, incurred by Contractor which are directly attributable to the uncompleted portion of Contractor's obligations, provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Contractor hereunder.

3. **DEFINITIONS**

The following terms shall be construed and interpreted as follows:

- A. **"Breach of Contract"** means the failure of a Party to perform any of its obligations in accordance with this Contract, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach. If Contractor is debarred or suspended under §24-109-105, C.R.S. at any time during the term of this Contract, then such debarment or suspension shall constitute a breach.
- B. **"Business Day"** means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1), C.R.S.
- C. **"Chief Procurement Officer"** means the individual to whom the Executive Director has delegated his or her authority, pursuant to §24-102-202, C.R.S. to procure or supervise the procurement of all supplies and services needed by the State.
- D. **"CJI"** means criminal justice information collected by criminal justice agencies needed for the performance of their authorized functions, including, without limitation, all information defined as criminal justice information by the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy, as amended and all Criminal Justice Records as defined under §24-72-302, C.R.S.

- E. **“Contract”** means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.
- F. **“Contract Funds”** means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Contract.
- G. **“CORA”** means the Colorado Open Records Act, §§24-72-200.1, *et seq.*, C.R.S.
- H. **“Deliverable”** means the outcome to be achieved or output to be provided, in the form of a tangible object or software that is produced as a result of Contractor’s Work that is intended to be delivered to the State by Contractor.
- I. **“Effective Date”** means the date on which this Contract is approved and signed by the Colorado State Controller or designee, as shown on the Signature Page for this Contract. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), C.R.S., then the Effective Date of this Contract shall be the later of the date on which this Contract is approved and signed by the State’s Chief Information Officer or authorized delegate or the date on which this Contract is approved and signed by the State Controller or authorized delegate, as shown on the Signature Page for this Contract.
- J. **“End of Term Extension”** means the time period defined in **§2.D.**
- K. **“Exhibits”** means the exhibits and attachments included with this Contract as shown on the Cover Page for this Contract.
- L. **“Extension Term”** means the time period defined in **§2.C.**
- M. **“Goods”** means any movable material acquired, produced, or delivered by Contractor as set forth in this Contract and shall include any movable material acquired, produced, or delivered by Contractor in connection with the Services.
- N. **“Incident”** means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, which are included as part of the Work, as described in §§24-37.5-401, *et seq.*, C.R.S. Incidents include, without limitation, (i) successful attempts to gain unauthorized access to a State system or State Records regardless of where such information is located; (ii) unwanted disruption or denial of service; (iii) the unauthorized use of a State system for the processing or storage of data; or (iv) changes to State system hardware, firmware, or software characteristics without the State’s knowledge, instruction, or consent.
- O. **“Initial Term”** means the time period defined in **§2.B.**
- P. **“Party”** means the State or Contractor, and **“Parties”** means both the State and Contractor.
- Q. **“PCI”** means payment card information including any data related to credit card holders’ names, credit card numbers, or other credit card information as may be protected by state or federal law.
- R. **“PHI”** means any protected health information, including, without limitation any information whether oral or recorded in any form or medium: **(i)** that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and **(ii)** that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. PHI

includes, but is not limited to, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act.

- S. **“PII”** means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in §§24-72-501 and 24-73-101, C.R.S. “PII” shall also mean “personal identifying information” as set forth at § 24-74-102, et. seq., C.R.S.
- T. **“Services”** means the services to be performed by Contractor as set forth in this Contract, and shall include any services to be rendered by Contractor in connection with the Goods.
- U. **“State Confidential Information”** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, PII, PHI, PCI, Tax Information, CJI, and State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Contractor which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Contractor without restrictions at the time of its disclosure to Contractor; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Contractor to the State; (iv) is disclosed to Contractor, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.
- V. **“State Fiscal Rules”** means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a), C.R.S.
- W. **“State Fiscal Year”** means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.
- X. **“State Records”** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.
- Y. **“Subcontractor”** means any third party engaged by Contractor to aid in performance of the Work.
- Z. **“Tax Information”** means federal and State of Colorado tax information including, without limitation, federal and State tax returns, return information, and such other tax-related information as may be protected by federal and State law and regulation. Tax Information includes, but is not limited to all information defined as federal tax information in Internal Revenue Service Publication 1075.
- AA. **“Work”** means the Goods delivered and Services performed pursuant to this Contract.
- BB. **“Work Product”** means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work.

“Work Product” does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.

Any other term used in this Contract that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit, including the terminology in Exhibit D.

4. STATEMENT OF WORK

- A. Contractor shall complete the Work as described in this Contract and in accordance with the provisions of Exhibit B and Exhibit E. The State shall have no liability to compensate Contractor for the delivery of any goods or the performance of any services that are not specifically set forth in this Contract.
- B. The State, at its discretion, shall have the option to increase or decrease the statewide quantity of Goods and Services based upon rates established in this Contract, and increase the maximum amount payable accordingly. In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to the Sample Option Letter attached to this contract. Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Contract.

5. PAYMENTS TO CONTRACTOR

A. Maximum Amount

Payments to Contractor are limited to the unpaid, obligated balance of the Contract Funds. The State shall not pay Contractor any amount under this Contract that exceeds the Contract Maximum for that State Fiscal Year shown on the Cover Page for this Contract.

B. Payment Procedures

i. Invoices and Payment

- a. The State shall pay Contractor in the amounts and in accordance with the schedule and other conditions set forth in Exhibit B, Statement of Work and Exhibit C, Rates.
- b. Contractor shall initiate payment requests by invoice to the State, in a form and manner approved by the State.
- c. The State shall pay each invoice within 45 days following the State’s receipt of that invoice, so long as the amount invoiced correctly represents Work completed by Contractor and previously accepted by the State during the term that the invoice covers. If the State determines that the amount of any invoice is not correct, then Contractor shall make all changes necessary to correct that invoice.
- d. The acceptance of an invoice shall not constitute acceptance of any Work performed or Deliverables provided under this Contract.

ii. Interest

Amounts not paid by the State within 45 days of the State’s acceptance of the invoice shall bear interest on the unpaid balance beginning on the 45th day at the rate of 1% per month, as required by §24-30-202(24)(a), C.R.S., until paid in full; provided, however, that interest shall not accrue on unpaid amounts that the State disputes in writing. Contractor shall invoice the State separately for accrued interest on

delinquent amounts, and the invoice shall reference the delinquent payment, the number of day's interest to be paid and the interest rate.

iii. **Payment Disputes**

If Contractor disputes any calculation, determination or amount of any payment, Contractor shall notify the State in writing of its dispute within 30 days following the earlier to occur of Contractor's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Contractor and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

iv. **Available Funds-Contingency-Termination**

The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Contractor beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Contract Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Contract Funds the State's obligation to pay Contractor shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Contract shall be made only from Contract Funds, and the State's liability for such payments shall be limited to the amount remaining of such Contract Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Contract, the State may, upon written notice, terminate this Contract, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Contract were terminated in the public interest as described in **§2.E**.

6. REPORTING - NOTIFICATION

A. **Quarterly Reports.**

In addition to any reports required pursuant to this Contract or pursuant to any other Exhibit, for any contract having a term longer than three months, Contractor shall submit, on a quarterly basis, a written report specifying progress made for each specified performance measure and standard in this Contract. Such progress report shall be in accordance with the procedures developed and prescribed by the State. Progress reports shall be submitted to the State not later than five Business Days following the end of each calendar quarter or at such time as otherwise specified by the State.

B. **Litigation Reporting**

If Contractor is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Contract or may affect Contractor's ability to perform its obligations under this Contract, Contractor shall, within 10 days after being served, notify the State of such action and deliver copies of such pleading or document to the State's Principal Representative identified on the Cover Page for this Contract.

C. Performance Outside the State of Colorado or the United States, §24-102-206, C.R.S.

To the extent not previously disclosed in accordance with §24-102-206, C.R.S., Contractor shall provide written notice to the State, in accordance with **§14** and in a form designated by the State, within 20 days following the earlier to occur of Contractor's decision to perform Services outside of the State of Colorado or the United States, or its execution of an agreement with a Subcontractor to perform, Services outside the State of Colorado or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado or the United States and the reason why it is necessary or advantageous to perform such Services at such location or locations, and such notice shall be a public record. Knowing failure by Contractor to provide notice to the State under this section shall constitute a Breach of Contract. This section shall not apply if the Contract Funds include any federal funds.

7. CONTRACTOR RECORDS

A. Maintenance

Contractor shall maintain a file of all documents, records, communications, notes and other materials relating to the Work (the "Contractor Records"). Contractor Records shall include all documents, records, communications, notes and other materials maintained by Contractor that relate to any Work performed by Subcontractors, and Contractor shall maintain all records related to the Work performed by Subcontractors required to ensure proper performance of that Work. Contractor shall maintain Contractor Records until the last to occur of: (i) the date three years after the date this Contract expires or is terminated, (ii) final payment under this Contract is made, (iii) the resolution of any pending Contract matters, or (iv) if an audit is occurring, or Contractor has received notice that an audit is pending, the date such audit is completed and its findings have been resolved (the "Record Retention Period").

B. Inspection

Contractor shall permit the State, the federal government, and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and transcribe Contractor Records during the Record Retention Period. Contractor shall make Contractor Records available during normal business hours at Contractor's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State.

C. Monitoring

The State, the federal government, and any other duly authorized agent of a governmental agency, in its discretion, may monitor Contractor's performance of its obligations under this Contract using procedures as determined by the State or that governmental entity. The State shall monitor Contractor's performance in a manner that does not unduly interfere with Contractor's performance of the Work.

D. Final Audit Report

Contractor shall promptly submit to the State a copy of any final audit report of an audit performed on Contractor's records that relates to or affects this Contract or the Work, whether the audit is conducted by Contractor or a third party.

8. CONFIDENTIAL INFORMATION-STATE RECORDS

A. Confidentiality

Contractor shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Contractor shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Contract, permitted by law or approved in writing by the State. Contractor shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. If Contractor or any of its Subcontractors will or may receive the following types of data, Contractor or its Subcontractors shall provide for the security of such data according to the following: (i) the most recently promulgated IRS Publication 1075 for all Tax Information and in accordance with the Safeguarding Requirements for Federal Tax Information attached to this Contract as an Exhibit, if applicable, (ii) the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI, (iii) the most recently issued version of the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy for all CJI, and (iv) the federal Health Insurance Portability and Accountability Act for all PHI and the HIPAA Business Associate Agreement attached to this Contract, if applicable. Contractor shall immediately forward any request or demand for State Records to the State's Principal Representative.

B. Other Entity Access and Nondisclosure Agreements

Contractor may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Contract. Contractor shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Contract, and that the nondisclosure provisions are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Contractor shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions if requested by the State.

C. Use, Security, and Retention

Contractor shall use, hold, and maintain State Confidential Information in compliance with any and all applicable laws and regulations only in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information. Contractor shall provide the State with access, subject to Contractor's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Contract, Contractor shall return State Records provided to Contractor or destroy such State Records and certify to the State that it has done so, as directed by the State. If Contractor is prevented by law or regulation from returning or destroying State Confidential Information, Contractor warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Contractor becomes aware of any Incident, Contractor shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. Unless Contractor can establish that Contractor and its Subcontractors are not the cause or source of the Incident, Contractor shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Contractor shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State. The State may adjust or direct modifications to this plan in its sole discretion, and Contractor shall make all modifications as directed by the State. If Contractor cannot produce its analysis and plan within the allotted time, the State, in its discretion, may perform such analysis and produce a remediation plan, and Contractor shall reimburse the State for the actual costs thereof. The State may, in its sole discretion and at Contractor's sole expense, require Contractor to engage the services of an independent, qualified, State-approved third party to conduct a security audit. Contractor shall provide the State with the results of such audit and evidence of Contractor's planned remediation in response to any negative findings.

E. Data Protection and Handling

Contractor shall ensure that all State Records and Work Product in the possession of Contractor or any Subcontractors are protected and handled in accordance with the requirements of this Contract, including the requirements of any Exhibits hereto, at all times.

F. Safeguarding PII

If Contractor or any of its Subcontractors will or may receive PII under this Contract, Contractor shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Contractor shall be a "Third-Party Service Provider" as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101 *et seq.*, C.R.S. In addition, as set forth in § 24-74-102, *et. seq.*, C.R.S., Contractor, including, but not limited to, Contractor's employees, agents and Subcontractors, agrees not to share any PII with any third parties for the purpose of investigating for, participating in, cooperating with, or assisting with Federal immigration enforcement. If Contractor is given direct access to any State databases containing PII, Contractor shall execute, on behalf of itself and its employees, the certification attached hereto as Exhibit H on an annual basis Contractor's duty and obligation to certify as set forth in Exhibit H shall continue as long as Contractor has direct access to any State databases containing PII. If Contractor uses any Subcontractors to perform services requiring direct access to State databases containing PII, Contractor shall require such Subcontractors to execute and deliver the certification to the State on an annual basis, so long as the Subcontractor has access to State databases containing PII.

9. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Contractor shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Contractor under this Contract. Such a conflict of interest would arise when a Contractor's or Subcontractor's employee, officer or agent were to offer or provide any tangible personal benefit to an employee of the State, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of this Contract.

B. Apparent Conflicts of Interest

Contractor acknowledges that, with respect to this Contract, even the appearance of a conflict of interest shall be harmful to the State's interests. Absent the State's prior written approval, Contractor shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Contractor's obligations under this Contract.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Contractor is uncertain whether a conflict or the appearance of a conflict has arisen, Contractor shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a Breach of Contract.

D. Acknowledgement

Contractor acknowledges that all State employees are subject to the ethical principles described in §24-18-105, C.R.S. Contractor further acknowledges that State employees may be subject to the requirements of §24-18-105, C.R.S. with regard to this Contract.

10. INSURANCE

Contractor shall obtain and maintain, and ensure that each Subcontractor shall obtain and maintain, insurance as specified in this section at all times during the term of this Contract. All insurance policies required by this Contract shall be issued by insurance companies as approved by the State.

A. Workers' Compensation

Workers' compensation insurance as required by state statute, and employers' liability insurance covering all Contractor or Subcontractor employees acting within the course and scope of their employment.

B. General Liability

Commercial general liability insurance covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- i. \$1,000,000 each occurrence;
- ii. \$1,000,000 general aggregate;
- iii. \$1,000,000 products and completed operations aggregate; and
- iv. \$50,000 any one fire.

C. Automobile Liability

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

D. Protected Information

Liability insurance covering all civil, regulatory, and statutory damages, contractual damages, data breach management exposure, and expenses that are reasonable and necessary or required by regulation or law or future extra expense as a result of actual or alleged breach, violation or infringement of a right to privacy, consumer data protection law, confidentiality or other legal protection for personal information as well as State Confidential Information with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$2,000,000 general aggregate.

E. Professional Liability Insurance

Professional liability insurance covering any damages caused by an error, omission or any negligent act with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$1,000,000 general aggregate.

F. Crime Insurance

Crime insurance including employee dishonesty coverage with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$1,000,000 general aggregate.

G. Additional Insured

The State shall be included as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Contractor and Subcontractors.

H. Primacy of Coverage

Commercial General Liability coverage required of Contractor and each Subcontractor shall be primary and noncontributory over any insurance or self-insurance program carried by Contractor or the State.

I. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Contractor and Contractor shall forward such notice to the State in accordance with **§14** within seven days of Contractor's receipt of such notice.

J. Subrogation Waiver

Except for the Crime and Professional Liability/ Cyber Security policies, all insurance policies secured or maintained by Contractor or its Subcontractors in relation to this Contract shall include clauses stating that each carrier shall waive all rights of recovery

under subrogation or otherwise against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

K. Public Entities

If Contractor is a “public entity” within the meaning of the Colorado Governmental Immunity Act, §§24-10-101, *et seq.*, C.R.S. (the “GIA”), Contractor shall maintain, in lieu of the liability insurance requirements stated above, at all times during the term of this Contract such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. If a Subcontractor is a public entity within the meaning of the GIA, Contractor shall ensure that the Subcontractor maintains at all times during the terms of this Contract, in lieu of the liability insurance requirements stated above, such liability insurance, by commercial policy or self-insurance, as is necessary to meet the Subcontractor’s obligations under the GIA.

L. Certificates

Contractor shall provide to the State certificates evidencing Contractor’s insurance coverage required in this Contract within seven Business Days following the Effective Date. Contractor shall provide to the State certificates evidencing Subcontractor insurance coverage required under this Contract within seven Business Days following the Effective Date, except that, if Contractor’s subcontract is not in effect as of the Effective Date, Contractor shall provide to the State certificates showing Subcontractor insurance coverage required under this Contract within seven Business Days following Contractor’s execution of the subcontract. No later than 15 days before the expiration date of Contractor’s or any Subcontractor’s coverage, or as soon as reasonably practicable, Contractor shall deliver to the State certificates of insurance evidencing renewals of coverage. At any other time during the term of this Contract, upon request by the State, Contractor shall, within seven Business Days following the request by the State, supply to the State evidence satisfactory to the State of compliance with the provisions of this section. Contractor shall provide all certificates electronically to the Department’s designated insurance certificate submission site, unless the Department has specifically directed otherwise.

11. LIMITATIONS OF CONTRACTOR LIABILITY

The liability of Contractor, its Subcontractors, and their respective personnel to the State for any claims, liabilities, or damages relating to this Contract shall be limited to direct or indirect damages, including but not limited to loss of State Records or unauthorized disclosure of State Confidential Information, not to exceed three (3) times the Amount payable by the State via Amendments associated with this Contract during the preceding 12 months, or \$1,000,000, whichever is greater.

No limitation on Contractor's liability to the State under this Section shall limit or affect:

- i. Contractor’s indemnification obligations to the State under this Contract;
- ii. Any claims, losses, or damages for which coverage is available under any insurance required under this Contract;
- iii. Claims or damages arising out of bodily injury, including death, or damage to tangible property of the State; or
- iv. Claims or damages resulting from the recklessness, bad faith, or intentional misconduct of Contractor or its Subcontractors.

12. BREACH OF CONTRACT

In the event of a Breach of Contract, the aggrieved Party shall give written notice of breach to the other Party. If the notified Party does not cure the Breach of Contract, at its sole expense, within 30 days after the delivery of written notice, the Party may exercise any of the remedies as described in §12 for that Party. Notwithstanding any provision of this Contract to the contrary, the State, in its discretion, need not provide notice or a cure period and may immediately terminate this Contract in whole or in part or institute any other remedy in this Contract in order to protect the public interest of the State; or if Contractor is debarred or suspended under §24-109-105, C.R.S., the State, in its discretion, need not provide notice or cure period and may terminate this Contract in whole or in part or institute any other remedy in this Contract as of the date that the debarment or suspension takes effect.

13. REMEDIES

A. State's Remedies

If Contractor is in breach under any provision of this Contract and fails to cure such breach, the State, following the notice and cure period set forth in §11, shall have all of the remedies listed in this section in addition to all other remedies set forth in this Contract or at law. The State may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

i. Termination for Breach of Contract

In the event of Contractor's uncured breach, the State may terminate this entire Contract or any part of this Contract. Contractor shall continue performance of this Contract to the extent not terminated, if any.

a. Obligations and Rights

To the extent specified in any termination notice, Contractor shall not incur further obligations or render further performance past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Contractor shall complete and deliver to the State all Work not cancelled by the termination notice, and may incur obligations as necessary to do so within this Contract's terms. At the request of the State, Contractor shall assign to the State all of Contractor's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Contractor shall take timely, reasonable and necessary action to protect and preserve property in the possession of Contractor but in which the State has an interest. At the State's request, Contractor shall return materials owned by the State in Contractor's possession at the time of any termination. Contractor shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

b. Payments

Notwithstanding anything to the contrary, the State shall only pay Contractor for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Contractor was not in breach or that Contractor's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Contract had been terminated in the public interest under §2.E.

c. Damages and Withholding

Notwithstanding any other remedial action by the State, Contractor shall remain liable to the State for any damages sustained by the State in connection with any breach by Contractor, and the State may withhold payment to Contractor for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Contractor is determined. The State may withhold any amount that may be due Contractor as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

ii. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

a. Suspend Performance

Suspend Contractor's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Contractor to an adjustment in price or cost or an adjustment in the performance schedule. Contractor shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Contractor after the suspension of performance.

b. Withhold Payment

Withhold payment to Contractor until Contractor corrects its Work.

c. Deny Payment

Deny payment for Work not performed, or that due to Contractor's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the State; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Removal

Demand immediate removal of any of Contractor's employees, agents, or Subcontractors from the Work whom the State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Contract is deemed by the State to be contrary to the public interest or the State's best interest.

e. Intellectual Property

If any Work infringes, or if the State in its sole discretion determines that any Work is likely to infringe, a patent, copyright, trademark, trade secret or other intellectual property right, Contractor shall, as approved by the State (i) secure that right to use such Work for the State and Contractor; (ii) replace the Work with noninfringing Work or modify the Work so that it becomes noninfringing; or, (iii) remove any infringing Work and refund the amount paid for such Work to the State.

B. Contractor's Remedies

If the State is in breach of any provision of this Contract and does not cure such breach, Contractor, following the notice and cure period in §11 and the dispute resolution process in §13 shall have all remedies available at law and equity.

14. DISPUTE RESOLUTION

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Contract which cannot be resolved by the designated Contract representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Contractor for resolution.

B. Resolution of Controversies

If the initial resolution described in §13.A fails to resolve the dispute within 10 Business Days, Contractor shall submit any alleged breach of this Contract by the State to the Procurement Official of the State Agency named on the Cover Page of this Contract as described in §24-102-202(3), C.R.S. for resolution in accordance with the provisions of §24-106-109, C.R.S., and §§24-109-101.1 through 24-109-505, C.R.S., (the "Resolution Statutes"), except that if Contractor wishes to challenge any decision rendered by the Procurement Official, Contractor's challenge shall be an appeal to the Executive Director of the Department of Personnel and Administration, or their delegate, under the Resolution Statutes before Contractor pursues any further action as permitted by such statutes. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations.

15. NOTICES AND REPRESENTATIVES

Each individual identified as a Principal Representative on the Cover Page for this Contract shall be the principal representative of the designating Party. All notices required or permitted to be given under this Contract shall be in writing, and shall be delivered (A) by hand with receipt required, (B) by certified or registered mail to such Party's principal representative at the address set forth on the Cover Page for this Contract, or (C) as an email with read receipt requested to the principal representative at the email address, if any, set forth on the Cover Page for this Contract. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth on the Cover Page for this Contract. Either Party may change its principal representative or principal representative contact information, or may designate specific other individuals to receive certain types of notices in addition to or in lieu of a principal representative by notice submitted in accordance with this section without a formal amendment to this Contract. Unless otherwise provided in this Contract, notices shall be effective upon delivery of the written notice.

16. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

A. Work Product

i. Copyrights

To the extent that the Work Product (or any portion of the Work Product) would not be considered works made for hire under applicable law, Contractor hereby assigns to the State, the entire right, title, and interest in and to copyrights in all Work Product

and all works based upon, derived from, or incorporating the Work Product; all copyright applications, registrations, extensions, or renewals relating to all Work Product and all works based upon, derived from, or incorporating the Work Product; and all moral rights or similar rights with respect to the Work Product throughout the world. To the extent that Contractor cannot make any of the assignments required by this section, Contractor hereby grants to the State a perpetual, irrevocable, royalty-free license to use, modify, copy, publish, display, perform, transfer, distribute, sell, and create derivative works of the Work Product and all works based upon, derived from, or incorporating the Work Product by all means and methods and in any format now known or invented in the future. The State may assign and license its rights under this license.

ii. Patents

In addition, Contractor grants to the State (and to recipients of Work Product distributed by or on behalf of the State) a perpetual, worldwide, no-charge, royalty-free, irrevocable patent license to make, have made, use, distribute, sell, offer for sale, import, transfer, and otherwise utilize, operate, modify and propagate the contents of the Work Product. Such license applies only to those patent claims licensable by Contractor that are necessarily infringed by the Work Product alone, or by the combination of the Work Product with anything else used by the State.

iii. Assignments and Assistance

Whether or not Contractor is under contract with the State at the time, Contractor shall execute applications, assignments, and other documents, and shall render all other reasonable assistance requested by the State, to enable the State to secure patents, copyrights, licenses and other intellectual property rights related to the Work Product. To the extent that Work Product would fall under the definition of “works made for hire” under 17 U.S.C.S. §101, the Parties intend the Work Product to be a work made for hire. Contractor assigns to the State and its successors and assigns, the entire right, title, and interest in and to all causes of action, either in law or in equity, for past, present, or future infringement of intellectual property rights related to the Work Product and all works based on, derived from, or incorporating the Work Product.

B. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Contract, all State Records, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and information provided by or on behalf of the State to Contractor are the exclusive property of the State (collectively, “State Materials”). Contractor shall not use, willingly allow, cause or permit Work Product or State Materials to be used for any purpose other than the performance of Contractor’s obligations in this Contract without the prior written consent of the State. Upon termination of this Contract for any reason, Contractor shall provide all Work Product and State Materials to the State in a form and manner as directed by the State.

C. Exclusive Property of Contractor

Contractor retains the exclusive rights, title, and ownership to any and all pre-existing materials owned or licensed to Contractor including, but not limited to, all pre-existing software, licensed products, associated source code, machine code, text images, audio and/or video, and third-party materials, delivered by Contractor under the Contract, whether incorporated in a Deliverable or necessary to use a Deliverable (collectively, “Contractor Property”). Contractor Property shall be licensed to the State as set forth in this Contract or a State approved license agreement: **(i)** entered into as exhibits to this Contract; **(ii)** obtained by the State from the applicable third-party vendor; or **(iii)** in the case of open source software, the license terms set forth in the applicable open source license agreement.

17. GENERAL PROVISIONS

A. Assignment

Contractor’s rights and obligations under this Contract are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Contractor’s rights and obligations approved by the State shall be subject to the provisions of this Contract.

B. Subcontracts

Contractor shall not enter into any subcontract in connection with its obligations under this Contract without the prior, written approval of the State. Contractor shall submit to the State a copy of each such subcontract upon request by the State. All subcontracts entered into by Contractor in connection with this Contract shall comply with all applicable federal and state laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Contract.

C. Binding Effect

Except as otherwise provided in **§16.A**, all provisions of this Contract, including the benefits and burdens, shall extend to and be binding upon the Parties’ respective successors and assigns.

D. Authority

Each Party represents and warrants to the other that the execution and delivery of this Contract and the performance of such Party’s obligations have been duly authorized.

E. Captions and References

The captions and headings in this Contract are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Contract to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

F. Counterparts

This Contract may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

G. Entire Understanding

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

H. Digital Signatures

If any signatory signs this Contract using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Contract by reference.

I. Modification

Except as otherwise provided in this Contract, any modification to this Contract shall only be effective if agreed to in a formal amendment to this Contract, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Contract, other than contract amendments, shall conform to the policies issued by the Colorado State Controller.

J. Statutes, Regulations, Fiscal Rules, and Other Authority

Any reference in this Contract to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Contract.

K. External Terms and Conditions

Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Contractor's or a Subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Contract.

L. Severability

The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision of this Contract, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Contract in accordance with the intent of this Contract.

M. Survival of Certain Contract Terms

Any provision of this Contract that imposes an obligation on a Party after termination or expiration of this Contract shall survive the termination or expiration of this Contract and shall be enforceable by the other Party.

N. Taxes

The State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from State and local government sales and use taxes under §§39-26-704(1), *et seq.*, C.R.S. (Colorado Sales Tax Exemption Identification Number 98-02565). The State shall not be

liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the state imposes such taxes on Contractor. Contractor shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Contractor may wish to have in place in connection with this Contract.

O. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in § 16.A, this Contract does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Contract and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Contract are incidental to this Contract, and do not create any rights for such third parties.

P. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Contract, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

Q. CORA Disclosure

To the extent not prohibited by federal law, this Contract and the performance measures and standards required under §24-106-107, C.R.S., if any, are subject to public release through the CORA.

R. Standard and Manner of Performance

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

S. Licenses, Permits, and Other Authorizations

Contractor shall secure, prior to the Effective Date, and maintain at all times during the term of this Contract, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Contract, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or subcontract, all licenses, certifications, permits and other authorizations required to perform their obligations in relation to this Contract.

T. Indemnification

i. General Indemnification

Contractor shall indemnify, save, and hold harmless the State, its employees, agents and assignees (the "Indemnified Parties"), against any and all third party costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Contractor, or its employees, agents, Subcontractors, or assignees in connection with this Contract.

ii. Confidential Information Indemnification

Disclosure or use of State Confidential Information by Contractor in violation of §8 may be cause for legal action by third parties against Contractor, the State, or their respective agents. Contractor shall indemnify, save, and hold harmless the

Indemnified Parties, against any and all claims, damages, liabilities, losses, costs, expenses (including attorneys' fees and costs) incurred by the State in relation to any act or omission by Contractor, or its employees, agents, assigns, or Subcontractors in violation of §8.

iii. Intellectual Property Indemnification

Contractor shall indemnify, save, and hold harmless the Indemnified Parties, against any and all costs, expenses, claims, damages, liabilities, and other amounts (including attorneys' fees and costs) incurred by the Indemnified Parties in relation to any third party claim that any Deliverable, Good or Service, software, or Work Product provided by Contractor under this Contract (collectively, "IP Deliverables"), or the use thereof, infringes a patent, copyright, trademark, trade secret, or any other intellectual property right. Contractor's obligations hereunder shall not extend to the combination of any IP Deliverables provided by Contractor with any other product, system, or method, unless the other product, system, or method is (a) provided by Contractor or Contractor's subsidiaries or affiliates; (b) specified by Contractor to work with the IP Deliverables; (c) reasonably required in order to use the IP Deliverables in its intended manner and the infringement could not have been avoided by substituting another reasonably available product, system, or method capable of performing the same function; or (d) is reasonably expected to be used in combination with the IP Deliverables.

iv. Accessibility Indemnification

Contractor shall indemnify, save, and hold harmless the state, its employees, agents and assignees (collectively, the "Indemnified Parties"), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to Contractor's failure to comply with §§24-85-101, et seq., C.R.S., or the Accessibility Standards for Individuals with a Disability as established by the Office of Information Technology pursuant to Section §24-85-103 (2.5), C.R.S.

U. Accessibility

- i. Contractor shall comply with and the Work Product provided under this Contract shall be in compliance with all applicable provisions of §§24-85-101, et seq., C.R.S., and the *Accessibility Standards for Individuals with a Disability*, as established by the Governor's Office Of Information Technology (OIT), pursuant to Section §24-85-103 (2.5), C.R.S. Contractor shall also comply with all State of Colorado technology standards related to technology accessibility and with Level AA of the most current version of the Web Content Accessibility Guidelines (WCAG), incorporated in the State of Colorado technology standards.
- ii. The State may require Contractor's compliance to the State's Accessibility Standards to be determined by a third party selected by the State to attest to Contractor's Work Product and software is in compliance with §§24-85-101, et seq., C.R.S., and the *Accessibility Standards for Individuals with a Disability* as established by the Office of Information Technology pursuant to Section §24-85-103 (2.5), C.R.S.

B. Additional Provisions

Contractor shall comply with all requirements shown in Exhibit A and Exhibit G.

18. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

These Special Provisions apply to all contracts except where noted in italics.

A. STATUTORY APPROVAL. §24-30-202(1), C.R.S.

This Contract shall not be valid until it has been approved by the Colorado State Controller or designee. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), C.R.S., then this Contract shall not be valid until it has been approved by the State's Chief Information Officer or designee.

B. FUND AVAILABILITY. §24-30-202(5.5), C.R.S.

Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. GOVERNMENTAL IMMUNITY.

Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, *et seq.* C.R.S. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. INDEPENDENT CONTRACTOR.

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

E. COMPLIANCE WITH LAW.

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

F. CHOICE OF LAW, JURISDICTION, AND VENUE.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Contract shall be filed and proceedings

held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

G. PROHIBITED TERMS.

Any term included in this Contract that requires the State to indemnify or hold Contractor harmless; requires the State to agree to binding arbitration; limits Contractor's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109, C.R.S.

H. SOFTWARE PIRACY PROHIBITION.

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

I. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. §§24-18-201 and 24-50-507, C.R.S.

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

J. VENDOR OFFSET AND ERRONEOUS PAYMENTS. §§24-30-202(1) and 24-30-202.4, C.R.S.

[Not applicable to intergovernmental agreements] Subject to §24-30-202.4(3.5), C.R.S., the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (i) unpaid child support debts or child support arrearages; (ii) unpaid balances of tax, accrued interest, or other charges specified in §§39-21-101, *et seq.*, C.R.S.; (iii) unpaid loans due to the Student Loan Division of the Department of Higher Education; (iv) amounts required to be paid to the Unemployment Compensation Fund; and (v) other unpaid debts owing to the State as a result of final agency determination or judicial action. The State may also recover, at the State's discretion, payments made to Contractor in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Contractor by deduction from subsequent payments under this Contract, deduction from any payment due under any other contracts, grants or agreements between the State and Contractor, or by any other appropriate method for collecting debts owed to the State.

EXHIBIT A, HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement (“Agreement”) between the State and Contractor is agreed to in connection with, and as an exhibit to, the Contract. For purposes of this Agreement, the State is referred to as “Covered Entity” and Contractor is referred to as “Business Associate”. Unless the context clearly requires a distinction between the Contract and this Agreement, all references to “Contract” shall include this Agreement.

1. Purpose

Covered Entity wishes to disclose information to Business Associate, which may include Protected Health Information ("PHI"). The Parties intend to protect the privacy and security of the disclosed PHI in compliance with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), Pub. L. No. 104-191 (1996) as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”) enacted under the American Recovery and Reinvestment Act of 2009 (“ARRA”) Pub. L. No. 111–5 (2009), implementing regulations promulgated by the U.S. Department of Health and Human Services at 45 C.F.R. Parts 160, 162 and 164 (the “HIPAA Rules”) and other applicable laws, as amended. Prior to the disclosure of PHI, Covered Entity is required to enter into an agreement with Business Associate containing specific requirements as set forth in, but not limited to, Title 45, Sections 160.103, 164.502(e) and 164.504(e) of the Code of Federal Regulations (“C.F.R.”) and all other applicable laws and regulations, all as may be amended.

2. Definitions

The following terms used in this Agreement shall have the same meanings as in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

The following terms used in this Agreement shall have the meanings set forth below:

- A. Business Associate. “Business Associate” shall have the same meaning as the term “business associate” at 45 C.F.R. 160.103, and shall refer to Contractor.
- B. Covered Entity. “Covered Entity” shall have the same meaning as the term “covered entity” at 45 C.F.R. 160.103, and shall refer to the State.
- C. Information Technology and Information Security. “Information Technology” and “Information Security” shall have the same meanings as the terms “information technology” and “information security”, respectively, in §24-37.5-102, C.R.S.

Capitalized terms used herein and not otherwise defined herein or in the HIPAA Rules shall have the meanings ascribed to them in the Contract.

3. Obligations and Activities of Business Associate

- A. Permitted Uses and Disclosures.
 - i. Business Associate shall use and disclose PHI only to accomplish Business Associate’s obligations under the Contract.
 - ii. To the extent Business Associate carries out one or more of Covered Entity’s obligations under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply

with any and all requirements of Subpart E that apply to Covered Entity in the performance of such obligation.

- iii. Business Associate may disclose PHI to carry out the legal responsibilities of Business Associate, provided, that the disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that:
 - a. the information will remain confidential and will be used or disclosed only as Required by Law or for the purpose for which Business Associate originally disclosed the information to that person, and;
 - b. the person notifies Business Associate of any Breach involving PHI of which it is aware.
- iv. Business Associate may provide Data Aggregation services relating to the Health Care Operations of Covered Entity. Business Associate may de-identify any or all PHI created or received by Business Associate under this Agreement, provided the de-identification conforms to the requirements of the HIPAA Rules.

B. Minimum Necessary.

Business Associate, its Subcontractors and agents, shall access, use, and disclose only the minimum amount of PHI necessary to accomplish the objectives of the Contract, in accordance with the Minimum Necessary Requirements of the HIPAA Rules including, but not limited to, 45 C.F.R. 164.502(b) and 164.514(d).

C. Impermissible Uses and Disclosures.

- i. Business Associate shall not disclose the PHI of Covered Entity to another covered entity without the written authorization of Covered Entity.
- ii. Business Associate shall not share, use, disclose or make available any Covered Entity PHI in any form via any medium with or to any person or entity beyond the boundaries or jurisdiction of the United States without express written authorization from Covered Entity.

D. Business Associate's Subcontractors.

- i. Business Associate shall, in accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any Subcontractors who create, receive, maintain, or transmit PHI on behalf of Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to safeguarding PHI.
- ii. Business Associate shall provide to Covered Entity, on Covered Entity's request, a list of Subcontractors who have entered into any such agreement with Business Associate.
- iii. Business Associate shall provide to Covered Entity, on Covered Entity's request, copies of any such agreements Business Associate has entered into with Subcontractors.

E. Access to System.

If Business Associate needs access to a Covered Entity Information Technology system to comply with its obligations under the Contract or this Agreement, Business Associate shall

request, review, and comply with any and all policies applicable to Covered Entity regarding such system including, but not limited to, any policies promulgated by the Office of Information Technology and available at <http://oit.state.co.us/about/policies>.

F. Access to PHI.

Business Associate shall, within ten days of receiving a written request from Covered Entity, make available PHI in a Designated Record Set to Covered Entity as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.524.

G. Amendment of PHI.

- i. Business Associate shall within ten days of receiving a written request from Covered Entity make any amendment to PHI in a Designated Record Set as directed by or agreed to by Covered Entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.526.
- ii. Business Associate shall promptly forward to Covered Entity any request for amendment of PHI that Business Associate receives directly from an Individual.

H. Accounting Rights.

Business Associate shall, within ten days of receiving a written request from Covered Entity, maintain and make available to Covered Entity the information necessary for Covered Entity to satisfy its obligations to provide an accounting of Disclosure under 45 C.F.R. 164.528.

I. Restrictions and Confidential Communications.

- i. Business Associate shall restrict the Use or Disclosure of an Individual's PHI within ten days of notice from Covered Entity of:
 - a. a restriction on Use or Disclosure of PHI pursuant to 45 C.F.R. 164.522; or
 - b. a request for confidential communication of PHI pursuant to 45 C.F.R. 164.522.
- ii. Business Associate shall not respond directly to an Individual's requests to restrict the Use or Disclosure of PHI or to send all communication of PHI to an alternate address.
- iii. Business Associate shall refer such requests to Covered Entity so that Covered Entity can coordinate and prepare a timely response to the requesting Individual and provide direction to Business Associate.

J. Governmental Access to Records.

Business Associate shall make its facilities, internal practices, books, records, and other sources of information, including PHI, available to the Secretary for purposes of determining compliance with the HIPAA Rules in accordance with 45 C.F.R. 160.310.

K. Audit, Inspection and Enforcement.

- i. Business Associate shall obtain and update at least annually a written assessment performed by an independent third party reasonably acceptable to Covered Entity, which evaluates the Information Security of the applications, infrastructure, and processes that interact with the Covered Entity data Business Associate receives, manipulates, stores and distributes. Upon request by Covered Entity, Business Associate shall provide to Covered Entity the executive summary of the assessment.

- ii. Business Associate, upon the request of Covered Entity, shall fully cooperate with Covered Entity's efforts to audit Business Associate's compliance with applicable HIPAA Rules. If, through audit or inspection, Covered Entity determines that Business Associate's conduct would result in violation of the HIPAA Rules or is in violation of the Contract or this Agreement, Business Associate shall promptly remedy any such violation and shall certify completion of its remedy in writing to Covered Entity.

L. Appropriate Safeguards.

- i. Business Associate shall use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI to prevent use or disclosure of PHI other than as provided in this Agreement.
- ii. Business Associate shall safeguard the PHI from tampering and unauthorized disclosures.
- iii. Business Associate shall maintain the confidentiality of passwords and other data required for accessing this information.
- iv. Business Associate shall extend protection beyond the initial information obtained from Covered Entity to any databases or collections of PHI containing information derived from the PHI. The provisions of this section shall be in force unless PHI is de-identified in conformance to the requirements of the HIPAA Rules.

M. Safeguard During Transmission.

- i. Business Associate shall use reasonable and appropriate safeguards including, without limitation, Information Security measures to ensure that all transmissions of PHI are authorized and to prevent use or disclosure of PHI other than as provided for by this Agreement.
- ii. Business Associate shall not transmit PHI over the internet or any other insecure or open communication channel unless the PHI is encrypted or otherwise safeguarded with a FIPS-compliant encryption algorithm.

N. Reporting of Improper Use or Disclosure and Notification of Breach.

- i. Business Associate shall, as soon as reasonably possible, but immediately after discovery of a Breach, notify Covered Entity of any use or disclosure of PHI not provided for by this Agreement, including a Breach of Unsecured Protected Health Information as such notice is required by 45 C.F.R. 164.410 or a breach for which notice is required under §24-73-103, C.R.S.
- ii. Such notice shall include the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.
- iii. Business Associate shall, as soon as reasonably possible, but immediately after discovery of any Security Incident that does not constitute a Breach, notify Covered Entity of such incident.
- iv. Business Associate shall have the burden of demonstrating that all notifications were made as required, including evidence demonstrating the necessity of any delay.

O. Business Associate's Insurance and Notification Costs.

- i. Business Associate shall bear all costs of a Breach response including, without limitation, notifications, and shall maintain insurance to cover:
 - a. loss of PHI data;
 - b. Breach notification requirements specified in HIPAA Rules and in §24-73-103, C.R.S.; and
 - c. claims based upon alleged violations of privacy rights through improper use or disclosure of PHI.
- ii. All such policies shall meet or exceed the minimum insurance requirements of the Contract or otherwise as may be approved by Covered Entity (e.g., occurrence basis, combined single dollar limits, annual aggregate dollar limits, additional insured status, and notice of cancellation).
- iii. Business Associate shall provide Covered Entity a point of contact who possesses relevant Information Security knowledge and is accessible 24 hours per day, 7 days per week to assist with incident handling.
- iv. Business Associate, to the extent practicable, shall mitigate any harmful effect known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of this Agreement.

P. Subcontractors and Breaches.

- i. Business Associate shall enter into a written agreement with each of its Subcontractors and agents, who create, receive, maintain, or transmit PHI on behalf of Business Associate. The agreements shall require such Subcontractors and agents to report to Business Associate any use or disclosure of PHI not provided for by this Agreement, including Security Incidents and Breaches of Unsecured Protected Health Information, on the first day such Subcontractor or agent knows or should have known of the Breach as required by 45 C.F.R. 164.410.
- ii. Business Associate shall notify Covered Entity of any such report and shall provide copies of any such agreements to Covered Entity on request.

Q. Data Ownership.

- i. Business Associate acknowledges that Business Associate has no ownership rights with respect to the PHI.
- ii. Upon request by Covered Entity, Business Associate immediately shall provide Covered Entity with any keys to decrypt information that the Business Association has encrypted and maintains in encrypted form, or shall provide such information in unencrypted usable form.

R. Retention of PHI.

Except upon termination of this Agreement as provided in Section 5 below, Business Associate and its Subcontractors or agents shall retain all PHI throughout the term of this Agreement, and shall continue to maintain the accounting of disclosures required under Section 3. H above, for a period of six years.

4. **Obligations of Covered Entity**

A. **Safeguards During Transmission.**

Covered Entity shall be responsible for using appropriate safeguards including encryption of PHI, to maintain and ensure the confidentiality, integrity, and security of PHI transmitted pursuant to this Agreement, in accordance with the standards and requirements of the HIPAA Rules.

B. **Notice of Changes.**

- i. Covered Entity maintains a copy of its Notice of Privacy Practices on its website. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission to use or disclose PHI, to the extent that it may affect Business Associate's permitted or required uses or disclosures.
- ii. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. 164.522, to the extent that it may affect Business Associate's permitted use or disclosure of PHI.

5. **Termination**

A. **Breach.**

- i. In addition to any Contract provision regarding remedies for breach, Covered Entity shall have the right, in the event of a breach by Business Associate of any provision of this Agreement, to terminate immediately the Contract, or this Agreement, or both.
- ii. Subject to any directions from Covered Entity, upon termination of the Contract, this Agreement, or both, Business Associate shall take timely, reasonable, and necessary action to protect and preserve property in the possession of Business Associate in which Covered Entity has an interest.

B. **Effect of Termination.**

- i. Upon termination of this Agreement for any reason, Business Associate, at the option of Covered Entity, shall return or destroy all PHI that Business Associate, its agents, or its Subcontractors maintain in any form, and shall not retain any copies of such PHI.
- ii. If Covered Entity directs Business Associate to destroy the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed.
- iii. If Business Associate believes that returning or destroying the PHI is not feasible, Business Associate shall promptly provide Covered Entity with notice of the conditions making return or destruction infeasible. Business Associate shall continue to extend the protections of Section 3 of this Agreement to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

6. **Injunctive Relief**

Covered Entity and Business Associate agree that irreparable damage would occur in the event Business Associate or any of its Subcontractors or agents use or disclosure of PHI in violation of this Agreement, the HIPAA Rules or any applicable law. Covered Entity and Business Associate further agree that money damages would not provide an adequate remedy for such Breach.

Accordingly, Covered Entity and Business Associate agree that Covered Entity shall be entitled to injunctive relief, specific performance, and other equitable relief to prevent or restrain any Breach or threatened Breach of and to enforce specifically the terms and provisions of this Agreement.

7. Limitation of Liability

Any provision in the Contract limiting Contractor's liability shall not apply to Business Associate's liability under this Agreement, which shall not be limited.

8. Disclaimer

Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement or the HIPAA Rules will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made and actions taken by Business Associate regarding the safeguarding of PHI.

9. Certification

Covered Entity has a legal obligation under HIPAA Rules to certify as to Business Associate's Information Security practices. Covered Entity or its authorized agent or contractor shall have the right to examine Business Associate's facilities, systems, procedures, and records, at Covered Entity's expense, if Covered Entity determines that examination is necessary to certify that Business Associate's Information Security safeguards comply with the HIPAA Rules or this Agreement.

10. Amendment

A. Amendment to Comply with Law.

The Parties acknowledge that state and federal laws and regulations relating to data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide procedures to ensure compliance with such developments.

- i. In the event of any change to state or federal laws and regulations relating to data security and privacy affecting this Agreement, the Parties shall take such action as is necessary to implement the changes to the standards and requirements of HIPAA, the HIPAA Rules and other applicable rules relating to the confidentiality, integrity, availability and security of PHI with respect to this Agreement.
- ii. Business Associate shall provide to Covered Entity written assurance satisfactory to Covered Entity that Business Associate shall adequately safeguard all PHI, and obtain written assurance satisfactory to Covered Entity from Business Associate's Subcontractors and agents that they shall adequately safeguard all PHI.
- iii. Upon the request of either Party, the other Party promptly shall negotiate in good faith the terms of an amendment to the Contract embodying written assurances consistent with the standards and requirements of HIPAA, the HIPAA Rules, or other applicable rules.
- iv. Covered Entity may terminate this Agreement upon 30 days' prior written notice in the event that:

- a. Business Associate does not promptly enter into negotiations to amend the Contract and this Agreement when requested by Covered Entity pursuant to this Section; or
- b. Business Associate does not enter into an amendment to the Contract and this Agreement, which provides assurances regarding the safeguarding of PHI sufficient, in Covered Entity's sole discretion, to satisfy the standards and requirements of the HIPAA, the HIPAA Rules and applicable law.

B. Amendment of Appendix.

The Appendix to this Agreement may be modified or amended by the mutual written agreement of the Parties, without amendment of this Agreement. Any modified or amended Appendix agreed to in writing by the Parties shall supersede and replace any prior version of the Appendix.

11. Assistance in Litigation or Administrative Proceedings

Covered Entity shall provide written notice to Business Associate if litigation or administrative proceeding is commenced against Covered Entity, its directors, officers, or employees, based on a claimed violation by Business Associate of HIPAA, the HIPAA Rules or other laws relating to security and privacy or PHI. Upon receipt of such notice and to the extent requested by Covered Entity, Business Associate shall, and shall cause its employees, Subcontractors, or agents assisting Business Associate in the performance of its obligations under the Contract to, assist Covered Entity in the defense of such litigation or proceedings. Business Associate shall, and shall cause its employees, Subcontractor's and agents to, provide assistance, to Covered Entity, which may include testifying as a witness at such proceedings. Business Associate or any of its employees, Subcontractors or agents shall not be required to provide such assistance if Business Associate is a named adverse party.

12. Interpretation and Order of Precedence

Any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with the HIPAA Rules. In the event of an inconsistency between the Contract and this Agreement, this Agreement shall control. This Agreement supersedes and replaces any previous, separately executed HIPAA business associate agreement between the Parties.

13. Survival

Provisions of this Agreement requiring continued performance, compliance, or effect after termination shall survive termination of this contract or this agreement and shall be enforceable by Covered Entity.

APPENDIX TO HIPAA BUSINESS ASSOCIATE AGREEMENT

This Appendix (“Appendix”) to the HIPAA Business Associate Agreement (“Agreement”) is an appendix to the Contract and the Agreement. For the purposes of this Appendix, defined terms shall have the meanings ascribed to them in the Agreement and the Contract.

Unless the context clearly requires a distinction between the Contract, the Agreement, and this Appendix, all references to “Contract” or “Agreement” shall include this Appendix.

1. Purpose

This Appendix sets forth additional terms to the Agreement. Any sub-section of this Appendix marked as “Reserved” shall be construed as setting forth no additional terms.

2. Additional Terms

A. Additional Permitted Uses.

In addition to those purposes set forth in the Agreement, Business Associate may use PHI for the following additional purposes:

i. Reserved.

B. Additional Permitted Disclosures.

In addition to those purposes set forth in the Agreement, Business Associate may disclose PHI for the following additional purposes:

i. Reserved.

C. Approved Subcontractors.

Covered Entity agrees that the following Subcontractors or agents of Business Associate may receive PHI under the Agreement:

i. Reserved.

D. Definition of Receipt of PHI.

Business Associate’s receipt of PHI under this Contract shall be deemed to occur, and Business Associate’s obligations under the Agreement shall commence, as follows:

i. Reserved.

E. Additional Restrictions on Business Associate.

Business Associate agrees to comply with the following additional restrictions on Business Associate’s use and disclosure of PHI under the Contract:

i. Reserved.

F. Additional Terms.

Business Associate agrees to comply with the following additional terms under the Agreement:

i. Reserved.

EXHIBIT B, STATEMENT OF WORK

1. PROJECT SPECIFIC STATEMENT OF WORK

1.1. MEDICAID ENTERPRISE SOLUTION

1.1.1. Enterprise-Level Testing

- 1.1.1.1. The Department is contracting with an enterprise-level testing Contractor to play a pivotal role in optimizing the efficiency and reliability of the CMES. The primary goal of this contract is to provide augmented staff support in overseeing all testing activities across designated modules and vendors within the CMES.
- 1.1.1.2. Contractor shall assume ownership of the UAT test plan and its execution, providing a comprehensive testing framework that aligns with the Department's objectives.
- 1.1.1.3. Contractor shall act as the central coordinator for managing the defect tracking and resolution processes across modules, establishing and maintaining a proactive and structured approach to identifying, documenting, prioritization, and resolving issues and defects that may arise during testing phases. Contractor shall actively oversee and provide oversight and participation in Module Vendors' master test plans, to support collaboration, alignment, consistency, and integration with the broader testing strategy.
- 1.1.1.4. Contractor shall serve as the central coordinator for all UAT-related release activities, ensuring the Department has clear and timely visibility into the release management processes of all CMES Module Vendors. To provide this visibility, the contractor shall establish and maintain a centralized release schedule, facilitate recurring release coordination meetings, and provide detailed status reports and dashboards that track vendor release milestones, code versioning, and potential risks or delays. Contractor shall collect and analyze release documentation from all vendors, identify interdependencies and conflicts, and proactively communicate findings to the Department. Contractor is responsible for confirming system integration and readiness prior to each release, using predefined checklists, testing results, and sign-off procedures to support smooth deployment and optimal functionality in production.
- 1.1.1.5. Contractor shall be responsible for oversight and assistance in meeting system federal certification requirements, ensuring that testing processes align with federal regulations and standards. This comprehensive approach emphasizes the dedication to improving the CMES infrastructure with the ultimate goal of enhancing healthcare services for the residents of Colorado.
- 1.1.1.6. Contractor shall adhere to Department's Enterprise Project Management Office (EPMO) standards and protocols on all project management activities throughout the life of the Contract. This includes the use of tools and applications as well as processes. Contractor shall provide written project management recommendations, as identified, to improve processes and efficiencies. Contractor shall work cooperatively with the EPMO and provide weekly status updates to the Department during all phases of the Contract.
- 1.1.1.7. Contractor shall work with the Department to obtain access to the Department's existing necessary Enterprise-level Project Management plans, processes, standards, and templates.
- 1.1.1.8. Contractor shall develop and submit for Department approval a Project Management Plan that uses standard methodology, which defines how Contractor will manage all aspects

of the Contract that affect price, schedule, performance (scope and quality), risk/issues, opportunities, and applicable resources. The plan shall include:

- 1.1.1.8.1. Approach for executing monitoring and controlling the project
- 1.1.1.8.2. Approach for managing resources and training
- 1.1.1.8.3. Approach for managing communication and reporting
- 1.1.1.8.4. Approach for managing risk and project issues
- 1.1.1.8.5. Approach to managing changes
- 1.1.1.8.6. Deliverable review and acceptance procedures
- 1.1.1.8.7. Systems Development Life Cycle approach
- 1.1.1.8.7.1. DELIVERABLE: Project Management Plan
- 1.1.1.8.7.2. DUE: Within 30 days of contract execution

1.1.2. Data Conversion

- 1.1.2.1. Contractor shall be responsible for data validation when data is migrated, converted, Extract, Transform, and Load process (ETL) or moved to the UAT region.
- 1.1.2.2. Contractor shall provide all test results from data validation for Department review and approval, prior to initiating functional testing activities.
 - 1.1.2.2.1. DELIVERABLE: Data Conversion Test Results Report
 - 1.1.2.2.2. DUE: Within 150 days of contract execution
- 1.1.2.3. Contractor shall provide test plans, test cases, and test scripts for data migration, data conversion, and Extract, Transform, and Load process (ETL) testing and coordinate with the System Integrator (SI) as directed by the Department.
 - 1.1.2.3.1. DELIVERABLE: Data Conversion Test Results Report
 - 1.1.2.3.2. DUE: Within 150 days of contract execution
- 1.1.2.4. Contractor shall verify that data is formatted correctly as per the specifications provided by the Module Vendor.
- 1.1.2.5. Contractor shall document all data migration, conversion, and ETL test results during UAT data validation, as well as any deviations that have been discovered.
- 1.1.2.6. Contractor shall submit a separate data migration and conversion report for Department review and approval, which includes all test results along with the number of defects, defect status, and any new Change Requests necessary for data migration or conversion to the UAT region.
- 1.1.2.7. Contractor shall describe the services to perform testing that complies with security standards and incorporates industry best practices in order to provide effective testing, test success tracking, and defect reporting.
- 1.1.2.8. Contractor shall describe the services to incorporate ownership of UAT responsibilities for system verification and production readiness.
- 1.1.2.9. Contractor shall provide a Department-approved deliverable tracking method to confirm all project-related deliverables have been accounted for, scheduled, and coordinated with the Department's EPMD. All deliverables shall be approved by the Department.

- 1.1.2.10. Contractor shall document the approach to testing for each CMES module in accordance with the UAT and End-to-End (E2E) Test Plans.
- 1.1.2.11. Contractor shall utilize a defect tracking tool for the management and reporting of all defects identified in the UAT region.
- 1.1.2.12. Contractor shall specify the solution functionality that is in and out of scope for testing as part of the UAT and E2E Test Plans in collaboration with and upon approval from the Department.
- 1.1.2.13. Contractor shall define the test strategy as part of the UAT and E2E Test Plans, including objectives and required types of testing for each of the testing activities.
- 1.1.2.14. Contractor shall specify, as part of the UAT and E2E Test Plans, each of the facilities and tools to be used, contractor resources required, and Department resources required, for each testing cycle.
- 1.1.2.15. Contractor shall receive written approval from the Department before making a change to the contractor's test plan or test cases.
- 1.1.2.16. Contractor shall participate in the development and execution of defect resolution testing or Corrective Action Plans (CAP) within Department-defined timeframes.
- 1.1.2.16.1. DELIVERABLE: Corrective Action Plan (CAP)
- 1.1.2.16.2. DUE: Within 60 days of contract execution
- 1.1.2.17. Contractor shall allow the Department staff to access the testing tool used for creating test cases and defects.
- 1.1.2.18. Contractor shall be required to train and educate their staff in support of the Department's CMES solutions. This includes web-based and in-person education in various settings including provider association meetings, on-site, and advanced (scheduled) training sessions as approved by the Department.
- 1.1.2.19. Contractor shall receive written approval from the Department before making a change to the contractor's test plan or test cases.

1.1.3. Defect Management

- 1.1.3.1. Contractor shall create a Defect Management Plan that documents how system defects are identified, tracked, reported on, resolved, and documented.
- 1.1.3.1.1. DELIVERABLE: Defect Management Plan
- 1.1.3.1.2. DUE: Within 105 days of contract execution
- 1.1.3.2. Contractor shall implement and maintain a defect management process to monitor system issues, report statistics related to system quality, and track defect resolution.
- 1.1.3.3. Contractor shall propose solutions for all issues, problems, and defects identified.
- 1.1.3.4. Contractor shall document all risks, issues, and defects identified.
- 1.1.3.5. Contractor shall track and report weekly on the defects identified and the progress made toward resolution of defects, including metrics on number of tests completed, number deferred or canceled, results of the tests executed, defects identified by severity, and corrections undertaken. This report should display a reconciliation of all open and closed defects.

- 1.1.3.5.1. DELIVERABLE: Weekly Defects Report
- 1.1.3.5.2. DUE: Within 120 days of contract execution, weekly once defects are trackable
- 1.1.3.6. Contractor shall perform end-to-end testing and provide testing results.
- 1.1.3.7. Contractor shall submit the number of defects identified and corrected along with their severity ranking after each test cycle and upon request by the Department.
- 1.1.3.8. Contractor shall provide a monthly status report which summarizes system changes, including enhancements and defect resolutions.
- 1.1.3.8.1. DELIVERABLE: Monthly Status Report
- 1.1.3.8.2. DUE: Within 30 days of contract execution, monthly following
- 1.1.3.9. Contractor shall utilize a defect tracking tool for management and reporting of system defects.
- 1.1.3.10. Contractor shall provide authorized users access to the defect tracking tool.
- 1.1.3.11. Contractor shall define the entry and exit criteria (e.g., numbers and types of defects, defect severity/priority), as part of the UAT and E2E Test Plans and explain the process used.
- 1.1.3.12. Contractor shall define the defect resolution process as part of the UAT and E2E Test Plans.
- 1.1.3.13. Contractor shall describe the format and content of test progress and defect reports as part of the UAT and E2E Test Plans.
- 1.1.3.14. Contractor shall describe as part of the UAT and E2E Test Plans, the approach to testing at all levels when defects are resolved.
- 1.1.3.15. Contractor shall perform retesting for all defects identified and provide testing results.
- 1.1.3.16. Contractor shall track all defects in the system UAT environment through tracking tool(s) and documentation until the defect is resolved.
- 1.1.3.17. Contractor shall develop a Testing Evaluation and Management Plan (TEMP) Plan which defines the Contractor's testing vision, including the approach to testing, testing objectives, and the tools/processes and workflows used. Additionally, the UAT Test Plan shall define the test monitoring and controlling activities, defect management, and overall deployment activities.
- 1.1.3.17.1. DELIVERABLE: Testing Evaluation and Management Plan (TEMP)
- 1.1.3.17.2. DUE: 90 days of contract execution
- 1.1.3.18. Contractor shall establish the testing tool environments including the implementation of an automated testing and defect/issue tracking tool.
- 1.1.3.19. Contractor shall warrant that the system is operating as designed and all defects as evidenced during implementation have been addressed and are fully remediated to Department's satisfaction.
- 1.1.3.20. Contractor shall provide and maintain a Defect/Issue Log. Contractor shall deliver a tool that provides, at a minimum:
- 1.1.3.20.1. Online accessibility to track identified defects and issues both local and remote.

- 1.1.3.20.2. The status of each defect/issue regarding findings, percentage of completion, and resolution.
- 1.1.3.20.3. Documented results of the correction efforts and the result.
- 1.1.3.20.4. The prioritized status of defects/issues.
- 1.1.3.20.5. Summary and detailed reporting on all defects/issues in Excel supported format.
- 1.1.3.20.6. Supporting attachment capabilities (e.g., scanned documents, documents, and spreadsheets).
- 1.1.3.20.7. The ability to cross-reference each defect/issue to the Requirements Traceability Matrix (RTM).
- 1.1.3.20.8. Integration with the technical and non-technical artifact management repository.
- 1.1.3.20.9. Integration with the workflow tool to route and alert the necessary staff members.
- 1.1.3.20.10. DELIVERABLE: Defect/Issue Log
- 1.1.3.20.11. DUE: Within 150 days of contract execution

1.1.4. End-to-End Testing

- 1.1.4.1. Contractor shall be responsible for identifying system functionality that requires stress testing (or load testing) and notifying the Department so the need is documented in the CMES Module Vendor's Master Test Plan.
- 1.1.4.2. Contractor shall create an End-to-End Test Plan, including test cases, and test scripts for E2E testing which shall be reviewed and approved by the Department.
 - 1.1.4.2.1. DELIVERABLE: End-to-End Test Plan
 - 1.1.4.2.2. DUE: Within 150 days of contract execution
- 1.1.4.3. The E2E Test Plan shall align with the project policy and implementation timeline for the project.
- 1.1.4.4. The E2E Test Plan shall outline test activities for E2E testing across all integrated modules.
- 1.1.4.5. The E2E Test Plan shall comply with Department test standards and regulations, and shall align with the implementation of module projects across the CMES.
- 1.1.4.6. Contractor shall provide identification of test data in support of E2E testing.
- 1.1.4.7. Contractor shall perform End-to-End functional testing to validate business rules and system functions and configuration utilizing real interfaces to confirm the interfaces work as designed.
- 1.1.4.8. Contractor shall submit a final E2E report to the Department that shall be approved by the Department.
- 1.1.4.9. Contractor shall prepare and submit an E2E Test Plan to the Department to be organized in a format such that all information can be completely reviewed without requesting additional information from the Contractor. This plan shall be complete, accurate, and of sufficient depth and breadth for the condition(s) being tested.
- 1.1.4.10. Contractor shall ensure that documentation is readily available for any modification made during the operations phase of the contract.

- 1.1.4.11. Contractor shall manage and maintain a Requirements Traceability Matrix (RTM) which maps all vendor module requirements to test cases.
- 1.1.4.12. Contractor shall develop the Requirements Management and Traceability methodology used to manage the RTM and which incorporates aggressive monitoring of requirements throughout the Software Development Lifecycle (SDLC), including the status of requirement's documentation, the test scripts associated with a requirement, and the results of the testing of the requirement in UAT.
- 1.1.4.13. Contractor shall describe in detail the documentation deliverables resulting from the requirements analysis providing examples in the contractor's proposal appendices.
- 1.1.4.14. Contractor shall describe how the documentation from the working sessions (e.g., Department decisions, approved notes, and updated requirements) will be collected and stored in an online repository. This description shall include the process for collecting the data that will update the Requirements Traceability Matrix.
- 1.1.4.15. Contractor shall archive, maintain, and store documentation in accordance with State and Federal retention requirements.
- 1.1.4.16. Contractor shall submit for Department review and approval, a Communication Plan that outlines the communication channels, frequency, and stakeholders involved throughout the testing phase.
- 1.1.4.17. Contractor shall submit a Communication Plan that includes a clear escalation process for addressing critical issues or encounters during testing, ensuring prompt resolution and minimizing delays.
- 1.1.4.17.1. DELIVERABLE: Communication Plan
- 1.1.4.17.2. DUE: Within 45 days of contract execution
- 1.1.4.18. Contractor shall provide a mechanism for documenting and tracking all communication activities related to testing services including meeting minutes, progress reports and issue logs.
- 1.1.4.19. Contractor shall outline a strategy for managing and disseminating project-related documentation such as test plans, test scripts, and test reports.
- 1.1.4.20. Contractor shall outline the process for test documentation including the creation and maintenance of test plans, test scripts, test reports, and any other necessary documentation to ensure traceability and transparency.
- 1.1.4.21. Contractor shall provide a detailed proposed work plan and schedule broken down by tasks and subtasks and a schedule for the performance of each task included in each phase of the contract.
- 1.1.4.21.1. DELIVERABLE: Work Plan and Schedule
- 1.1.4.21.2. DUE: Within 30 days of contract execution
- 1.1.4.22. Contractor shall identify the testing tools used for the CMES project and standard communication applications such as: Microsoft Word, Excel, etc.
- 1.1.4.23. Contractor's testing tool shall be able to generate a Requirement Traceability matrix (RTM).

- 1.1.4.24. Contractor tool shall be able to map requirements to defects and defects to requirements as well as tracking to final successful resolution.
- 1.1.4.25. Contractor shall identify the automated test case generating application to be used for test case and regression testing.
- 1.1.4.26. Contractor shall utilize a testing and tracking application that reports metrics and statistics for the Department, and which the Department has access to.
- 1.1.4.27. Contractor shall provide and utilize a tool for tracking UAT related system defects. These defects shall be identified, detailed, monitored, and reported on until resolved.
- 1.1.4.28. Contractor shall provide access for all tools to the Department, as well as Independent Verification and Validation (IV&V), Enterprise Project Management Office (EPMO), and Module Vendors.

1.1.5. Interfaces

- 1.1.5.1. Contractor shall test all interfaces and coordinate interface testing with the Enterprise Solutions Integration team as a function of UAT testing.
- 1.1.5.2. Contractor shall document and provide a list of system interfaces, their description, and testing methodologies as directed and in coordination with the Enterprise Solutions Integration team as a function of UAT test planning.
- 1.1.5.3. Contractor shall develop test scenarios, test cases, test scripts and identify interfaces using criteria described in the Interface Test Plan which resides in the Master Test Plan (MTP).
- 1.1.5.4. Contractor shall define a process for documenting and reporting interface errors and defects as part of the UAT test results document.

1.1.6. Regression Testing

- 1.1.6.1. Contractor shall identify test scripts for the Module Vendor to execute regression testing based on impact analysis.
- 1.1.6.2. Contractor shall identify test plans, test cases, and test scripts for regression testing.

1.1.7. Release Management

- 1.1.7.1. Contractor shall perform the release management activities and advise the Department on Module Vendor's release management tools, practices, and schedules.
- 1.1.7.2. Contractor shall ensure enterprise-level alignment and integration by managing dependencies and promoting consistent release readiness across all Module Vendors.
- 1.1.7.3. Contractor shall track and document all changes impacting CMES modules, consisting of the following:
 - 1.1.7.3.1. Formal Software releases
 - 1.1.7.3.2. Approved change requests
 - 1.1.7.3.3. Other relevant updates as mutually agreed upon by the Contractor and the Department
- 1.1.7.4. Contractor shall establish and maintain visibility into CMES vendor's release activities to support transparency and coordination across all systems and stakeholders.

- 1.1.7.5. Contractor shall monitor and document cross-vendor release dependencies and provide the Department with regular reports that identify potential conflicts, misalignments, or integrations risks.
- 1.1.7.6. Contractor shall verify all Module Vendors adhere to a coordinated release timeline and that enterprise-level readiness criteria are met prior to production deployment.
- 1.1.7.7. Contractor shall integrate into the Module Vendor's release management practices to:
 - 1.1.7.7.1. Identify interdependencies among module changes
 - 1.1.7.7.2. Determine which updates are correlated and must be released together
 - 1.1.7.7.3. Flag and report on which updates can be released independently or are standalone
- 1.1.7.8. Contractor shall coordinate all changes across the full SDLC including:
 - 1.1.7.8.1. Planning
 - 1.1.7.8.2. Development
 - 1.1.7.8.3. Integration and system testing
 - 1.1.7.8.4. User Acceptance Testing
 - 1.1.7.8.5. Deployment
 - 1.1.7.8.6. Post-release validation
- 1.1.8. System Security Testing**
 - 1.1.8.1. Contractor shall test application security, such as system configuration, application change management, user ID, and passwords.
 - 1.1.8.2. Contractor shall confirm that system security and performance criteria have been defined and verified.
 - 1.1.8.3. Contractor will follow the System Security Plan (SSP) to document the test plans and security test cases.
 - 1.1.8.4. Contractor shall work with the system Vendor to create user test cases for system security.
 - 1.1.8.5. Contractor shall verify the business application's security settings according to state guidelines.
 - 1.1.8.6. Contractor shall test the following privacy, user access and authentication, user permissions, etc., according to the SSP.
- 1.1.9. User Acceptance Testing (UAT)**
 - 1.1.9.1. Contractor shall create an Initial UAT Test Plan, including a detailed framework of the expected processes, structure, and approach of UAT, which will be reviewed and approved by the Department. The Initial UAT Test Plan shall outline key elements such as test objectives, testing scope, test scenarios, roles and responsibilities, test environment requirements, and acceptance criteria.
 - 1.1.9.1.1. DELIVERABLE: Initial UAT Test Plan
 - 1.1.9.1.2. DUE: Within 30 days of contract execution
 - 1.1.9.2. Contractor shall create a Master UAT Test Plan, including test cases and test scripts for UAT testing, which will be reviewed and approved by the Department. The Master UAT

Test Plan shall include the overall strategy, objectives, scope, schedule, resources, test environments, test data requirements, entry and exit criteria, risk assessment, and reporting procedures for conducting UAT across multiple modules or projects.

- 1.1.9.2.1. DELIVERABLE: Master UAT Test Plan
- 1.1.9.2.2. DUE: Within 150 days of contract execution
- 1.1.9.3. The Master UAT Test Plan shall align with the project policy and implementation timeline for the project.
- 1.1.9.4. The Master UAT Test Plan shall outline test activities for UAT across all integrated modules.
- 1.1.9.5. Contractor and the Department will review and approve all testing documentation for UAT.
- 1.1.9.6. Contractor shall assist with creation of any test data required by Medicaid Enterprise Systems (CMES) modules to perform UAT with assistance from the system vendor.
- 1.1.9.7. Contractor shall create test cases for each business requirement and track each test case through a Requirements Traceability Matrix (RTM). Contractor shall update the RTM to validate that the test cases in development cover all the requirements in scope for UAT.
- 1.1.9.8. Contractor shall support the Business Users while they are performing UAT.
- 1.1.9.9. Contractor shall track defects found during UAT and report issues found during testing.
- 1.1.9.10. Contractor shall analyze UAT issues and resolve the issues, when possible, within the timeframe outlined in the Defect Management Plan.
- 1.1.9.11. Contractor shall oversee and provide input with the Modular vendors regression testing activities to ensure unrelated functionality has not been impacted within the change request.
- 1.1.9.12. Contractor shall document all test results, including any deviations that have been discovered in UAT.
- 1.1.9.13. Contractor shall submit a final UAT Test Results Report to be approved by the Department.
- 1.1.9.13.1. DELIVERABLE: UAT Test Results Report
- 1.1.9.13.2. DUE: Within 150 days of contract execution, then five Business days after the completion of each UAT cycle
- 1.1.9.14. Contractor shall ensure that all data in the UAT environment has been de-identified prior to conducting any testing.
- 1.1.9.15. Contractor shall be responsible for identifying system functionality that requires stress testing (or load testing) and notify the Department of the need and document the need in the Module Vendor's Master UAT Test Plan.

1.1.10. Centers for Medicaid and Medicare Services (CMS) Guidelines

- 1.1.10.1. Contractor shall be competent and experienced with CMS Streamlined Modular Certification guidance and requirements as well as all Federal Regulations referenced in the guidance.

- 1.1.10.2. Contractor shall assist the Department as requested to review and provide recommendations related to CMES vendor procurements related to testing requirements. Contractor shall assess procurement language as it relates to the CMS MES Testing Guidance Framework, aligning requirements to the Guidance.
- 1.1.10.3. Contractor shall adhere to and comply with all Expectations documented in CMS's MES Testing Guidance Framework, which supports Streamlined Modular Certification of CMES modules, consisting of the following:
 - 1.1.10.3.1. Review and provide feedback related to State procurements and solicitations for CMES modules include compliant testing related requirements.
 - 1.1.10.3.2. Development of the CMES module Master Test Plan.
 - 1.1.10.3.3. Development of an incident response handling plan and contingency plan during system development.
 - 1.1.10.3.4. Development of the test execution responsibility document that clearly delineates vendor and state responsibilities regarding testing and quality.
 - 1.1.10.3.5. Provide experienced quality assurance team members.
 - 1.1.10.3.6. Provide evidence and test results for submission to CMS.
 - 1.1.10.3.7. Create testing quality metrics to show testing progress, defect tracking, and testing statistics.
 - 1.1.10.3.8. Development of a system deployment plan.
 - 1.1.10.3.9. Share collected data related to system readiness.
 - 1.1.10.3.10. Support ongoing testing after a system goes into production to track the operational health of the system.
 - 1.1.10.3.11. Develop and share metrics to monitor the health of the system during the production operations phase.
 - 1.1.10.3.12. Support the Department in collecting and reporting actionable operations test metrics.
- 1.1.10.4. Contractor shall support the Department by providing all outcomes, test results, and metrics necessary for CMES module system certification in accordance with CMS's Streamlined Modular Certification (SMC) guidance, consisting of providing test results, metrics, and information in support of Operational Readiness Reviews and Certification Reviews and other tasks mutually agreed upon between the Department and Contractor or required by CMS.

1.1.11. Documentation and Tools

- 1.1.11.1. Contractor shall review and collaborate with Module Vendors on the Module Vendor's Master Test Plan and all Module Vendor's testing, tracking (e.g., RTM), reporting, release entry/exit criteria, and system certification activities.
- 1.1.11.2. Contractor shall include the following components in User Documentation:
 - 1.1.11.2.1. Operations and reference manuals.
 - 1.1.11.2.2. Training materials.
 - 1.1.11.2.3. Desk-level procedures.

- 1.1.11.2.4. User guides stating how the vendor will receive and answer questions from users and members once the solution is operational.
- 1.1.11.2.5. List of all error codes and explanations by component.
- 1.1.11.2.6. Job aids related to the project.
- 1.1.11.2.7. Defect report.
- 1.1.11.2.7.1. DELIVERABLE: User Documentation
- 1.1.11.2.7.2. DUE: Within 180 days of contract execution
- 1.1.11.3. Contractor shall submit the Document Management Plan as part of the Project Management Plan. The Documentation Management Plan describes how project documentation will be managed and should include, but not be limited to:
 - 1.1.11.3.1. Project types, consisting of deliverables, acceptance criteria, meeting materials, artifacts, operations manuals, training materials, and user guides and other tasks mutually agreed upon between the Contractor and Department.
 - 1.1.11.3.2. Use, access, and management of document repositories.
 - 1.1.11.3.3. Approach to document management and version control of all project and operational documentation.
 - 1.1.11.3.4. Contractor shall develop and deliver to the Department design documentation for resolution of issues. The design documentation shall include testing inputs, outputs, flow charts, file/database changes, program narrative and logic, test plan, tools to be used, and user documentation.
 - 1.1.11.3.5. Contractor shall submit updates to ETV systems documentation and all other necessary documentation for Department's approval and verify that changes to system components of documentation are a true, complete, and accurate reflection of the system.
 - 1.1.11.3.6. Contractor shall provide monthly reports on the status of testing activities and a summary of related updates to system documentation.
 - 1.1.11.3.7. Contractor shall store documentation in an electronic format in the Department's approved documentation storage solution.
 - 1.1.11.3.8. Contractor shall utilize system documentation and desk manuals to assist with UAT activities and make recommendations for updates as warranted from discoveries made during UAT.
 - 1.1.11.3.9. Contractor shall use the Department's document storage solutions for electronic submissions or sharing of documentation.
 - 1.1.11.3.10. Contractor shall update procedural documentation with each enhancement or change to the system and is verified during the testing phase for accuracy.
 - 1.1.11.3.11. Contractor shall develop detailed test plan documentation, including inputs, outputs, flow charts, file/database changes, program narrative and logic, test plan, new software tools to be used, and user documentation.
 - 1.1.11.3.12. DELIVERABLE: Document Management Plan
 - 1.1.11.3.13. DUE: Within 45 days of contract execution

- 1.1.11.4. Contractor shall prepare and submit a UAT Test Plan to the Department to be organized in a format such that all information can be completely reviewed without requesting additional information from the Contractor. This plan shall be complete, accurate, and of sufficient depth and breadth for the condition(s) being tested. In addition, the acceptance test package shall include:
 - 1.1.11.4.1. The test plan.
 - 1.1.11.4.2. A matrix summarizing the test plan and outcomes.
 - 1.1.11.4.3. DELIVERABLE: UAT Test Plan
 - 1.1.11.4.4. DUE: Within five to 10 Business Days based on the number of modules being tested

1.2. Start-Up Activities

- 1.2.1. Contractor shall perform Start-Up activities necessary to establish a fully operational enterprise testing function. These activities shall included the following:
 - 1.2.1.1. Participate in project initiation activities, including Department-led kickoff meetings and planning sessions with system integrators, Module Vendors, and other stakeholders.
 - 1.2.1.2. Develop and submit to the Department for approval the plans listed in Exhibit B, Section 1.3.
 - 1.2.1.3. Coordinate with the Department and CMES Module Vendors to establish access to required testing environments (e.g., SIT, UAT, Pre-Prod), including completing any required network configuration, VPN access, and user credentials.
 - 1.2.1.4. Install, configure, and validate required testing tools, including but not limited to test management, automation, and defect tracking systems. Integrate tools with existing Department platforms, as needed.
 - 1.2.1.5. Establish a centralized test repository that includes baseline test cases, reusable test components, and alignment to module-specific business processes.
 - 1.2.1.6. Define test data requirements and procedures for test data creation, masking, refresh, and maintenance, including coordination with the Department for access to data sources.
 - 1.2.1.7. Develop and document governance processes for test execution, defect reporting, test metrics, and performance reporting. Provide regular status updates to the Department during stand-up.
 - 1.2.1.8. Conduct knowledge transfer sessions with Module Vendors and Department staff to gain familiarity with system functionality, workflows, and existing test assets.
 - 1.2.1.9. Complete a readiness review with the Department to validate that all people, processes, and technology components are in place and functioning prior to initiating formal test execution.
 - 1.2.1.10. Contractor shall work with the Office of Information Technology (OIT), in coordination with the Department, on System Security Plan (SSP) and obtain approval on the system security architecture.
 - 1.2.1.11. Other tasks not listed above but mutually agreed upon by the Contractor and the Department.
 - 1.2.1.11.1. DELIVERABLE: Start-Up Activities Completion Report

1.2.1.11.2. DUE: Within 180 days of contract execution

1.3. REPORTING AND DELIVERABLE REQUIREMENTS

1.3.1. Contractor shall provide all reports and deliverables listed in this section in the format directed by the Department and containing the information requested by the Department. Contractor shall provide more specific target dates determined as part of Contractor's work plan and project schedule, and will stagger any deliverable reviews to be considerate of Department reviewer capacity.

ETV Contractor Reports and Deliverables			
Deliverable Name	Deliverable Description	Contract Reference	Deliverable Due Date
Communication Plan	A plan that includes a clear escalation process for addressing critical issues or encounters during testing, ensuring prompt resolution and minimizing delays. Also a plan that outlines the communication channels, frequency, and stakeholders involved throughout the testing phase.	Exhibit B, Section 1.1.4.17 Exhibit E, Section 1.10.6.1	Within 45 days of contract execution
Corrective Action Plan (CAP)	A plan that outlines the steps and measures to be taken to address and remedy identified issues, problems, and non-compliance requirements.	Exhibit B, Section 1.1.2.16	Within 60 days of contract execution
Data Conversion Test Results Report	A report that includes, the following: 1. Description of test scenarios and test cases executed. 2. Documentation of test results, including screenshots and other supporting evidence. 3. List of issues and defects identified during testing. 4. List of defect resolutions and other processes used to help ensure successful completion of testing. 5. Other relevant information not listed above but mutually agreed	Exhibit B, Section 1.1.2.2 1.1.2.3	Within 150 days of contract execution

ETV Contractor Reports and Deliverables			
Deliverable Name	Deliverable Description	Contract Reference	Deliverable Due Date
	upon by the Contractor and the Department.		
Defect Management Plan	A plan that documents how system defects are identified, tracked, reported on, resolved, and documented.	Exhibit B, Section 1.1.3.1	Within 105 days of contract execution

ETV Contractor Reports and Deliverables			
Deliverable Name	Deliverable Description	Contract Reference	Deliverable Due Date
Defect/Issue Log	<p>A tool that provides, at a minimum:</p> <ol style="list-style-type: none"> 1. Online accessibility to track identified defects and issues both local and remote. 2. The status of each defect/issue regarding findings, percentage of completion, and resolution. 3. Documented results of the correction efforts and the result. 4. The prioritized status of defects/issues. 5. Summary and detailed reporting on all defects/issues in Excel formats. 6. Supporting attachment capabilities (e.g., scanned documents, documents, and spreadsheets). 7. The ability to cross-reference each defect/issue to the RFP requirements or the RTM. 8. Integration with the technical and non-technical artifact management repository. 9. Integration with the workflow tool to route and alert the necessary staff members. 	Exhibit B, Section 1.1.3.20 – 1.1.3.20.9	Within 150 days of contract execution
Document Management Plan	A plan describes how project documentation will be managed. Contractor shall submit the Document Management Plan as part of the Project Management Plan.	Exhibit B, Section 1.1.11.3. – 1.1.11.3.11	Within 45 days of contract execution

ETV Contractor Reports and Deliverables			
Deliverable Name	Deliverable Description	Contract Reference	Deliverable Due Date
End-to-End Test Plan	A plan that aligns with the various implementation timelines. The test plan shall outline test activities for UAT testing across all integrated modules. The test plan shall comply with Department test standards, regulations, and good practices and shall align with the implementation of module projects across the CMES.	Exhibit B, Section 1.1.4.2	Within 150 days of contract execution
Monthly Status Report	A monthly report which summarizes system changes, including enhancements and defect resolutions.	Exhibit B, Section 1.1.3.8	Within 30 days of contract execution, monthly following
Project Management Plan	A plan that is based upon its proposed project management methodology and describes its overall plan and activities required to successfully complete this project within budget and on schedule.	Exhibit B, Section 1.1.1.8.7.1	Within 30 days of contract execution
Staffing Plan	A plan that meets all the requirements for staffing.	Exhibit E, Section 2.1.1.1	Within 45 days of contract execution
Start-Up Activities Completion Report	A report that demonstrates that all foundational activities required to initiate enterprise-level testing services have been completed, including environment setup, tool configuration, planning access, and governance alignment.	Exhibit B, Section 1.2.1	Within 180 days of contract execution

ETV Contractor Reports and Deliverables			
Deliverable Name	Deliverable Description	Contract Reference	Deliverable Due Date
Testing Evaluation and Management Plan (TEMP)	A plan that defines the Contractor's testing vision, including the approach to testing, testing objectives, and the tools/processes and workflows used. Additionally, the TEMP shall define the test monitoring and controlling activities, defect management, and overall deployment activities.	Exhibit B, Section 1.1.3.17	Within 90 days of contract execution
Initial UAT Test Plan	A plan that provides a detailed framework of the expected processes, structure, and approach of UAT.	Exhibit B, Section 1.1.9.1	Within 30 days of contract execution
Master UAT Test Plan	A plan that aligns with the various implementation timelines. The test plan shall outline test activities for UAT testing across all integrated modules. The test plan shall comply with Department test standards, regulations, and good practices and shall align with the implementation of module projects across the CMES.	Exhibit B, Section 1.1.9.2	Within 150 days of contract execution
UAT Test Results Report	A detailed report listing test cases, test case pass and fail, defects, and change requests.	Exhibit B, Section 1.1.9.12	Within 150 days of contract execution, then at completion of each UAT cycle

ETV Contractor Reports and Deliverables			
Deliverable Name	Deliverable Description	Contract Reference	Deliverable Due Date
User Documentation	<p>Contractor shall include the following components in User Documentation:</p> <ol style="list-style-type: none"> 1. Operations and reference manuals. 2. Training materials. 3. Desk-level procedures. 4. User guides stating how the vendor will receive and answer questions from users and members once the solution is operational. 5. List of all error codes and explanations by component. 6. Job aids related to the project. 7. Defect report. 	Exhibit B, Section 1.1.11.2	Within 180 days of contract execution
Weekly Defects Report	A weekly report that tracks the defects identified and the progress made toward resolution of defects, including metrics on number of tests completed, number deferred or canceled, results of the tests executed, defects identified by severity, and corrections undertaken. This report should display a reconciliation of all open and closed defects.	Exhibit B, Section 1.1.3.5	Within 120 days of contract execution, weekly once defects are trackable
Work Plan and Schedule	A detailed proposed Work Plan and Schedule broken down by tasks and subtasks and a schedule for the performance of each task included in each phase of the contract.	Exhibit B, Section 1.1.4.21	Within 30 days of contract execution

1.4. SERVICE LEVEL AGREEMENTS AND QUALITY MAINTENANCE PAYMENTS

- 1.4.1. The SLAs related to this Contract are listed in Exhibit I. Some of the SLAs have a Quality Maintenance Payment (QMP) attached to the SLA. The QMP dollar amount by SLA is listed in Exhibit C.
- 1.4.2. If the Contractor encounters an incident pertaining to an SLA/QMP metric that caused them to not meet the SLA due to circumstances they believe was beyond their control, they may submit a waiver to the Department within three Business Days after the month's end. The Department will evaluate the waiver and deliver a decision within ten Business Days after receipt of the waiver.
- 1.4.3. The Contractor shall report on SLA/QMP progress monthly as part of the Monthly Status Report. Once per month, Contractor shall consolidate into a single report the performance for each QMP that may be earned for that month with the understanding that all SLAs subject to a QMP are measured, calculated and paid monthly.
- 1.4.4. The following four results categories that will be used in the Monthly Status Report are:
 - 1.4.4.1. Met – The criteria for this standard or component were met for the reporting period and deemed Billable/Pass or this standard or component was not relevant for the reporting period.
 - 1.4.4.2. Not Met – The criteria for this standard or component were not met for the reporting period and deemed Not Billable/Fail.
 - 1.4.4.3. Waiver Requested – The Department has been asked to waive the application for this standard or component during the reporting period because of extenuating circumstances and is requested to be deemed Billable.
 - 1.4.4.4. The SLA results for the total monthly measurement period shall be used to judge the Met or Not Met category for the QMP calculations.
- 1.4.5. In addition to the findings for QMP-related performance standards, Contractor shall provide necessary data, information, or access for the Department to verify the information provided in the Monthly Status Report is accurate.
- 1.4.6. If Contractor and Department disagree over whether Contractor's performance met the required SLA, whether associated QMP is required to be paid, or any other disagreements related to this section, it can be considered a dispute under this Contract. The Parties shall utilize the dispute resolution process outlined in §14, Dispute Resolution of the Contract.

1.5. ACCESSIBILITY REQUIREMENTS

- 1.5.1. All work performed as a result of this solicitation must comply with all applicable provisions of §§24-85-101, et seq., C.R.S., and the Accessibility Standards for Individuals with a Disability, as established by the Office Of Information Technology pursuant to Section §24-85-103 (2.5), C.R.S. and 3) all State of Colorado technology standards related to technology accessibility and with Level AA of the most current version of the Web Content Accessibility Guidelines (WCAG), incorporated in the State of Colorado technology standards.

2. COMPENSATION AND INVOICING

2.1. COMPENSATION

- 2.1.1. Contractor will receive payment as specified in Exhibit C, Rates.

2.2. Detailed Invoicing and Payment Procedures

- 2.2.1. Contractor shall invoice the Department on a monthly basis, by the 15th Business Day of the month following the month for which the invoice covers, except for the end of any applicable SFY, in which the Department may request an invoice to be submitted by a different date. Contractor shall not invoice the Department for a month prior to the last day of that month.
- 2.2.2. Milestone-based invoices may be invoiced to the Department as soon as milestone deliverables are approved by the Department.
- 2.2.3. The invoice shall contain all necessary information for the Department to determine the accuracy of the invoice and properly pay the invoice to Contractor.
- 2.2.4. Contractor shall breakout the invoice as directed by the Department to facilitate proper payment of the invoice and the Department's receipt of proper Federal Financial Participation for any component of the payment. The breakout of invoices shall include, but not be limited to the following:
 - 2.2.4.1. The Contract Number shown on the Cover Page for this Contract.
 - 2.2.4.2. A clear description of the time period the invoice covers.
 - 2.2.4.3. The Fixed Monthly O&M fee as shown in Exhibit C, broken out between staffing and licensing cost related to the invoice month.
 - 2.2.4.4. The Monthly QMP Performance Payment Amount, shown in Exhibit C, related to the invoice month, corresponding to those QMPs that Contractor successfully achieved.
 - 2.2.4.5. The total amount due for all achieved SLAs during that month.
 - 2.2.4.6. Each Deliverable, shown in Exhibit C, that was accepted by the Department during that month.
 - 2.2.4.7. The amount due for each Deliverable shown on the invoice.
 - 2.2.4.8. The total amount due for all Deliverables accepted by the Department during that month.
 - 2.2.4.9. The total amount due for the invoiced month.
- 2.2.5. Invoices for work completed the last month of the SFY (June 1st through June 30th) must be submitted within five business days of the following month (July).

2.3. CLOSEOUT PAYMENTS

- 2.3.1. Notwithstanding anything to the contrary in this Contract, all payments for the final month of this Contract shall be paid to Contractor no sooner than 10 days after the Department has determined that Contractor has completed all of the requirements of the Closeout Period.

EXHIBIT C, RATES

1. ENTERPRISE TESTING VENDOR

- 1.1. The table below describes the fixed DDI and Start Up Period Activity payments the Department will pay to the Contractor for the Deliverables that are approved and accepted by the Department.

DELIVERABLES	DATE DUE TO THE DEPARTMENT	FIXED PRICE PAID UPON ACCEPTANCE OF DELIVERABLE
SYSTEM START-UP COSTS (Planning)		
Communication Plan	Within 45 days of contract execution	\$90,365.22
Corrective Action Plan	Within 60 days of contract execution	\$95,626.09
Defect Management Plan	Within 105 days of contract execution	\$124,452.17
Document Management Plan	Within 45 days of contract execution	\$131,713.04
End-to-End Test Plan	Within 150 days of contract execution	\$140,234.78
Project Management Plan	Within 30 days of contract execution	\$130,713.04
Staffing Plan	Within 45 days of contract execution	\$106,930.43
Testing Evaluation and Management Plan	Within 90 days of contract execution	\$127,452.17
Master UAT Test Plan	Within 150 days of contract execution	\$158,756.52
Work Plan and Schedule	Within 30 days of contract execution	\$132,713.05
SYSTEM START-UP COSTS – Activities		
Start Up Vendor Activities Cost	Within 180 days of contract execution	\$488,982.62
SYSTEM START-UP COSTS - Reporting		
User Documentation	Within 180 days of contract execution	\$94,956.52

DELIVERABLES	DATE DUE TO THE DEPARTMENT	FIXED PRICE PAID UPON ACCEPTANCE OF DELIVERABLE
Monthly Status Reports	Within 30 days of contract execution	\$77,104.35
TOTAL		\$1,900,000.00

Table 1 – One-Time Payments for DDI and Start Up Period Activity

1.2 The table below describes the fixed Ongoing Operations and Maintenance payments the Department will pay to the Contractor for the work described in Exhibit B.

STATE FISCAL YEAR	No. of Months	O&M Monthly Fixed Cost – Staffing	O&M Monthly Fixed Cost – Licensing	Total O&M Monthly Fixed Cost	TOTAL ANNUAL AMOUNT
SFY26 (6/1/26 – 6/30/26)	1	\$203,293.35	\$6,715.83	\$210,009.18	\$210,009.18
SFY27 (7/1/26 – 6/30/27)	12	\$224,533.02	\$6,715.83	\$231,248.85	\$2,774,986.20
SFY28 (7/1/27 – 6/30/28)	12	\$224,533.02	\$6,715.83	\$231,248.85	\$2,774,986.20
SFY29 (7/1/28 – 6/30/29)	12	\$224,533.02	\$6,715.83	\$231,248.85	\$2,774,986.20
SFY30 (7/1/29 – 6/30/30)	12	\$224,533.02	\$6,715.83	\$231,248.85	\$2,774,986.20
SFY31 (7/1/30 – 11/30/30)	5	\$224,533.02	\$6,715.83	\$231,248.85	\$1,156,244.25
TOTAL	54	\$1,325,958.45	\$40,294.98	\$1,366,253.43	\$12,466,198.23

Table 2 – O&M Payments for ETV Services and Licensing

- 1.2.1 Below are the licenses the Contractor shall provide to perform the services under this contract. The prices listed in the table below are estimates provided based on the test environments utilized on similar projects. The licensing estimates are subject to change, however, any changes to licensing fees will not affect the fixed monthly O&M costs.
- 1.2.2 Additionally, any AI enablement licensing will be a variable cost based on the actuals and the token usage, and is not included in Table 3 below. The Department may opt to utilize the AI licensing or increase or decrease the amount available in this licensing section using an Option Letter like Exhibit F, Sample Option Letter.

License/Tool	Total Price
BrowserStack	\$12,000/annually (\$1,000 monthly)
AWS Hosting	\$10,000/annually (\$833.33 monthly)
SDLC Tool for RTM	\$22,590/annually (\$1,882.50 monthly)
Enterprise Test Management Tool	\$36,000/annually (\$3,000 monthly)

Table 3 – License Table**1.3 Monthly SLA Performance Standard – Quality Maintenance Payments (QMPs)**

1.3.1 The Department will pay Contractor each of the Monthly QMPs identified below based on Contractor's satisfaction of the following SLAs outlined in Exhibit I, which shall include the following:

1.3.1.1 SLA.01

1.3.1.2 SLA.04

1.3.1.3 SLA.08

1.3.1.4 SLA.10

1.3.1.5 SLA.12

1.3.1.6 SLA.15

1.3.1.7 SLA.17

ONGOING Monthly QMP Payments			
YEAR	No. of Months	MONTHLY FIXED COST	TOTAL
SFY26 June 1, 2026 – June 30, 2026	1	\$52,502.30	\$52,502.30
SFY27 July 1, 2026 – June 30, 2027	12	\$57,812.21	\$693,746.52
SFY28 July 1, 2027 – June 30, 2028	12	\$57,812.21	\$693,746.52
SFY29 July 1, 2028 – June 30, 2029	12	\$57,812.21	\$693,746.52
SFY30 July 1, 2029 – June 30, 2030	12	\$57,812.21	\$693,746.52
SFY31 July 1, 2030 – November 30, 2030	5	\$57,812.21	\$289,061.05
TOTAL	54		\$3,116,549.43

Table 4 – Ongoing Monthly QMP Payments

Phase	SLA No.	%	SFY26	SFY27	SFY28	SFY29	SFY30	SFY31
DDI	SLA.01	15%	\$73,347.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O&M	SLA.04	15%	\$7,875.34	\$8,671.83	\$8,671.83	\$8,671.83	\$8,671.83	\$8,671.83
	SLA.08	15%	\$7,875.34	\$8,671.83	\$8,671.83	\$8,671.83	\$8,671.83	\$8,671.83
	SLA.10	30%	\$15,750.69	\$17,343.66	\$17,343.66	\$17,343.66	\$17,343.66	\$17,343.66
	SLA.12	20%	\$10,500.46	\$11,562.44	\$11,562.44	\$11,562.44	\$11,562.44	\$11,562.44
	SLA.15	10%	\$5,250.23	\$5,781.22	\$5,781.22	\$5,781.22	\$5,781.22	\$5,781.22
	SLA.17	10%	\$5,250.23	\$5,781.22	\$5,781.22	\$5,781.22	\$5,781.22	\$5,781.22

Table 5 – Ongoing Monthly QMP Amounts based on SLA

EXHIBIT D, TERMINOLOGY

1. TERMINOLOGY

- 1.1. In addition to the terms defined in §3 of this Contract, the following list of terms shall be construed and interpreted as follows:
 - 1.1.1. Business Hours – The hours of the day during which business is transacted. The open and close schedule that a business determines for its operations. Office working hours are weekdays from 8:00 a.m. to 5:00 p.m. Mountain Time.
 - 1.1.2. Business Interruption – Any event that disrupts Contractor’s ability to complete the Work for a period of time, and may include, but is not limited to a Disaster, power outage, strike, loss of necessary personnel or computer virus.
 - 1.1.3. Change Request – A formal proposal to modify a document, Deliverable, or baseline; a formal proposal to make a System change; or a formal proposal to make any other System modification. Child Health Plan Plus (CHP+) – Colorado’s public low-cost health insurance for certain children and pregnant women. It is for people who earn too much to qualify for Health First Colorado (Colorado's Medicaid Program), but not enough to pay for private health insurance.
 - 1.1.4. Closeout Period – The period beginning on the earlier of 90 days prior to the end of the last Extension Term or notice by the Department of its decision to not exercise its option for an Extension Term, and ending on the day that the Department has accepted the final deliverable for the Closeout Period, as determined in the Department-approved and updated Closeout Plan, and has determined that the closeout is complete.
 - 1.1.5. Colorado Medicaid Enterprise Solutions (CMES) Module(s) – All MES components residing within the BIDM, CBMS, MMIS or PBMS systems, or that once resided in the BIDM, CBMS, MMIS or PBMS systems that the Department reconfigures into its own module with the Solutions Integration Platform.
 - 1.1.6. Colorado Medicaid Enterprise Solutions (CMES) Standards - Aligned with CMS MITA conditions and standards, Colorado OIT, and Enterprise Project Management Office (EPMO) standards, tools, templates, and processes, and encompassing the Department’s standards and best practices for CMES data governance, data quality controls, Integration file exchange, data model maintenance, and technical and Consultative Support Services.
 - 1.1.7. Colorado Revised Statutes (C.R.S.) – The legal code of Colorado; the legal codified general and permanent statutes of the Colorado General Assembly.
 - 1.1.8. Consumer Price Index- Urban (CPI-U) – The Consumer Price Index for All Urban Consumers published by the US Department of Labor, Bureau of Labor Statistics.
 - 1.1.9. Contract Year – Each period of 12 consecutive months during the Initial Term of this Agreement, with the first Contract Year commencing on the Effective Date, and with each subsequent Contract Year commencing on the anniversary of the Effective Date.
 - 1.1.10. Contractor – A party that undertakes a contract to provide materials and/or labor to perform a service or do a job.
 - 1.1.11. Data – State Confidential Information and other State information resources transferred to Contractor for the purpose of completing a task or project assigned in the Statement of Work.

- 1.1.12. Data Integration – The process of combining data from different sources into a single, unified view. It involves discovering, moving, and transforming data from multiple source systems.
- 1.1.13. Data Integration Testing – The process of verifying that the data from various sources is integrated and transformed according to the business rules and requirements. Data integration testing can be done at different levels, such as unit testing, system testing, and end-to-end testing.
- 1.1.14. Defect – A genuine error, malfunction, fault, or failure which prevents the System from operating as intended.
- 1.1.15. Deliverable – Any tangible or intangible object produced by Contractor as a result of the work that is intended to be delivered to the Department, regardless of whether the object is specifically described or called out as a “Deliverable” or not.
- 1.1.16. Department – Colorado Department of Health Care Policy & Financing (HCPF)
- 1.1.17. Design, Develop and Implementation (DDI) Phase – Component of the contract that describes the design, development, and implementation of a technology solution.
- 1.1.18. Development Environment – An environment used for developing, testing, and debugging an application or program.
- 1.1.19. Disaster – An event that makes it impossible for Contractor to perform the Work out of its regular facility or facilities, and may include, but is not limited to, natural disasters, fire or terrorist attacks.
- 1.1.20. End-to-End – The process of validating that an entire system works as expected from the start of a user or business process all the way through to its completion.
- 1.1.21. Enhancement – Incremental improvements to existing processes and/or system components that are completed as part of the Operations and Enhancement (O&M) phase of the contract.
- 1.1.22. Enterprise – The Department’s MES business, technical, and Information Architectures. HealthCare Enterprise architecture views people, process, and technologies as a “system of systems.”
- 1.1.23. Fraud – An intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to that person or some other person and includes any act that constitutes fraud under any federal or state law.
- 1.1.24. Health First Colorado – Colorado’s Medicaid Program.
- 1.1.25. Health Insurance Portability and Accountability Act (HIPAA) – The Health Insurance Portability and Accountability Act of 1996, as amended.
- 1.1.26. Integration Testing – A phase in software testing in which individual software modules are combined and tested as a group. Integration testing is conducted to evaluate the compliance of system or component with specified functional requirements and follows unit and system testing in the testing lifecycle.
- 1.1.27. Issues – A negative result, outcome, or action that has already occurred.
- 1.1.28. Key Personnel – The position or positions that are specifically designated as such in this Contract.
- 1.1.29. Member – Any individual enrolled in the Colorado Medicaid program, Colorado’s CHP+ program or the Colorado Indigent Care Program, as determined by the Department.

– A distinct health information solution (individual system) in the CMES. Each CMES module is a self-contained business process, or group of processes, implemented through software, data, and connections to other modules to enable more scalable, reusable solutions.

- 1.1.30. Module Vendor – a company that develops and provides a module for the Colorado Medicaid Enterprise Solution.
- 1.1.31. Operational Start Date – When the Department authorizes Contractor to begin fulfilling its obligations under the Contract.
- 1.1.32. Operations and Maintenance – The period of time after which a Project has moved from DDI and into production.
- 1.1.33. Other Personnel – Individuals and Subcontractors, in addition to Key Personnel, assigned to positions to complete tasks associated with the Work.
- 1.1.34. Performance/Stress Testing - Performance testing is a non-functional software testing technique that determines how the stability, speed, scalability, and responsiveness of an application holds up under a given workload. It includes smoke (technical validation), load (target production load) and stress (overloaded volume) testing of the end-to-end system including batch/ETL jobs.
- 1.1.35. Production Ready – After System testing, a System that is free of defects and is ready for Go-Live into the production environment.
- 1.1.36. Project – A Project defines the work to be completed, as identified in Exhibit B.
- 1.1.37. Project Management – The use of specific knowledge, skills, tools, and techniques to deliver something of value to people and the process of leading the work of a team to achieve all Project goals within the given constraints.
- 1.1.38. Project Management Plan – A series of formal documents that define the execution and control states of a project. Provider – Any health care professional or entity that has been accepted as a provider in the Colorado Medicaid program, Colorado’s CHP+ program or the Colorado Indigent Care Program, as determined by the Department.
- 1.1.39. Risk – An uncertain event or condition that, if it occurs, has a positive or negative effect on a Project’s objectives.
- 1.1.40. Scheduled Testing Activities – Testing tasks and testing sub-tasks that are included in the CMES Master Testing Strategy and Management Plan (including Defect Management), including scheduled testing dates and scheduled testing times for each testing task or testing sub-task.
- 1.1.41. Service Level Agreement – A set of standards that codifies performance expectations between the Contractor and the Department.
- 1.1.42. Software Release – A version of software that has undergone a structured and documented process before being made available to end users.
- 1.1.43. Solutions Integration Platform – A platform that will deliver and support the exchange of APIs, data, and interface files across the CMES to provide trusted, accurate data to all integrated systems to operate with maximum efficiency.
- 1.1.44. Start-Up Period – The period starting on the Effective Date and ending on the Operational Start Date.

- 1.1.45. System Testing – Testing technique whose purpose is to confirm that functions within a system are interacting appropriately.
- 1.1.46. Test Case - The actions required to verify a specific requirement or set of requirements in software testing. The test case details the steps, data, prerequisites, and postconditions necessary to verify requirements.
- 1.1.47. Testing Environment - The environment where hardware and software components include configuration settings that are necessary to test and validate the application meets design specifications.
- 1.1.48. Transmittal - An official document from the Department authorizing the Contractor to perform a specific function that is considered within the Contractor’s Scope-of-Work during the Contract, but a Transmittal may not be used for any changes that require an SDLC or follow the Change Management Process.
- 1.1.49. Unit Testing - Testing technique whose purpose is to confirm that a component is validated and functions as expected within the confines of the specification that it was developed.
- 1.1.50. User(s) - A person who utilizes a computer, network service, or other equipment. A User often has a User account and is identified to the system by a username. Also called End User for the Target User (employee or customer).
- 1.1.51. User Acceptance Testing (UAT) - Testing technique whose purpose is for Department staff and other business testers to validate the solution meets pre-established requirements.
- 1.1.52. User Documentation - Explanatory and informational materials concerning the Department’s documentation or Contractor’s products, company products, in printed or electronic format, which the Department or Contractor has released for distribution to End Users which may include manuals, descriptions, User and/or installation instructions, diagrams, printouts, listings, flowcharts, and training materials.
- 1.1.53. User Story – An informal, general explanation of a software feature written from the perspective of the end user.

2. ACRONYMS AND ABBREVIATIONS

- 2.1. The following list is provided to assist the reader in understanding certain acronyms and abbreviations used in this Contract:
 - 2.1.1. CFR – Code of Federal Regulations
 - 2.1.2. CHP+ –Child Health Plan Plus
 - 2.1.3. CMES – Colorado Medicaid Enterprise Solutions
 - 2.1.4. CORA –Colorado Open Records Act, C.R.S. §24–72–200.1, et. seq.
 - 2.1.5. C.R.S. – Colorado Revised Statutes
 - 2.1.6. CPI – Consumer Price Index
 - 2.1.7. CPI-U – CPI for all urban consumers
 - 2.1.8. E2E – End-to-End
 - 2.1.9. EPMO - Department’s Enterprise Project Management Office
 - 2.1.10. HIPAA – Health Insurance Portability and Accountability Act of 1996, as amended.

- 2.1.11. MFCU – the Colorado Medicaid Fraud Control Unit in the Colorado Department of Law
- 2.1.12. PCI – Payment Card Information
- 2.1.13. PHI – Protected Health Information
- 2.1.14. PII – Personally Identifiable Information
- 2.1.15. SFY – State Fiscal Year
- 2.1.16. UAT - User Acceptance Testing
- 2.1.17. U.S.C. – United States Code
- 2.1.18. VARA – Visual Rights Act of 1990

EXHIBIT E, CONTRACTOR'S ADMINISTRATIVE REQUIREMENTS

1. Contractor's General Requirements

- 1.1. The Department will contract with only one organization, Contractor, and will work solely with that organization with respect to all tasks and deliverables to be completed, services to be rendered and performance standards to be met under this Contract.
- 1.2. Contractor may be privy to internal policy discussions, contractual issues, price negotiations, confidential medical information, Department financial information, advance knowledge of legislation and other Confidential Information. In addition to all other confidentiality requirements of the Contract, Contractor shall also consider and treat any such information as Confidential Information and shall only disclose it in accordance with the terms of the Contract.
- 1.3. Contractor shall work cooperatively with Department staff and, if applicable, the staff of other State contractors to ensure the completion of the Work. The Department may, in its sole discretion, use other contractors to perform activities related to the Work that are not contained in the Contract or to perform any of the Department's responsibilities. In the event of a conflict between Contractor and any other State contractor, the State will resolve the conflict and Contractor shall abide by the resolution provided by the State.
- 1.4. Contractor shall inform the Department on current trends and issues in the healthcare marketplace and provide information on new technologies in use that may impact Contractor's responsibilities under this Contract.
- 1.5. Contractor shall maintain complete and detailed records of all meetings, system development life cycle documents, presentations, project artifacts, and any other interactions or Deliverables related to the Work described in the Contract. Contractor shall make such records available to the Department upon request throughout the term of the Contract.
- 1.6. Deliverables
 - 1.6.1. All Deliverables shall meet Department-approved format and content requirements. The Department will specify the number of copies and media for each Deliverable.
 - 1.6.1.1. Contractor shall submit each Deliverable to the Department for review and approval and shall adhere to the following Deliverable process such for any documentation creation, review, and acceptable cycle, Contractor shall:
 - 1.6.1.1.1. Gather and document requirements for the Deliverable.
 - 1.6.1.1.2. Create a draft in the Department-approved format for the individual Deliverable.
 - 1.6.1.1.3. Perform internal quality control review(s) of the Deliverable, including, but not limited to:
 - 1.6.1.1.3.1. Readability.
 - 1.6.1.1.3.2. Spelling.
 - 1.6.1.1.3.3. Grammar.
 - 1.6.1.1.3.4. Completion.
 - 1.6.1.1.4. Adhere to all required templates or development of templates.
 - 1.6.1.1.5. Perform modifications that include version control and tracked changes.
 - 1.6.1.2. The Department will review the Deliverable and may direct the Contractor to make

changes to the Deliverable. Contractor shall make all changes within five Business Days following the Department's direction to make the change unless the Department provides a longer period in writing.

- 1.6.1.2.1. Changes the Department directly include, but are not limited to, modifying portions of the Deliverable, requiring new pages or portions of the Deliverable, requiring resubmission of the Deliverable or requiring inclusion of information or components that were left out of the Deliverable.
- 1.6.1.2.2. The Department may also direct the Contractor to provide clarification or provide a walkthrough of any Deliverable to assist the Department in its review. Contractor shall provide the clarification or walkthrough as directed by the Department.
- 1.6.1.3. Once the Department has received an acceptable version of the Deliverable, including all changes directed by the Department, the Department will notify Contractor of its acceptance of the Deliverable in writing. A Deliverable shall not be deemed accepted prior to the Department's notice to Contractor of its acceptance of that Deliverable.
- 1.6.2. Contractor shall employ an internal quality control process to ensure that all Deliverables are complete, accurate, easy to understand and of high quality, as described herein. Contractor shall provide Deliverables that, at a minimum, are responsive to the specific requirements for that Deliverable, organized into a logical order, contain accurate spelling and grammar, are formatted uniformly, and contain accurate information and correct calculations. Contractor shall retain all draft and marked-up documents and checklists utilized in reviewing Deliverables for reference as directed by the Department.
- 1.6.3. In the event any due date for a Deliverable falls on a day that is not a Business Day, the due date shall be automatically extended to the next Business Day, unless otherwise directed by the Department.
- 1.6.4. All due dates or timelines that reference a period of days, months or quarters shall be measured in calendar days, months and quarters unless specifically stated as being measured in Business Days or otherwise. All times stated in the Contract shall be considered to be in Mountain Time, adjusted for Daylight Saving Time as appropriate, unless specifically stated otherwise.
- 1.6.5. No Deliverable, report, data, procedure or system created by Contractor for the Department that is necessary to fulfilling Contractor's responsibilities under the Contract, as determined by the Department, shall be considered proprietary.
- 1.6.6. If any Deliverable contains ongoing responsibilities or requirements for Contractor, such as Deliverables that are plans, policies or procedures, then Contractor shall comply with all requirements of the most recently approved version of that Deliverable. Contractor shall not implement any version of any such Deliverable prior to receipt of the Department's written approval of that version of that Deliverable. Once a version of any Deliverable described in this subsection is approved by the Department, all requirements, milestones and other Deliverables contained within that Deliverable shall be considered to be requirements, milestones and Deliverables of this Contract.
- 1.6.6.1. Any Deliverable described as an update of another Deliverable shall be considered a version of the original Deliverable for the purposes of this subsection.

1.7. Stated Deliverables and Performance Standards

- 1.7.1. Any section within this Statement of Work headed with or including the term Exhibit E, Contractor's Administrative Requirements

"DELIVERABLE" or "PERFORMANCE STANDARD" is intended to highlight a Deliverable or performance standard contained in this Statement of Work and provide a clear due date for the Deliverables. The sections with these headings are for ease of reference not intended to expand or limit the requirements or responsibilities related to any Deliverable or performance standard, except to provide the due date for the Deliverables.

1.8. Communication with the Department

- 1.8.1. Contractor shall enable all Contractor staff to exchange documents and electronic files with the Department staff in formats compatible with the Department's systems, including Microsoft Office products. Contractor shall communicate with the Department's primary designee, who will be identified to Contractor, to obtain information about the specific Microsoft products currently in use, as may be upgraded from time to time. At a minimum, Contractor shall have the capability to exchange documents and electronic files compatible with Microsoft Office 365, unless the Department's primary designee otherwise specifies. If Contractor uses a compatible program, then Contractor shall ensure that all documents or files delivered to the Department are completely transferrable and reviewable, without error, on the Department's systems.
- 1.8.2. The Department will use a transmittal process to provide Contractor with official direction within the scope of the Contract. Contractor shall comply with all direction contained within a completed transmittal. For a transmittal to be considered complete, it must include, at a minimum, all of the following:
 - 1.8.2.1. The date the transmittal will be effective.
 - 1.8.2.2. Direction to Contractor regarding performance under the Contract.
 - 1.8.2.3. A due date or timeline by which Contractor shall comply with the direction contained in the transmittal.
 - 1.8.2.4. The signature of the Department employee who has been designated to sign transmittals.
 - 1.8.2.4.1. The Department will provide Contractor with the name of the person it has designated to sign transmittals on behalf of the Department, who will be the Department's primary designee. The Department will also provide Contractor with a list of backups who may sign a transmittal on behalf of the Department if the primary designee is unavailable. The Department may change any of its designees from time to time by providing notice to Contractor through a transmittal.
- 1.8.3. The Department may deliver a completed transmittal to Contractor in hard copy, as a scanned attachment to an email or through a dedicated communication system, if such a system is available.
 - 1.8.3.1. If a transmittal is delivered through a dedicated communication system or other electronic system, then the Department may use an electronic signature to sign that transmittal.
- 1.8.4. If Contractor receives conflicting transmittals, Contractor shall contact the Department's primary designee, or backup designees if the primary designee is unavailable, to obtain direction. If the Department does not provide direction otherwise, then the transmittal with the latest effective date shall control.
- 1.8.5. In the event that Contractor receives direction from the Department outside of the transmittal process, it shall contact the Department's primary designee, or backup designees if the primary designee is unavailable, and have the Department confirm that direction through a

transmittal prior to complying with that direction.

1.8.6. Transmittals may not be used in place of an amendment, and may not, under any circumstances, be used to modify the term of the Contract or any compensation under the Contract. Transmittals are not intended to be the sole means of communication between the Department and Contractor, and the Department may provide day-to-day communication to Contractor without using a transmittal.

1.8.7. Contractor shall retain all transmittals for reference and shall provide copies of any received transmittals upon request by the Department.

1.9. Start-Up Period

1.9.1. With input from the Department, Contractor shall complete all of the following during the Start-Up Period:

1.9.1.1. Schedule and facilitate a Kickoff Meeting that includes the following:

1.9.1.1.1. Key Personnel.

1.9.1.1.2. Department Leadership.

1.9.1.1.3. Department Project Team Members.

1.9.1.1.4. Any other relevant and needed persons or organizations.

1.9.1.2. Develop Kickoff Meeting materials and an agenda that contains, at a minimum, the following:

1.9.1.2.1. Initial timelines for starting the Work and creating initial Deliverables.

1.9.1.2.2. Establishment of Communication channels to describe how the Work is to be completed.

1.9.1.2.3. Transmission methods and specific Deliverable templates or requirements.

1.9.1.2.4. Any other item required to initiate and ensure Work is started and completed on time.

1.9.1.3. Prepare Kickoff Meeting Minutes and deliver them to the Department for review and approval.

1.9.1.3.1. DELIVERABLE: Kickoff Meeting Agenda & Materials

1.9.1.3.2. DUE: Within three Business Days after the Kickoff Meeting

1.9.1.4. Create a Policy and Procedures Manual that contains the policies and procedures for all systems and functions necessary for Contractor to complete its obligations under the Contract.

1.9.1.5. Prepare all documents, forms, training materials, and any other documents, information and protocols that require approval by the Department prior to the end of the Start-Up Period and are necessary for Contractor to begin work on the Operational Start Date. Contractor shall deliver all documents, forms, training materials, and any other documents, information and protocols that require approval by the Department to the Department for review and approval in a timely manner that allows the Department to review and approve those documents prior to end of the Start-Up Period.

1.9.1.5.1. DELIVERABLE: Policies & Procedures Manual

1.9.1.5.2. DUE: No later than the Operational Start Date

1.10. Operations Guide

- 1.10.1. Contractor shall not engage in any Work under the Contract, other than the Work described in this Sections 1.9 and 1.10, prior to the Operational Start Date. The Department shall not be liable to Contractor for, and Contractor shall not receive, any payment for any period prior to the Operational Start Date under this Contract.
- 1.10.2. Contractor shall create and implement an Operations Guide. The Operations Guide shall include the creation and management of the following:
 - 1.10.2.1. Communication Plan.
 - 1.10.2.2. Business Continuity Plan.
 - 1.10.2.3. Start-Up Plan.
 - 1.10.2.4. Closeout Plan.
- 1.10.3. Contractor shall submit the Operations Guide to the Department for review and approval.
 - 1.10.3.1. DELIVERABLE: Operations Guide
 - 1.10.3.2. DUE: Within 30 Business Days after the Effective Date
- 1.10.4. Contractor shall review its Operations Guide on annual basis and determine if any modifications are required to account for any changes in the Work, in the Department's processes and procedures or in Contractor's processes and procedures and update the Guide as appropriate to account for any changes. Contractor shall submit an Annual Operations Guide Update that contains all changes from the most recently approved prior Operations Guide or Annual Operations Guide Update or shall note that there were no changes.
 - 1.10.4.1. DELIVERABLE: Annual Operations Guide Update
 - 1.10.4.2. DUE: Annually, by June 30th of each year
- 1.10.5. The Operational Start Date shall not occur until Contractor has completed all requirements of the Operations Guide, unless the Department provides written approval otherwise.
- 1.10.6. Communication with Members, Providers, and Other Entities
 - 1.10.6.1. Contractor shall create a Communication Plan that includes, but is not limited to, all of the following:
 - 1.10.6.1.1. A description of how Contractor will communicate to Members any changes to the services those Members will receive or how those Members will receive the services.
 - 1.10.6.1.2. A description of the communication methods, including things such as email lists, newsletters and other methods, that Contractor will use to communicate with Providers and Subcontractors.
 - 1.10.6.1.3. The specific means of immediate communication with Members and a method for accelerating the internal approval and communication process to address urgent communications or crisis situations.
 - 1.10.6.1.4. A general plan for how Contractor will address communication deficiencies or crisis situations, including how Contractor will increase staff, contact hours or other steps Contractor will take if existing communication methods for Members or Providers are insufficient.
 - 1.10.6.1.5. A listing of the following individuals within Contractor's organization, including cell

phone numbers and email addresses:

- 1.10.6.1.5.1. An individual who is authorized to speak on the record regarding the Work, the Contract or any issues that arise that are related to the Work.
- 1.10.6.1.5.2. An individual who is responsible for any website or marketing related to the Work.
- 1.10.6.1.5.3. Back-up communication staff that can respond in the event that the other individuals listed are unavailable.
- 1.10.6.1.6. DELIVERABLE: Communication Plan
- 1.10.6.1.7. DUE: Within 45 days of contract execution

1.10.7. Business Continuity Plan

- 1.10.7.1. Contractor shall create a Business Continuity Plan that Contractor will follow in order to continue operations after a Disaster or a Business Interruption. The Business Continuity Plan shall include, but is not limited to, all of the following:
 - 1.10.7.1.1. How Contractor will replace staff that are lost or unavailable during or after a Business Interruption so that the Work is performed in accordance with the Contract.
 - 1.10.7.1.2. How Contractor will back-up all information necessary to continue performing the Work, so that no information is lost because of a Business Interruption.
 - 1.10.7.1.2.1. In the event of a Disaster, the plan shall also include how Contractor will make all information available at its back-up facilities.
 - 1.10.7.1.3. How Contractor will maintain complete back-up copies of all data, databases, operating programs, files, systems, and software pertaining to enrollment information at a Department-approved, off-site location.
 - 1.10.7.1.4. How Contractor will minimize the effects on Members of any Business Interruption.
 - 1.10.7.1.5. How Contractor will communicate with the Department during the Business Interruption and points of contact within Contractor's organization the Department can contact in the event of a Business Interruption.
 - 1.10.7.1.6. Planned long-term back-up facilities out of which Contractor can continue operations after a Disaster.
 - 1.10.7.1.7. The time period it will take to transition all activities from Contractor's regular facilities to the back-up facilities after a Disaster.

1.10.8. Start-Up Plan

- 1.10.8.1. Contractor shall create a Start-Up Plan that contains, at a minimum, the following:
 - 1.10.8.1.1. A description of all steps, timelines, and milestones necessary to fully transition the services described in the Contract from a prior contractor to Contractor.
 - 1.10.8.1.2. A description of all steps, timelines, milestones, and Deliverables necessary for Contractor to be fully able to perform all Work by the Operational Start Date.
 - 1.10.8.1.3. A listing of all personnel involved in the start-up and what aspect of the start-up they are responsible for.
 - 1.10.8.1.4. An operational readiness review for the Department to determine if Contractor is

ready to begin performance of all Work.

1.10.8.1.5. The risks associated with the start-up and a plan to mitigate those risks.

1.10.9. Closeout Plan

1.10.9.1. Contractor shall create a Closeout Plan that describes all requirements, steps, timelines, milestones, and Deliverables necessary to fully transition the services described in the Contract from Contractor to the Department or to another contractor selected by the Department to be the contractor after the termination of the Contract.

1.10.9.1.1. The Closeout Plan shall also designate an individual to act as a closeout coordinator who will ensure that all requirements, steps, timelines, milestones, and deliverables contained in the Closeout Plan are completed and work with the Department and any other contractor to minimize the impact of the transition on Members and the Department.

1.10.9.1.2. Contractor shall deliver the Closeout Plan to the Department for review and approval.

1.10.9.2. Contractor shall provide weekly updates to the Department throughout the creation of and the performances within the Operations Guide, that show Contractor's status toward meeting the milestones described herein.

1.10.9.3. Contractor shall be ready to perform all Work by the Operational Start Date.

1.11. Closeout Period

1.11.1. During the Closeout Period, Contractor shall complete all of the following:

1.11.1.1. Implement the most recent Closeout Plan or Closeout Plan Update as approved by the Department in the Operations Guide, as described herein and complete all steps, Deliverables and milestones contained in the most recent Closeout Plan or Closeout Plan Update that has been approved by the Department.

1.11.1.2. Provide to the Department, or any other contractor at the Department's direction, all reports, data, systems, Deliverables and other information reasonably necessary for a transition as determined by the Department or included in the most recent Closeout Plan or Closeout Plan Update that has been approved by the Department.

1.11.1.3. Ensure that all responsibilities under the Contract have been transferred to the Department, or to another contractor at the Department's direction, without significant interruption.

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

1.11.1.5. Notify all CMES Module Vendors that Contractor will no longer be the Enterprise Testing Vendor as directed by the Department. Contractor shall create these notifications and deliver them to the Department for approval. Once the Department has approved the notifications, Contractor shall deliver these notifications to all CMES Module Vendors, but in no event shall Contractor deliver any such notification prior to approval of that notification by the Department.

1.11.1.5.1. **DELIVERABLE:** CMES Module Vendor Notifications

1.11.1.5.2. **DUE:** 30 days prior to termination of the Contract

- 1.11.1.6. Continue meeting each requirement of the Contract as described in the Department-approved and updated Closeout Plan, or until the Department determines that specific requirement is being performed by the Department or another contractor, whichever is sooner. The Department will determine when any specific requirement is being performed by the Department or another contractor, and will notify Contractor of this determination for that requirement.
- 1.11.1.7. The Closeout Period may extend past the termination of the Contract. The Department will perform a closeout review to ensure that Contractor has completed all requirements of the Closeout Period. If Contractor has not completed all of the requirements of the Closeout Period by the date of the termination of the Contract, then any incomplete requirements shall survive termination of the Contract.

1.12. Performance Reviews

- 1.12.1. The Department may conduct performance reviews or evaluations of Contractor in relation to the Work performed under the Contract.
- 1.12.2. The Department may work with Contractor in the completion of any performance reviews or evaluations or the Department may complete any or all performance reviews or evaluations independently, at the Department's sole discretion.
- 1.12.3. Contractor shall provide all information necessary for the Department to complete all performance reviews or evaluations, as determined by the Department, upon the Department's request. Contractor shall provide this information regardless of whether the Department decides to work with Contractor on any aspect of the performance review or evaluation.
- 1.12.4. The Department may conduct these performance reviews or evaluations at any point during the term of the Contract, or after termination of the Contract for any reason.
- 1.12.5. The Department may make the results of any performance reviews or evaluations available to the public, or may publicly post the results of any performance reviews or evaluations.

1.13. Renewal Options and Extensions

- 1.13.1. The Department may, within its sole discretion, choose to not exercise any renewal option in the Contract for any reason. If the Department chooses to not exercise an option, it may reprocure the performance of the Work in its sole discretion.
- 1.13.2. The Parties may amend the Contract to extend beyond five years, in accordance with the Colorado Procurement Code and its implementing rules, in the event that the Department determines the extension is necessary to align the Contract with other Department contracts, to address state or federal programmatic or policy changes related to the Contract, or to provide sufficient time to transition the Work.
- 1.13.3. In the event that the Contract is extended beyond five years, the annual maximum compensation for the Contract in any of those additional years shall not exceed the Contract maximum amount for the prior State Fiscal Year (SFY) plus the annual percent increase in the Consumer Price Index for All Urban Consumers (CPI-U) for the Denver-Boulder-Greeley metropolitan area for the calendar year ending during that prior SFY. If the CPI-U for Denver-Boulder-Greeley is for some reason not available as specified in this subsection, the increase shall be equal to the percent increase in the CPI-U (U.S.) for the same period.
- 1.13.4. The limitation on the annual maximum compensation in this Contract shall not include

increases made specifically as compensation for additional Work added to the Contract.

1.14. Department System Access

- 1.14.1. In the event that Contractor requires access to any Department computer system to complete the Work, Contractor shall have and maintain all hardware, software, and interfaces necessary to access the system without requiring any modification to the Department's system. Contractor shall follow all Department policies, processes, and procedures necessary to gain access to the Department's systems.
- 1.14.2. Contractor shall be responsible for any costs associated with obtaining and maintaining access to systems needed to perform the Work under this solicitation, as determined by the Department. The Department will not reimburse the Contractor for any costs associated with obtaining and maintaining access to Department systems.

2. Contractor Personnel

2.1. Personnel General Requirements

- 2.1.1. Contractor shall provide qualified Key Personnel and Other Personnel as necessary to perform the Work throughout the term of the Contract.
 - 2.1.1.1. Contractor shall provide the Department with a final list of individuals assigned to the Contract and appropriate contact information for those individuals.
 - 2.1.1.1.1. DELIVERABLE: Staffing Plan
 - 2.1.1.1.2. DUE: Within 45 days of contract execution
 - 2.1.1.1.3. DELIVERABLE: Final list of individuals assigned to the Contract
 - 2.1.1.1.4. DUE: Within five Business Days after the Effective Date
 - 2.1.1.2. Contractor shall update this list upon the Department's request to account for changes in the individuals assigned to the Contract.
 - 2.1.1.2.1. DELIVERABLE: Updated list of individuals assigned to the Contract
 - 2.1.1.2.2. DUE: Within five Business Days after the Department's request for an update
- 2.1.2. Contractor shall not permit any individual proposed for assignment to Key Personnel positions to perform any Work prior to the Department's approval of that individual to be assigned as Key Personnel.
- 2.1.3. Contractor shall not voluntarily change individuals in Key Personnel positions without the prior written approval of the Department. Contractor shall supply the Department with the name, resume and references for any proposed replacement whenever there is a change to Key Personnel. Any individual replacing Key Personnel shall have qualifications that are equivalent to or exceed the qualifications of the individual that previously held the position, unless otherwise approved in writing by the Department.
 - 2.1.3.1. DELIVERABLE: Name(s), resume(s) and references for the person(s) replacing anyone in a Key Personnel position during a voluntary change
 - 2.1.3.2. DUE: At least five Business Days prior to the change in Key Personnel
- 2.1.4. If any individual filling a Key Personnel position leaves employment with Contractor, Contractor shall propose a replacement person to the Department. The replacement person shall have qualifications that are equivalent to or exceed the qualifications of the individual

that previously held the position, unless otherwise approved, in writing, by the Department.

- 2.1.4.1. DELIVERABLE: Name(s), resume(s) and references for the person(s) replacing anyone in a Key Personnel position who leaves employment with Contractor
- 2.1.4.2. DUE: Within 10 Business Days after Contractor's receipt of notice that the person is leaving employment, unless the Department allows for a longer time in writing for Contractor to recruit a replacement.
- 2.1.5. Contractor's Key Personnel shall perform the majority of their work and responsibilities on this project in the Denver metropolitan area, unless the Department grants permission otherwise in writing.
- 2.1.6. If any of Contractor's Key Personnel or Other Personnel are required to have and maintain any professional licensure or certification issued by any federal, state or local government agency, then Contractor shall submit copies of such current licenses and certifications to the Department.
- 2.1.6.1. DELIVERABLE: All current professional licensure and certification documentation as specified for Key Personnel or Other Personnel
- 2.1.6.2. DUE: Within five Business Days of receipt of updated licensure or upon request by the Department

2.2. Personnel Availability

- 2.2.1. Contractor shall ensure Key Personnel and Other Personnel assigned to the Contract are available for meetings with the Department during the Department's normal business hours, as determined by the Department. Contractor shall also make these personnel available outside of the Department's normal business hours and on weekends with prior notice from the Department.
- 2.2.2. Contractor's Key Personnel and Other Personnel shall be available for all regularly scheduled meetings between Contractor and the Department, unless the Department has granted prior written approval otherwise.
- 2.2.3. Contractor shall ensure that the Key Personnel and Other Personnel attending all meetings between the Department and Contractor have the authority to represent and commit Contractor regarding work planning, problem resolution and program development.
- 2.2.4. At the Department's direction, Contractor shall make its Key Personnel and Other Personnel available to attend meetings as subject matter experts with stakeholders both within the State government and external private stakeholders.
- 2.2.5. All of Contractor's Key Personnel and Other Personnel that attend any meeting with the Department or other Department stakeholders that is scheduled to be in person shall be physically present at the location of the meeting, unless the Department gives prior, written permission to attend by telephone or video conference. If the Contractor has any personnel attend by telephone or video conference, Contractor shall provide all additional equipment necessary for attendance, including any virtual meeting space or telephone conference lines.
- 2.2.6. Contractor shall respond to all telephone calls, voicemails, and emails from the Department within two Business Days of receipt by Contractor.

2.3. Key Personnel

- 2.3.1. Contractor shall designate people to hold the following Key Personnel positions:

2.3.1.1. Project Lead

2.3.1.1.1. The Project Lead shall have the following qualifications:

2.3.1.1.1.1. At least five years of experience as a project lead in public sector, healthcare, environments that involved multi-modular system testing. Experience in Medicaid-related environments is preferred.

2.3.1.1.1.2. Strong understanding of Medicaid Enterprise Systems or comparable eligibility, enrollment, or claims processing platforms is preferred.

2.3.1.1.2. The Project Lead shall be responsible for all of the following:

2.3.1.1.2.1. Serving as Contractor's primary point of contact for the Department.

2.3.1.1.2.2. Ensuring the completion of all Work in accordance with the Contract's requirements. This includes, but is not limited to, ensuring the accuracy, timeliness and completeness of all work.

2.3.1.1.2.3. Overseeing all other Key Personnel and Other Personnel and ensuring proper staffing levels throughout the term of the Contract.

2.3.1.2. Release Manager

2.3.1.2.1. The Release Manager shall have the following qualifications:

2.3.1.2.1.1. At least five years experience in software release management within enterprise-level systems.

2.3.1.2.1.2. At least three years experience management releases in public sector environments, preferably Medicaid or healthcare IT systems.

2.3.1.2.2. The Release Manager shall be responsible for all of the following:

2.3.1.2.2.1. Functions as the Department's testing partner and will provide assistance, guidance, and insight to the Department by immersing into Module Vendor release management applications, coordinating with Module Vendors, and gaining insight into their release management processes and code versioning.

2.3.1.2.2.2. The Release Manager shall oversee a seamless transition between software versions and adherence to best practices.

2.3.1.2.2.3. The Release Manager shall track Module Vendor releases at a detailed level and be able to advise the Department regarding Module Vendors' ability to combine releases, back out releases, and fast-track releases.

2.3.1.2.2.4. The Release Manager shall provide communications related to Module Vendor adherence to deployment schedules, coordination between Module Vendors for release planning, problem and issue tracking, and go-live notifications between Module Vendor releases.

2.3.2. Additional Key Personnel

2.3.2.1. Contractor shall allow for any individual to fill more than one of the roles defined as Key Personnel.

2.3.2.2. All additional Key Personnel shall have at least three years of experience in a similar role.

2.3.2.3. Additional Key Personnel identified are as follows:

- 2.3.2.3.1. Project administrative support(s).
- 2.3.2.3.2. Module Subject Matter Experts (SMEs).
- 2.3.2.3.3. Test technical engineer(s).
- 2.3.2.3.4. Tester specialist(s).
- 2.3.2.3.5. Business Lead
- 2.3.2.3.6. Certification Lead
- 2.3.2.3.7. Technical Lead
- 2.3.2.3.8. Defect Manager
- 2.3.2.3.9. Quality assurance specialist(s).
- 2.3.2.3.10. Contract Manager.

2.4. Other Personnel Responsibilities

- 2.4.1. Contractor shall use its discretion to determine the number of Other Personnel necessary to perform the Work in accordance with the requirements of this Contract. If the Department determines that Contractor has not provided sufficient Other Personnel to perform the Work in accordance with the requirements of this Contract, Contractor shall provide all additional Other Personnel necessary to perform the Work in accordance with the requirements of this Contract at no additional cost to the Department.
- 2.4.2. Contractor shall ensure that all Other Personnel have sufficient training and experience to complete all portions of the Work assigned to them. Contractor shall provide all necessary training to its Other Personnel, except for State-provided training specifically described in this Contract.
- 2.4.3. Contractor may subcontract to complete a portion of the Work required by the Contract. The conditions for using a Subcontractor or Subcontractors are as follows:
 - 2.4.3.1. Contractor shall not subcontract more than 40% of the Work.
 - 2.4.3.2. Contractor shall provide the organizational name of each Subcontractor and all items to be worked on by each Subcontractor to the Department.
 - 2.4.3.2.1. DELIVERABLE: Name of each Subcontractor and items on which each Subcontractor will work
 - 2.4.3.2.2. DUE: The later of 30 days prior to the Subcontractor beginning work or the Effective Date
 - 2.4.3.3. Contractor shall obtain prior consent and written approval for any use of Subcontractor(s).

3. Administrative Reporting Requirements

- 3.1. Contractor shall provide all reports listed in this section in the format directed by the Department and containing the information requested by the Department.
- 3.2. Administrative Reporting
 - 3.2.1. Contractor shall provide an Administrative Report to the Department, upon the Department's request, covering the period directed by the Department.

- 3.2.1.1. The Administrative Report shall contain all information regarding Contractor's staffing, expenses and revenues relating to the Work, as directed by the Department for the period that the report covers. This information may include, but is not limited to, all of the following:
 - 3.2.1.1.1. Number of Full Time Equivalent per position category, as determined by the Department, and total salary expenditure for that position category.
 - 3.2.1.1.2. Operating expenses broken out by category, as determined by the Department.
 - 3.2.1.1.3. Number of staff that were newly hired and separated and number of vacant positions, broken out by position category, as determined by the Department.
 - 3.2.1.1.4. Administrative revenues, such as payments by debt and interest revenues, broken out by source as directed by the Department.
 - 3.2.1.1.5. Administrative expenditures, such as payments to Subcontractors and Providers, broken out by source as directed by the Department.
 - 3.2.1.1.6. Remaining cash-on-hand at the end of the period.
- 3.2.1.2. Contractor shall deliver the Administrative Report to the Department within 10 Business Days following the request by the Department for that report. The Department may create a fixed schedule for Contractor's submission of the Administrative Report by delivering the schedule to Contractor in writing. The Department may change or terminate any fixed schedule it creates by notifying Contractor in writing of the change or termination.
 - 3.2.1.2.1. DELIVERABLE: Administrative Report
 - 3.2.1.2.2. DUE: Within 10 Business Days after the Department's request. If the Department has delivered a fixed schedule to Contractor, then Contractor shall deliver the report as described in the most recent version of that schedule.

4. Information technology Related Requirements

4.1. Protection of System Data

- 4.1.1. In addition to the requirements of the main body of this Contract, if Contractor or any Subcontractor is given access to State Records by the State or its agents in connection with Contractor's performance under the Contract, Contractor shall protect all State Records in accordance with this Exhibit. All provisions of this Exhibit that refer to Contractor shall apply equally to any Subcontractor performing work in connection with the Contract.
- 4.1.2. For the avoidance of doubt, the terms of this Exhibit shall apply to the extent that any of the following statements is true in regard to Contractor access, use, or disclosure of State Records:
 - 4.1.2.1. Contractor provides physical or logical storage of State Records.
 - 4.1.2.2. Contractor creates, uses, processes, discloses, transmits, or disposes of State Records.
 - 4.1.2.3. Contractor is otherwise given physical or logical access to State Records in order to perform Contractor's obligations under this Contract.
- 4.1.3. Contractor shall, and shall cause its Subcontractors, to do all of the following:
 - 4.1.3.1. Provide physical and logical protection for all hardware, software, applications, and data that meets or exceeds industry standards and the requirements of this Contract.

- 4.1.3.2. Maintain network, system, and application security, which includes, but is not limited to, network firewalls, intrusion detection (host and network), annual security testing, and improvements or enhancements consistent with evolving industry standards.
- 4.1.3.3. Comply with State and federal rules and regulations related to overall security, privacy, confidentiality, integrity, availability, and auditing.
- 4.1.3.4. Provide that security is not compromised by unauthorized access to workspaces, computers, networks, software, databases, or other physical or electronic environments.
- 4.1.3.5. Promptly report all Incidents, including Incidents that do not result in unauthorized disclosure or loss of data integrity, to the State.
- 4.1.4. Colorado Information Security Policy (CISP) Compliance
 - 4.1.4.1. Contractor shall assess its compliance with the CISPs, in effect at the time of the assessment, issued by the Governor’s Office of Information Technology (“OIT”) posted at www.oit.state.co.us/about/policies under Information Security.
 - 4.1.4.2. For the purposes of reviewing and assessing compliance with the CISPs, Contractor shall consider itself to be both the Information Technology Service Provider (ITSP) and Business Owner.
 - 4.1.4.3. Contractor shall deliver to the State the signed CISP Attestation, on a form provided by the Department, indicating that Contractor has assessed its compliance with the CISPs and has developed a plan to correct, in a timely manner, any security vulnerabilities identified during the assessment.
 - 4.1.4.3.1. DELIVERABLE: CISP Attestation
 - 4.1.4.3.2. DUE: Within 30 Business Days after the Effective Date
 - 4.1.4.4. Contractor shall assess its compliance with the CISPs on an annual basis and deliver to the State the signed CISP Attestation, on a form provided by the Department.
 - 4.1.4.4.1. DELIVERABLE: Annual CISP Attestation
 - 4.1.4.4.2. DUE: Annually, by June 30th of each year
 - 4.1.4.5. Contractor shall cause its Subcontractors to comply with the CISPs and to assess their compliance on at least an annual basis. If any Subcontractor’s assessment determines that the Subcontractor is not in compliance, then Contractor shall ensure that Subcontractor corrects, in a timely manner, any security vulnerabilities identified during the assessment.
- 4.1.5. Health and Human Services HIPAA Security Rule Risk Assessments
 - 4.1.5.1. Contractor shall deliver to the State a signed Initial HHS Attestation, on a form provided by the Department, indicating that Contractor has conducted a risk assessment of its operations related to the services provided under this Contract that satisfies the requirement of 45 CFR. §164.308(a)(1)(ii)(A) (the “HIPAA Security Rule”), and that Contractor has developed a plan to correct, in a timely manner, any vulnerabilities in administrative, technical, or physical safeguards identified during the assessment.
 - 4.1.5.1.1. DELIVERABLE: Initial HHS Attestation
 - 4.1.5.1.2. DUE: Within 30 Business Days after the Effective Date

- 4.1.5.2. Contractor shall conduct an annual risk assessment of its operations related to the services provided under this Contract that satisfies the requirement of the HIPAA Security Rule and deliver to the State the signed Annual HHS Attestation, on a form provided by the Department.
- 4.1.5.2.1. DELIVERABLE: Annual HHS Attestation
- 4.1.5.2.2. DUE DATE: Annually, by June 30th of each year
- 4.1.5.3. Contractor shall cause its Subcontractors to comply with the HIPAA Security Rule and assess their compliance on at least an annual basis. If any Subcontractor's assessment determines that the Subcontractor is not in compliance, then Contractor shall ensure that Subcontractor corrects, in a timely manner, any vulnerabilities in administrative, technical, or physical safeguards identified during the assessment.
- 4.1.6. Subject to Contractor's reasonable access security requirements and upon reasonable prior notice, Contractor shall provide the State with scheduled access for the purpose of inspecting and monitoring access and use of State Records, maintaining State systems, and evaluating physical and logical security control effectiveness.
- 4.1.7. Contractor shall perform background checks on all of its respective employees and agents performing services or having access to State Records provided under this Contract. A background check performed during the hiring process shall meet this requirement. Contractor shall perform a background check on any employee if Contractor becomes aware of any reason to question the employability of an existing employee. Contractor shall require all Subcontractors to meet the standards of this requirement.
- 4.1.7.1. Contractor shall deliver to the State the signed Background Check Attestation, on a form provided by the Department, indicating that background checks have been completed on employees participating in operations related to this Contract.
- 4.1.7.1.1. DELIVERABLE: Background Check Attestation
- 4.1.7.1.2. DUE: Within 30 Business Days of the Effective Date
- 4.1.7.2. If Contractor will have access to Federal Tax Information under the Contract, Contractor shall agree to the State's requirements regarding Safeguarding Requirements for Federal Tax Information and shall comply with the background check requirements defined in IRS Publication 1075 and §24-50-1002, C.R.S.
- 4.2. Data Handling
- 4.2.1. The State, in its sole discretion, may securely deliver State Records directly to Contractor. Contractor shall maintain these State Records only within facilities or locations that Contractor has attested are secure, including for the authorized and approved purposes of backup and disaster recovery purposes. Contractor may not maintain State Records in any data center or other storage location outside the United States for any purpose without the prior express written consent of the State.
- 4.2.2. Contractor shall not allow remote access to State Records from outside the United States, including access by Contractor's employees or agents, without the prior express written consent of OIS. Contractor shall communicate any request regarding non-U.S. access to State Records to the Security and Compliance Representative for the State. The State shall have sole discretion to grant or deny any such request.

- 4.2.3. Upon request by the State made any time prior to 60 days following the termination of this Contract for any reason, whether or not the Contract is expiring or terminating, Contractor shall make available to the State a complete and secure download file of all data that is encrypted and appropriately authenticated. This download file shall be made available to the State within 10 Business Days of the State's request, and shall contain, without limitation, all State Records, Work Product, and system schema and transformation definitions, or delimited text files with documents, detailed schema definitions along with attachments in its native format. Upon the termination of Contractor's provision of data processing services, Contractor shall, as directed by the State, return all State Records provided by the State to Contractor, and the copies thereof, to the State or destroy all such State Records and certify to the State that it has done so. If legislation imposed upon Contractor prevents it from returning or destroying all or part of the State Records provided by the State to Contractor, Contractor shall guarantee the confidentiality of all State Records provided by the State to Contractor and will not actively process such data anymore.
- 4.2.4. The State retains the right to use the established operational services to access and retrieve State Records stored on Contractor's infrastructure at its sole discretion and at any time. Upon request of the State or of the supervisory authority, Contractor shall submit its data processing facilities for an audit of the measures referred to in this Exhibit in accordance with the terms of this Contract.

EXHIBIT F, SAMPLE OPTION LETTER

State Agency

Department of Health Care Policy and Financing

Contractor

Insert Contractor's Full Legal Name, including "Inc.", "LLC", etc.

Option Letter Number

Insert the Option Number (e.g. "1" for the first option)

Original Contract Number

Insert CMS number or Other Contract Number of the Original Contract

Option Contract Number

Insert CMS number or Other Contract Number of this Option

Contract Performance Beginning Date

Month Day, Year

Current Contract Expiration Date

Month Day, Year

Current Contract Maximum Amount

Initial Term

State Fiscal Year 20xx: \$0.00

Extension Terms

State Fiscal Year 20xx: \$0.00

State Fiscal Year 20xx: \$0.00

State Fiscal Year 20xx: \$0.00

State Fiscal Year 20xx: \$0.00

Total for All State Fiscal Years: \$0.00

1. OPTIONS:

- A. Option to extend for an Extension Term
- B. Option to change the quantity of Goods under the Contract
- C. Option to change the quantity of Services under the Contract
- D. Option to modify Contract Price Schedule or rates
- E. Option to initiate next phase of the Contract

2. REQUIRED PROVISIONS:

- A. For use with Option 1(A)

In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option for an additional term, beginning Insert start date and ending on the current contract expiration date shown above, at the rates stated in the Original Contract, as amended.

- B. For use with Options 1(B and C)

In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to Increase/Decrease the quantity of the Goods/Services or both at the rates stated in the Original Contract, as amended.

- C. For use with Option 1(D)

In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to modify the Contract rates specified in Exhibit C, Fixed Price Schedule. The Contract rates attached to this Option Letter replace the rates in the Original Contract as of the Option Effective Date of this Option Letter.

- D. For use with Option 1(E)

In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to initiate Phase indicate which Phase: 2, 3, 4, etc., which shall begin on Insert start date and end on Insert ending date at the cost/price specified in Section Number.

E. For use with all Options that modify the Contract Maximum Amount

The Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown above.

3. OPTION EFFECTIVE DATE:

The effective date of this Option Letter is upon approval of the State Controller or Month Day, Year, whichever is later.

STATE OF COLORADO

Jared S. Polis, Governor
Department of Health Care Policy and Financing
Kim Bimestefer, Executive Director

STATE CONTROLLER

Robert Jaros, CPA, MBA, JD
Department of Health Care Policy and Financing
Jerrod Cotosman, Controller, or authorized delegate

Date: _____

Option Effective Date: _____

In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated above by the State Controller or an authorized delegate.

EXHIBIT G, CONTRACT FEDERAL PROVISIONS

1. **Applicability of Provisions.**

- A. The Contract or Purchase Order to which these Federal Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Federal Provisions, the Special Provisions, the body of the Contract or Purchase Order, or any attachments or exhibits incorporated into and made a part of the Contract or Purchase Order, the provisions of these Federal Provisions shall control.

2. **Compliance.**

- A. Contractor shall comply with all applicable provisions of the Transparency Act, all applicable provisions of the Uniform Guidance, and the regulations issued pursuant thereto, including but not limited to these federal Provisions. Any revisions to such provisions or regulations shall automatically become a part of these Federal Provisions, without the necessity of either party executing any further instrument. The State of Colorado may provide written notification to Contractor of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.

3. **System for Award Management (SAM) and UNIQUE ENTITY ID Requirements.**

- A. SAM. Contractor shall maintain the currency of its information in SAM until the Contractor submits the final financial report required under the Award or receives final payment, whichever is later. Contractor shall review and update SAM information at least annually after the initial registration, and more frequently if required by changes in its information.
- B. Unique Entity ID. Contractor shall provide its Unique Entity ID to its Recipient, and shall update Contractor's information at <http://www.sam.gov> at least annually after the initial registration, and more frequently if required by changes in Contractor's information.

4. **Contract Provisions Required by Uniform Guidance Appendix II to Part 200.**

- A. **Contracts for more than the simplified acquisition threshold**, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. The simplified acquisitions threshold is \$250,000
- B. **All contracts in excess of \$10,000 must address termination for cause and for convenience** by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

- C. **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR Part 60, “Office of federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- D. **Davis-Bacon Act,** as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- E. **Contract Work Hours and Safety Standards Act** (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- F. **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- G. **Clean Air Act (42 U.S.C. 7401-7671q.) and the federal Water Pollution Control Act (33 U.S.C. 1251-1387),** as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- H. **Debarment and Suspension** (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- I. **Byrd Anti-Lobbying Amendment** (31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- J. **Prohibition on certain telecommunications and video surveillance services or equipment §2 CFR 200.216**
 - i. Recipients and sub recipients are prohibited from obligating or expending loan or grant funds to:
 - Procure or obtain;
 - Extend or renew a contract to procure or obtain; or
 - Enter into a contract (or extend a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or

services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

- K. **Contracts with small and minority businesses, women's business enterprises, and labor surplus area firms. (2 CFR §200.321).** The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
- L. **Domestic preferences for procurements. (2 CFR §200.322)** As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.
- M. **Procurement of recovered materials. (2 CFR §200.323)** A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

5. **Event of Default.**

- A. Failure to comply with these Federal Provisions shall constitute an event of default under the Contract and the State of Colorado may terminate the Contract upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30 day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Contract, at law or in equity.

EXHIBIT H, PII CERTIFICATION

STATE OF COLORADO

THIRD PARTY ENTITY / ORGANIZATION CERTIFICATION FOR ACCESS TO PII THROUGH A DATABASE OR AUTOMATED NETWORK

Pursuant to § 24-74-105, C.R.S., I, _____, on behalf of _____
(legal name of entity / organization) (the "Organization"), hereby certify under the penalty of perjury
that the Organization has not and will not use or disclose any Personal Identifying Information, as
defined by § 24-74-102(1), C.R.S., for the purpose of investigating for, participating in, cooperating
with, or assisting Federal Immigration Enforcement, including the enforcement of civil immigration
laws, and the Illegal Immigration and Immigrant Responsibility Act, which is codified at 8 U.S.C. §§
1325 and 1326, unless required to do so to comply with Federal or State law, or to comply with a court-
issued subpoena, warrant or order.

I hereby represent and certify that I have full legal authority to execute this certification on behalf of the
Organization.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT I, SERVICE LEVEL AGREEMENTS

In establishing a framework for service delivery, Exhibit I outlines the critical Service Level Agreements (SLAs) that govern the contractual relationship between the Department and Contractor. These agreements are created in order to ensure efficiency, accountability, and timely execution of project milestones.

Requirement ID	QMP (Y/N)	QMP %	SLA Requirement	Contract or Requirement Reference(s)
SLA.01	Y	15%	Contractor shall submit all deliverables on time and meet the criteria outlined in Exhibit B, Scope of Work, relating to start-up activities. Contractor shall complete configuration of the automated testing platform within 180 days from the Contract Start Date.	Scope of Work, Deliverables
SLA.02	N	0%	Invoices for work completed during the last month of the SFY (June 30th) must be submitted within five business days of the following month (July).	Invoicing
SLA.03	N	0%	All finalized testing requirements/plan must be updated to the agreed upon testing tool within ten Business Days.	Scope of Work
SLA.04	Y	15%	Contractor shall develop a UAT Test Results Report for each testing cycle based on the finalized requirements. The UAT Test Results Report shall be submitted to the Department for review within five Business Days after full UAT testing is complete.	Scope of Work, Deliverables
SLA.05	N	0%	Contractor shall begin UAT testing within 24 hours of the UAT region being available for testing.	Scope of Work
SLA.06	N	0%	Contractor shall report issues and defects discovered by the Contractor or Department within 24 hours.	Scope of Work, Deliverables
SLA.07	N	0%	Contractor shall deliver Corrective Action Plans, when required, within ten Business Days from the identification of the incident.	Scope of Work, Deliverables
SLA.08	Y	15%	Contractor shall deliver the Monthly Status Report each month by the 15th of the following month.	Scope of Work, Deliverables
SLA.09	N	0%	Contractor shall provide summary Testing Phase/Cycle Test Results Reports to support the Department's go-live decision-making process within one Business Day after each testing phase/cycle is completed, which must be approved by the Department.	Scope of Work, Deliverables

Requirement ID	QMP (Y/N)	QMP %	SLA Requirement	Contract or Requirement Reference(s)
SLA.10	Y	30%	Contractor must submit the RTM to the Department within seven Business Days after the testing phase/cycle is completed. The Contractor is responsible for verifying and demonstrating that the RTM is 100% traceable by clearly mapping all requirements to corresponding test cases and test results prior to submission.	Scope of Work, Deliverables
SLA.11	N	0%	Contractor is responsible for creating the Initial UAT Plan with assistance from the Department within 30 days of contract execution.	Scope of Work, Deliverables
SLA.12	Y	20%	Contractor is responsible for creating project-specific UAT Test Plans with assistance from the Department within five Business Days of requirements being finalized for each project if two or fewer modules are impacted. If three or more modules are impacted, Contractor's responsibility is within 10 Business Days of requirements being finalized.	Scope of Work, Deliverables
SLA.13	N	0%	Contractor is responsible for reviewing Module Vendor Test Plans and Technical Documentation and providing feedback to the Department and vendor within five Business Days.	Scope of Work
SLA.14	N	0%	Contractor shall assist the Module Vendor with integration testing and Performance Tests per the Department guidelines.	Scope of Work
SLA.15	Y	10%	Contractor shall execute a minimum of 95% of planned test cases within the scheduled test cycle. All execution metrics shall be tracked and measured using the designated Test Management Tool. SLA Target: $\geq 95\%$ execution rate within the agreed timeline. Measurement Formula: $\text{Execution SLA \%} = (\text{Total test cases executed on time} / \text{Total test cases planned}) \times 100$	Scope of Work
SLA.16	N	0%	Contractor shall promptly review and prioritize all newly reported defects. Tracking and compliance shall be measured using the Defect Tracking Tool. SLA Target: $\geq 95\%$ of defects reviewed and priorities within four business hours of reporting. Measurement Formula: $\text{Execution SLA \%} = (\text{Defects triaged within four hours} / \text{Total defects reported}) \times 100$	Scope of Work

Requirement ID	QMP (Y/N)	QMP %	SLA Requirement	Contract or Requirement Reference(s)
SLA.17	Y	10%	Contractor shall retest defects within one business day after a fix is delivered by the CMES system vendor and data is made ready for retest. Measurement shall be tracked using the Defect Tracking Tool. SLA Target: $\geq 95\%$ of defect retests completed within one Business Day of fix delivery. Measurement Formula: $\text{Execution SLA \%} = (\text{Defects retested within one business day} / \text{Total defects to be retested}) \times 100$	Scope of Work
SLA.18	N	0%	Defects missed during QA but identified in production should not exceed 5% of the total valid defects. Measurement shall be based on retrospective defect analysis. SLA Target: $< 5\%$ defect leakage rate. Measurement Formula: $\text{Execution SLA \%} = (\text{Production Defects} / (\text{UAT Defects} + \text{Production Defects})) \times 100$	Scope of Work
SLA.19	N	0%	Contractor shall ensure the test environment and associated tools are operational and available during the agreed testing periods. Measurement shall be based on uptime logs and incident records. SLA Target: $\geq 99\%$ availability during active testing periods. Measurement Formula: $\text{Execution SLA \%} = (\text{Total Uptime Hours} / \text{Total Scheduled Hours}) \times 100$	Scope of Work