

STATE OF COLORADO CONTRACT

COVER PAGE

State Agency Department of Health Care Policy and Financing		Contract Number 20-139453														
Contractor SLI Government Solutions		Contract Performance Beginning Date The later of the Effective Date or July 1, 2019														
Contract Maximum Amount Initial Term State Fiscal Year 2019-20 \$3,000,000.00		Initial Contract Expiration Date June 30, 2020														
Extension Terms State Fiscal Year 2020-21 \$3,000,000.00 State Fiscal Year 2021-22 \$3,000,000.00 State Fiscal Year 2022-23 \$3,000,000.00 State Fiscal Year 2023-24 \$3,000,000.00 Total for All State Fiscal Years \$15,000,000.00		Contract Authority Authority to enter into this Contract exists in C.R.S. §25.5-1-101, <i>et. seq.</i>														
Contract Purpose To perform as the Independent Verification and Validation vendor for the Department's Medicaid Enterprises.																
Exhibits and Order of Precedence The following Exhibits and attachments are included with this Contract: <ol style="list-style-type: none"> 1. Exhibit A – HIPAA Business Associates Addendum 2. Exhibit B – Statement of Work 3. Exhibit C - Rates 4. Exhibit D – Sample Option Letter 5. Exhibit E – Information Technology Provisions <p>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:</p> <ol style="list-style-type: none"> 1. Colorado Special Provisions in §18 of the main body of this Contract. 2. The provisions of the other sections of the main body of this Contract. 3. Exhibit A, HIPAA Business Associates Addendum. 4. Exhibit E, Information Technology Provisions. 5. Exhibit B, Statement of Work. 6. Exhibit C, Rates. 7. Exhibit D, Sample Option Letter. 																
<table border="0"> <tr> <td colspan="2">Principal Representatives</td> </tr> <tr> <td>For the State:</td> <td>For Contractor:</td> </tr> <tr> <td>Name</td> <td>Steven J Esposito</td> </tr> <tr> <td>Department of Health Care Policy and Financing</td> <td>SLI Government Solutions</td> </tr> <tr> <td>1570 Grant Street</td> <td>855 16th Street, Suite 800</td> </tr> <tr> <td>Denver, CO 80203</td> <td>Silver Spring, Maryland 20910</td> </tr> <tr> <td>Email</td> <td>sesposito@sligov.com</td> </tr> </table>			Principal Representatives		For the State:	For Contractor:	Name	Steven J Esposito	Department of Health Care Policy and Financing	SLI Government Solutions	1570 Grant Street	855 16 th Street, Suite 800	Denver, CO 80203	Silver Spring, Maryland 20910	Email	sesposito@sligov.com
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SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

Each person signing this Contract represents and warrants that the signer is duly authorized to execute this Contract and to bind the Party authorizing such signature.



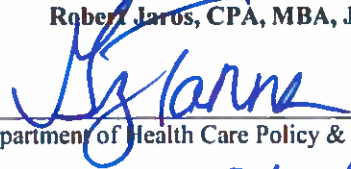
<p>CONTRACTOR SLI Government Solutions</p> <p> By: Steven J. Esposito, President & CEO Date: 7/11/2019</p>	<p>STATE OF COLORADO Jared Polis, Governor Department of Health Care Policy and Financing Kim Bimestefer, Executive Director</p> <p> By: Kim Bimestefer, Executive Director Date: 7/30/19</p>
	<p>LEGAL REVIEW Phil Weiser, Attorney General</p> <p>By: _____ Assistant Attorney General</p> <p>Date: _____</p>
<p>In accordance with §24-30-202, C.R.S., this Contract is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p>STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p> By: _____ Department of Health Care Policy & Financing</p> <p>Effective Date: 8/2/19</p>	

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1. PARTIES

This Contract is entered into by and between 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") and Contractor named on the Cover Page for this Contract (the "Contractor"). 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 one (1) year 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 (5) years from its 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 (2) 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 by Contractor, which shall be

governed by §12.

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.

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 sixty percent (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 that 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 other than Saturday, Sunday, or a Legal Holiday as listed in C.R.S. §24-11-101(1).
- C. **"Chief Procurement Officer"** means the individual to whom the Executive Director has delegated his or her authority, pursuant to C.R.S. §24-102-202(6), to procure or supervise the procurement of all supplies and services needed by the state.
- D. **"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.
- E. **"Contract Funds"** means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Contract.
- F. **"Contractor Pre-Existing Material"** means material, code, methodology, concepts, process, systems, technique, trade or service marks, copyrights, or other intellectual property

developed, licensed or otherwise acquired by Contractor prior to the Effective Date of this Contract and independent of any services rendered under any other contract with the State.

- G. **"Colorado Open Records Act (CORA)"** means C.R.S. §24-72-200.1, *et. seq.*
- H. **"Criminal Justice Information (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 C.R.S. §24-72-302.
- 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 Cover 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 Cover Page for this Contract.
- J. **"End of Term Extension"** means the time period defined in §2.D
- K. **"Exhibits"** means the following exhibits attached to this Contract:
 - i. **Exhibit A**, HIPAA Business Associates Addendum
 - ii. **Exhibit B**, Statement of Work
 - iii. **Exhibit C**, Rates
 - iv. **Exhibit D**, Sample Option Letter
 - v. **Exhibit E**, Information Technology Provisions
- 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 C.R.S. §24-37.5-401, *et. seq.* Incidents include, without limitation, (i) successful attempts to gain unauthorized access to a State system or State Information 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. **"Payment Card Information (PCI)"** means payment card information including any data related to credit card holders' names, credit card numbers, or the other credit card information as may be protected by state or federal law.

- R. **“Personal Health Information (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. **“Personally Identifiable Information (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 C.R.S. §24-72-501.
- T. **“Provider”** means 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.
- U. **“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.
- V. **“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.
- W. **“State Fiscal Rules”** means the fiscal rules promulgated by the Colorado State Controller pursuant to C.R.S. §24-30-202(13)(a).
- X. **“State Fiscal Year (SFY)”** 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.
- Y. **“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.
- Z. **“Subcontractor”** means third-parties, if any, engaged by Contractor to aid in performance of the Work.
- AA. **“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.

BB. **“Work”** means the Goods delivered and Services performed pursuant to this Contract.

CC. **“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.

4. STATEMENT OF WORK

Contractor shall complete the Work as described in this Contract and in accordance with the provisions of Exhibit B. 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.

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 forty-five (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 forty-five (45) days of the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the forty-fifth (45th) day at the rate of one percent (1%) per month, as required by C.R.S. §24-30-202(24)(a), 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 thirty (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 3 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 5 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 ten (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 of this Contract.

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

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 this 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 (3) 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 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 (2) 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, in its discretion, may monitor Contractor's performance of its obligations under this Contract using procedures as determined by the State. 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.

C. Use, Security, and Retention

Contractor shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. 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, it 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 none of Contractor or any of its agents, employees, assigns or Subcontractors are 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, 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 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.

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 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 (1) 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 loss of State Confidential Information, such as PII, PHI, PCI, Tax Information, and CJI, and claims based on alleged violations of privacy rights through improper use or disclosure of protected 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 named 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

Coverage required of Contractor and each Subcontractor shall be primary 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 thirty (30) days' prior notice to Contractor and Contractor shall forward such notice to the State in accordance with §14 within seven (7) days of Contractor's receipt of such notice.

J. Subrogation Waiver

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, C.R.S. §24-10-101, *et seq.* (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 maintain 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 (7) Business Days following the Effective Date. Contractor shall provide to the State certificates evidencing Subcontractor insurance coverage required under this Contract within seven (7) 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 (7) Business Days following Contractor's execution of the subcontract. No later than fifteen (15) days before the expiration date of Contractor's or any Subcontractor's coverage, 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 (7) 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.

11. 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.

12. 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 §Error! Reference source not found., 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

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 §Error! Reference source not found. and the dispute resolution process in §13 shall have all remedies available at law and equity.

13. 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 ten (10) Business Days, Contractor shall submit any alleged breach of this Contract by the State to the Department's Procurement Official as described in C.R.S. §24-101-301(30), for resolution in accordance with the provisions of C.R.S. §§24-106-109, 24-109-101.1, 24-109-101.5, 24-109-106, 24-109-107, 24-109-201 through 24-109-206, and 24-109-501 through 24-109-505 (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.

14. 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 below or (C) as an email with read receipt requested to the principal representative at the email address, if any, set forth below. 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 below. Either Party may change its principal representative or principal representative contact information 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.

15. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

A. Work Product

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. 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.

i. Copyrights

To the extent that the Work Product (or any portion of the Work Product) would not be considered a work 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.

B. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Contract, any pre-existing State Records, State software, research, reports, studies, photographs, negatives or other documents, drawings, models, materials, data and information shall be 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.

16. SUBRECIPIENT STATUS AND REQUIREMENTS

- A. The Contractor has been determined to not be a Subrecipient under 2 C.F.R. Chapter I, Chapter II, Part 200 et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule (the "Final Rule"), released December 26, 2013 and subsequently updated, and thus shall not be required to follow all requirements and guidance contained in the Final Rule. If the Subrecipient status of the Contractor changes, the parties will execute an amendment to that effect. Regardless of the status of any amendment, or language to the contrary in this agreement, if the Contractor is deemed to be a subrecipient, it shall immediately ensure that it is conforming to all requirements under the

Final Rule.

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 §17.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. 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.

I. 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.

J. 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.

K. 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.

L. 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.

M. 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.

N. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in §17.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.

O. 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.

P. CORA Disclosure

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

Q. 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.

R. 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 license, certifications, permits and other authorizations required to perform their obligations in relation to this Contract.

S. 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 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 claim that any Work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right.

18. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-1)

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

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

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), then this Contract shall not be valid until it has been approved by the State's Chief Information Officer or designee.

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

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

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. Any term included in this Contract that limits Contractor's liability that is not void under this section shall apply only in excess of any insurance to be maintained under this Contract, and no insurance policy shall be interpreted as being subject to any limitations of liability of this Contract.

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. C.R.S. §§24-18-201 and 24-50-507

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

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

[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.

K. PUBLIC CONTRACTS FOR SERVICES. C.R.S. §8-17.5-101, *et seq.*

[Not applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services] Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Contract, through participation in the E-Verify Program

established under Pub. L. 104-208 or the State verification program established pursuant to C.R.S. §8-17.5-102(5)(c). Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract or enter into a contract with a Subcontractor that fails to certify to Contractor that the Subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract. Contractor (i) shall not use E-Verify Program or State program procedures to undertake pre-employment screening of job applicants while this Contract is being performed, (ii) shall notify the Subcontractor and the contracting State agency within three (3) days if Contractor has actual knowledge that a Subcontractor is employing or contracting with an illegal alien for work under this Contract, (iii) shall terminate the subcontract if a Subcontractor does not stop employing or contracting with the illegal alien within three (3) days of receiving the notice, and (iv) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to C.R.S. §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the State program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision, a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the State program. If Contractor fails to comply with any requirement of this provision or C.R.S. §8-17.5-101, *et seq.*, the contracting State agency, institution of higher education or political subdivision may terminate this Contract for breach and, if so terminated, Contractor shall be liable for damages.

L. PUBLIC CONTRACTS WITH NATURAL PERSONS. C.R.S. §24-76.5-101, *et seq.*

Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (i) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of C.R.S. §24-76.5-101, *et seq.*, and (iii) has produced one form of identification required by C.R.S. §24-76.5-103, prior to the Effective Date of this Contract.

EXHIBIT A, HIPAA BUSINESS ASSOCIATES ADDENDUM

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 the 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.
 - i. 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.
 - ii. 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.
 - iii. 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.
- d. 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).
- e. 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.
- f. 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.
- g. 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>.
- h. 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.
- i. 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.
- j. 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.
- k. 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.

- l. 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.
- m. 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.
- n. 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.
- o. 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.

p. 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.

q. 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.

r. 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.

s. 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.
- t. 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 1.j 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.

u. 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.

- v. 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

- b. 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.
- c. 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. TERMINOLOGY

- 1.1. In addition to the terms defined in §3 of this Contract, acronyms and abbreviations are defined at their first occurrence in this Exhibit B, Statement of Work. The following list of terms shall be construed and interpreted as follows:
- 1.1.1. ARRA-HITECH – The Health Information Technology for Economic and Clinical Health (HITECH) Act, enacted as part of the American Recovery and Reinvestment Act of 2009, was signed into law on February 17, 2009 to promote the adoption and meaningful use of health information technology. ARRA-HITECH projects interact with the Medicaid Enterprise.
 - 1.1.2. BIDM – Business Intelligence and Data Management, data warehousing, and data analytics. As of October 2017, this Contract is held by Truven Health Analytics Inc., Contract number 201500002126. This Contract and the RFP used to solicit it are posted on the Department’s website at <https://www.colorado.gov/hcpf/medicaid-management-information-system-reprocurement> under the “Executed Contracts” tab.
 - 1.1.3. Business Area – A collection of business processes each of which are formed by one (1) or more business processes. The MITA business process hierarchy groups together business processes sharing a common purpose and data into Business Areas; for example, Provider Management focuses on provider outreach, enrollment, and information maintenance (as opposed to payment or auditing) and it “owns” a designated set of provider demographic data.
 - 1.1.4. 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.
 - 1.1.5. CBMS – Colorado Benefits Management System; CBMS supports eligibility determination for multiple public assistance programs, as well as case management and benefit management. Each month, the system is used to process approximately thirty thousand (30,000) new client applications and forty thousand (40,000) client reauthorizations. In addition to these client-side functions, CBMS communicates with approximately fifty (50) external systems. These system-to-system interactions occur on a wide range of time scales: real-time online access, nightly batch jobs, and weekly, bi-weekly, monthly, and quarterly report generation and distribution. The external systems with which CBMS communicates include other state systems, systems operated by private entities, and federal systems.
 - 1.1.6. Certification Process – The process of providing and reviewing required information and conditions necessary for approval by CMS of a mechanized claims processing and information retrieval system.
 - 1.1.7. Certified – A mechanized claims processing and information retrieval system that has been approved by CMS. Medicaid Enterprise is considered to be Certified when it has passed all Certification requirements within the MECT or MEET, and has been officially Certified by CMS.
 - 1.1.8. CHP+ - The Colorado Child Health Plan *Plus*.
 - 1.1.9. 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.

- 1.1.10. Closeout Period – The period beginning on the earlier of ninety (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.
- 1.1.11. Colorado Health IT Roadmap – The comprehensive high-level plan that will provide direction for Health IT investments in the public and private sectors. The plan will deliver high-level actionable initiatives that can be used as a sounding board for determining the fit of existing Health IT projects and as a springboard for identifying and evaluating new opportunities. IT systems that are developed as a result of the roadmap and that will require sustainability funding (such as the Master Patient Index) may be subject to MECT and/or MEET and require IV&V.
- 1.1.12. Colorado interChange (iC) – Claims adjudication engine. As of March 2017, iC is administered by DXC Technology Services under State Contract 14-64254, who also serves as the Department's Fiscal Agent. This Contract and the RFP used to solicit it are posted on the Department's website at <https://www.colorado.gov/hcpf/medicaid-management-information-system-reprocurement> under the "Executed Contracts" tab.
- 1.1.13. Colorado Revised Statutes (C.R.S.) – The legal code of Colorado; the legal codified general and permanent statutes of the Colorado General Assembly.
- 1.1.14. COMMIT – Colorado Medicaid Management Innovation and Transformation (COMMIT) Project is a collection of MMIS projects that were undertaken to replace legacy systems in order to upgrade technology, improve management of the Medicaid program, and improve data collection, analysis, and sharing across entities. Components are largely related to support of Medicaid Claims Adjudication, Provider Maintenance, Benefits Management, amongst other health care business processes. Once iC, BIDM, and PBMS are implemented and Certified, the COMMIT project is completed and will sunset.
- 1.1.15. 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.
- 1.1.16. Data – State Confidential Information and other State information resources transferred to the Contractor for the purpose of completing a task or project assigned in the Statement of Work.
- 1.1.17. 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.
- 1.1.18. Department – The Colorado Department of Health Care Policy and Financing.
- 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. E&E – Eligibility and Enrollment; systems include CBMS, PEAK, PEAK Health mobile application, and the SES. As of July 2017, the current vendor for this work is Deloitte Consulting LLP. State Contract number 98342. This Contract and the RFP used to solicit it are posted on the Department's website at <https://www.colorado.gov/hcpf/medicaid->

management-information-system-reprocurement under the “Executed Contracts” tab.

- 1.1.21. Effort – A subsection of the overall IV&V Work on an individual Project that is limited and definable in scope.
- 1.1.22. Health First Colorado – Colorado’s Medicaid Program.
- 1.1.23. Health Insurance Portability and Accountability Act (HIPAA) – The Health Insurance Portability and Accountability Act of 1996, as amended.
- 1.1.24. IV&V – Independent Verification and Validation.
- 1.1.25. Key Personnel – The position or positions that are specifically designated as such in this Contract.
- 1.1.26. May – Indication that a contractual term is permissible and not mandatory.
- 1.1.27. MECL – Medicaid Enterprise Certification Life Cycle.
- 1.1.28. MECT – Medicaid Enterprise Certification Toolkit.
- 1.1.29. Medicaid Enterprise – Systems making up MMIS (iC, BIDM, & PBMS), E&E (CBMS, PEAK, PEAK*Health*, & SES), and ARRA-HITECH.
- 1.1.30. MEELC – Medicaid Eligibility and Enrollment Life Cycle.
- 1.1.31. MEET – Medicaid Eligibility and Enrollment Toolkit.
- 1.1.32. Member – Any individual enrolled in the Colorado Medicaid program, Colorado’s CHP+ program or the Colorado Indigent Care Program, as determined by the Department.
- 1.1.33. Milestone Review – A meeting with CMS, Department staff, Vendor staff, as well as IV&V staff, to discuss and review the Quarterly Progress Reports.
- 1.1.34. MITA – Medicaid Information Technology and Architecture.
- 1.1.35. MMIS – Medicaid Management Information System; an integrated group of procedures and computer processing operations (subsystems) developed at the general design level to meet principal objectives. For Title XIX purposes, "systems mechanization" and "mechanized claims processing and information retrieval systems" is identified in section 1903(a)(3) of the Act and defined in regulation at 42 CFR 433.111. The objectives of this system and its enhancements include the Title XIX program control and administrative costs; service to recipients, providers, and inquiries; operations of claims control and computer capabilities; and management reporting for planning and control. The Department’s MMIS consists for the iC, BIDM, and PBMS.
- 1.1.36. Operational Start Date – When the Department authorizes Contractor to begin fulfilling its obligations under the Contract.
- 1.1.37. Other Personnel – Individuals and Subcontractors, in addition to Key Personnel, assigned to positions to complete tasks associated with the Work.
- 1.1.38. PBMS – Pharmacy Benefits Management System; as of March 2017, this is managed by Magellan Medicaid Administration, Inc. under State Contract 201500002104. This Contract and the RFP used to solicit it are posted on the Department’s website at <https://www.colorado.gov/hcpf/medicaid-management-information-system-reprocurement> under the “Executed Contracts” tab.
- 1.1.39. PEAK – Program and Eligibility Application Kit; a customer-facing online system that

provides a centralized location for public assistance benefit information. PEAK provides a universal application for select assistance programs and allows customers to self-manage their accounts and check their benefits, and it provides new applicants an opportunity to screen themselves for medical, food, and cash assistance programs.

- 1.1.40. *PEAKHealth* – *PEAKHealth* allows Medicaid and CHP+ members to update and access important information from mobile devices. *PEAKHealth* enables the user to search for a provider, view their medical card, update income and contact information, view benefit information, make payments, and access health and wellness resources.
- 1.1.41. Project – A temporary endeavor undertaken to create a unique product, service, or result for IT systems.
- 1.1.42. Project Management – The centralized coordinated management of a program to achieve the program’s strategic objectives and benefits.
- 1.1.43. 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.
- 1.1.44. SES – Shared Eligibility System; a rules engine that allows changes in business logic within CBMS and part of the functionality of CBMS that allows a person to receive accurate eligibility determinations for supported medical program including Medicaid, CHP+, and health plans offered through Connect for Health Colorado.
- 1.1.45. Shall – Indication that a contractual term is mandatory. Under the CMS technical language, CMS uses “will” instead of “shall.” Both terms are an indication that a contractual term is mandatory.
- 1.1.46. Start-Up Period – The period starting on the Effective Date and ending thirty (30) days after the Effective Date.
- 1.1.47. State – The State of Colorado, acting by and through any State agency.
- 1.1.48. System Development Life Cycle (SDLC) – A term used in systems engineering, information systems, and software engineering to describe a process for planning, creating, testing, and deploying an information system.
- 1.1.49. Vendor – The individual or entity selected as a result of this solicitation to complete the Work contained in the Contract.

2. CONTRACTOR’S GENERAL REQUIREMENTS

- 2.1. The Department will contract with only one (1) organization, the 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.
- 2.2. 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, the 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.
- 2.3. The 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 Department will resolve the conflict and Contractor shall abide by the resolution provided by the Department.

2.4. The 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 the Contractor's responsibilities under this Contract.

2.5. The 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. The Contractor shall make such records available to the Department upon request throughout the term of the Contract.

2.6. Deliverables

2.6.1. All Deliverables shall meet Department-approved format and content requirements. The Department will specify the number of copies and media for each Deliverable.

2.6.1.1. 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, the Contractor shall:

2.6.1.1.1. Gather and document requirements for the Deliverable.

2.6.1.1.2. Create a draft in the Department-approved format for the individual Deliverable.

2.6.1.1.3. Perform internal quality control review(s) of the Deliverable, including, but not limited to:

2.6.1.1.3.1. Readability.

2.6.1.1.3.2. Spelling.

2.6.1.1.3.3. Grammar.

2.6.1.1.3.4. Completion.

2.6.1.1.4. Adhere to all required templates or development of templates.

2.6.1.1.5. Perform modifications that include version control and tracked changes.

2.6.1.2. The Department will review the Deliverable and may direct Contractor to make corrections to errors of fact or omissions, clarifications, or non-material changes to the Deliverable. Contractor shall make all changes within five (5) Business Days following the Department's direction to make the change unless the Department provides a longer period in writing.

2.6.1.2.1. Changes the Department direct 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.

2.6.1.2.2. The Department may also direct Contractor to provide clarification or provide a walkthrough of any Deliverable to assist the Department in its review. The Contractor shall provide the clarification or walkthrough as directed by the Department.

2.6.1.3. 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.

- 2.6.2. For all MECT/MEET Deliverables, the Contractor shall comply with all CMS and other federal standards for content and format.
- 2.6.3. Unless otherwise noted, each Deliverable shall follow the Deliverable submission process as follows:
 - 2.6.3.1. The Contractor shall deliver each of the Medicaid Enterprise's IV&V Quarterly Progress Reports, including drafts, simultaneously to the Department, the Office of Information Technology (OIT), and CMS following the most recently published CMS required procedure in their delivery of the IV&V Quarterly Progress Reports.
 - 2.6.3.1.1. All IV&V Progress Reports are to be submitted to the MMIS or E&E mailbox indicated in the MECT/MEET protocol as well as to the Regional Office and CMS Representatives, as applicable; only reports submitted in preparation for a Milestone Review need to have checklists attached.
 - 2.6.3.1.2. The Contractor shall deliver each of the Medicaid Enterprise's IV&V Quarterly MECT/MEET Checklists and shall submit to a shared repository for HCPF, IV&V, and CMS.
 - 2.6.3.1.3. The Contractor shall deliver each of the Medicaid Enterprise's IV&V Quarterly Progress Reports, at a minimum, quarterly. The Contractor shall deliver additional reports, like mid-quarter reports, upon the Department's request.
 - 2.6.3.2. The Contractor shall submit each Deliverable to the Department for review and approval, in accordance with the required protocol.
 - 2.6.3.3. The Department will review the Deliverable and may direct the Contractor to make corrections to errors of fact or omissions, clarifications, or non-material changes to the Deliverable. The Contractor shall make all changes within five (5) Business Days following the Department's direction to make the change unless the Department provides a longer period approval in writing.
 - 2.6.3.3.1. Changes the Department may direct 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 that was left out of the Deliverable.
 - 2.6.3.3.2. The Department may also direct the Contractor to provide clarification or provide a walkthrough of each Deliverable to assist the Department in its review. The Contractor shall provide the clarification or walkthrough as directed by the Department.
 - 2.6.3.4. Once the Department has received an acceptable version of the Deliverable, including all changes directed by the Department, the Department will notify the Contractor of its acceptance of the Deliverable in writing. A Deliverable shall not be deemed accepted prior to the Department's written notice to the Contractor of its acceptance of that Deliverable.
 - 2.6.3.5. In the event of changes to MECT/MEET Deliverables required by CMS, the Contractor shall resubmit to MMIS or E&E mailbox indicated in the MECT/MEET protocol, as well

as to the Regional Office, and CMS Representatives as applicable.

- 2.6.4. 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.
- 2.6.5. In the event any due date for a Deliverable falls on a day that is not a Business Day, then the due date shall be automatically extended to the next Business Day, unless otherwise directed by the Department.
- 2.6.6. 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.
- 2.6.7. 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.
- 2.6.8. If any Deliverable contains ongoing responsibilities or requirements for the 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.
- 2.6.8.1. Any Deliverable described as an update of another Deliverable shall be considered a version of the original Deliverable for the purposes of this subsection.

2.7. Stated Deliverables and Performance Standards

- 2.7.1. Any section within this Statement of Work headed with or including the term "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.

2.8. Communication with the Department

- 2.8.1. The Contractor shall schedule all meetings and have attendance approved prior to attending any internal Department meeting.
- 2.8.2. Contractor shall not reach out to or initiate conversation with any provider, Department Contractor, Media or Member regarding the work without express written permission of the Department.
- 2.8.3. The Contractor shall enable all Contractor staff to exchange documents and electronic files

with the Department staff in formats compatible with the Department's systems. The Department currently uses Microsoft Office 2016 and/or Microsoft Office 365 for PC. If the Contractor uses a compatible program, then the Contractor shall ensure that all documents or files delivered to the Department are completely transferrable and reviewable, without error, on the Department's systems.

- 2.8.4. The Contractor shall provide the Department with contact information for all Key Personnel and shall also provide a means of communication that will be effective at any time and will be used in case emergency communication is required.
- 2.8.5. The Department will use a transmittal process to provide the Contractor with official direction within the scope of the Contract. The 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:
 - 2.8.5.1. The date the transmittal will be effective.
 - 2.8.5.2. Direction to the Contractor regarding performance under the Contract.
 - 2.8.5.3. A due date or timeline by which the Contractor shall comply with the direction contained in the transmittal.
 - 2.8.5.4. The signature of the Department employee who has been designated to sign transmittals.
 - 2.8.5.4.1. The Department will provide the 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 the 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 the Contractor through a transmittal.
- 2.8.6. The Department may deliver a completed transmittal to the Contractor in hard copy, as a scanned attachment to an email or through a dedicated communication system, if such a system is available.
 - 2.8.6.1. 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.
- 2.8.7. If the Contractor receives conflicting transmittals, the 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.
- 2.8.8. In the event that the 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.
- 2.8.9. 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 the Contractor, and the Department may provide day-to-day communication to the Contractor without using a transmittal.
- 2.8.10. The Contractor shall retain all transmittals for reference and shall provide copies of any received transmittals upon request by the Department.

2.9. The Contractor shall not engage with any Member, and Provider, the media, or the public without the prior written consent of the Department.

2.10. Operations Guide

2.10.1. Contractor shall not engage in any Work under the Contract, other than the Work described in this Section 2.9 and 2.10, prior to the Operational Start Date. The Department shall not be liable to the Contractor for, and Contractor shall not receive, any payment for any period prior to the Operational Start Date under this Contract.

2.10.2. The Contractor shall create and implement an Operations Guide. The Operations Guide shall include the creation and management of the following:

2.10.2.1. Business Continuity Plan (Section 2.10.6).

2.10.2.2. Start-Up Plan (Section 2.10.7).

2.10.2.3. Start-Up Period (Section 2.10.8).

2.10.2.4. Closeout Plan (Section 2.10.9).

2.10.3. The Contractor shall submit the Operations Guide to the Department for review and approval.

2.10.3.1. DELIVERABLE: Operations Guide

2.10.3.2. DUE: Within thirty (30) Business Days after the Effective Date

2.10.4. The 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 the Contractor's processes and procedures and update the Guide as appropriate to account for any changes. The 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.

2.10.4.1. DELIVERABLE: Updated Operations Guide

2.10.4.2. DUE: Semi-annually, by June 30th and December 31st of each year

2.10.5. The Operational Start Date shall not occur until Contractor has completed all requirements of the Operations Guide, unless the Department provides written approval otherwise.

2.10.6. Business Continuity Plan

2.10.6.1. The Contractor shall create a Business Continuity Plan that the 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:

2.10.6.1.1. How the 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.

2.10.6.1.2. How the Contractor will back-up all information necessary to continue performing the Work, so that no information is lost because of a Business Interruption.

2.10.6.1.2.1. In the event of a Disaster, the plan shall also include how the Contractor will make all information available at its back-up facilities.

2.10.6.1.3. How the 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.

- 2.10.6.1.4. How the Contractor will comply with the disaster recovery standards described in Exhibit E, Information Technology Provisions.
- 2.10.6.1.5. How the Contractor will minimize the effects on Members of any Business Interruption.
- 2.10.6.1.6. How the Contractor will communicate with the Department during the Business Interruption and points of contact within the Contractor's organization the Department can contact in the event of a Business Interruption.
- 2.10.6.1.7. Planned long-term back-up facilities out of which the Contractor can continue operations after a Disaster.
- 2.10.6.1.8. The time period it will take to transition all activities from the Contractor's regular facilities to the back-up facilities after a Disaster.
- 2.10.6.1.9. The Contractor shall deliver the Business Continuity Plan to the Department for review and approval.
- 2.10.6.1.10. The Contractor shall review its Business Continuity Plan at least semi-annually and update the plan as appropriate to account for any changes in the Contractor's processes, procedures, or circumstances. The Contractor shall submit an Updated Business Continuity Plan that contains all changes from the most recently approved prior Business Continuity Plan or Updated Business Continuity Plan or shall note that there were no changes.

2.10.7. Start-Up Plan

- 2.10.7.1. The Contract shall create a Start-Up Plan that contains, at a minimum, the following:
 - 2.10.7.1.1. A timeline for gaining access to the external repositories for IV&V artifacts.
 - 2.10.7.1.2. A description of all steps, timelines, and milestones necessary to fully transition the services described in the Contract from a prior contractor to the Contractor.
 - 2.10.7.1.3. A description of all steps, timelines, milestones, and Deliverables necessary for the Contractor to be fully able to perform all Work by the Operational Start Date.
 - 2.10.7.1.4. A listing of all personnel involved in the start-up and what aspect of the start-up they are responsible for.
 - 2.10.7.1.5. An operational readiness review for the Department to determine if the Contractor is ready to begin performance of all Work.
 - 2.10.7.1.6. The risks associated with the start-up and a plan to mitigate those risks.
- 2.10.7.2. The Contractor shall deliver the Start-Up Plan to the Department for review and approval.

2.10.8. Start-Up Period

- 2.10.8.1. The Start-Up Period shall run concurrently with the initial thirty (30) days following the Effective Date of the Contract.
- 2.10.8.2. During the Start-Up Period, the Contractor shall complete all of the following:
 - 2.10.8.2.1. Schedule with input from the Department and run a Kickoff meeting within thirty (30) days of the Effective Date.

- 2.10.8.2.1.1. The Kickoff Meeting shall include the following:
 - 2.10.8.2.1.1.1. Key Personnel from the Contractor.
 - 2.10.8.2.1.1.2. Department leadership of this project.
 - 2.10.8.2.1.1.3. Department personnel.
 - 2.10.8.2.1.1.4. Any other relevant and needed persons or organizations.
- 2.10.8.2.1.2. The Kickoff Meeting shall cover the following:
 - 2.10.8.2.1.2.1. Initial timelines for starting the Work and creating initial Deliverables.
 - 2.10.8.2.1.2.2. Establishment of communication channels to describe how the Work is to be done.
 - 2.10.8.2.1.2.3. Transmission of specific Deliverable templates or requirements.
 - 2.10.8.2.1.2.4. Any other item required to initiate and ensure that Work is started and completed on time.
- 2.10.8.2.1.3. The Contractor shall take meeting minutes and deliver them to the Department for review and approval.
- 2.10.8.2.1.4. DELIVERABLE: Kickoff Meeting Minutes
- 2.10.8.2.1.5. DUE: Within five (5) Business Days of the Kickoff Meeting
- 2.10.8.2.2. Create a Policy and Procedures Manual that contains the policies and procedures for all systems and functions necessary for the Contractor to complete its obligations under the Contract.
- 2.10.8.2.3. Prepare all Start-Up 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 the Contractor to begin work on the Operational Start Date. The 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.
- 2.10.9. Closeout Plan**
 - 2.10.9.1. The 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 the Contractor to the Department to another contractor selected by the Department to be the IV&V contractor after the termination of the Contract. 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.
 - 2.10.9.2. The Contractor shall deliver the Closeout Plan to the Department for review and approval.
- 2.10.10. The Contractor shall provide weekly updates to the Department throughout the creation of and the performances within the Operations Guide, that show the Contractor's status toward meeting the milestones described in the Operations Guide, including but not limited to:

- 2.10.10.1. Creating and implementing the Business Continuity Plan.
- 2.10.10.2. Creating and implementing the Start-Up Plan.
- 2.10.10.3. Implementing the Start-Up Period, including the Kickoff Meeting Minutes and the Policy and Procedures Manual.
- 2.10.10.4. Completing all steps, Deliverables, and milestones contained in the Department-approved Operations Guide.
- 2.10.10.5. The Contractor shall be ready to perform all Work by the Operational Start Date.
- 2.10.11. Closeout Period**
- 2.10.11.1. During the Closeout Period, the Contractor shall complete all of the following:
 - 2.10.11.1.1. 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.
 - 2.10.11.1.2. 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.
 - 2.10.11.1.3. 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.
 - 2.10.11.1.4. Notify any Subcontractors of the termination of the Contract, as directed by the Department.
 - 2.10.11.1.5. 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 the Contractor of this determination for that requirement.
 - 2.10.11.1.6. 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.
 - 2.10.11.1.6.1. DELIVERABLE: Contract Closeout
 - 2.10.11.1.6.2. DUE: Thirty (30) days prior to termination of the Contract
- 2.10.11.2. The Contractor shall update the Closeout plan, at least annually, to include any technical, procedural, or other changes that impact any steps, timelines, or milestones contained in the Closeout Plan, and deliver this Closeout Plan Update to the Department for review and approval.
 - 2.10.11.2.1. DELIVERABLE: Closeout Plan Update
 - 2.10.11.2.2. DUE: Annually, by June 30th of each year

- 2.10.12. The Contractor shall submit all Checklists used during the course of IV&V work to the Department. The Department will have the opportunity to review, provide feedback, and approve the use of Contractor's checklist. The Contractor shall incorporate any Department feedback into the Checklist.
- 2.10.13. The Contractor shall provide the Department with access to the SLI Quality Management, Methods, and Models (SQM) tool. The access to the SQM tool does not provide the Department with any intellectual property right to the tool.
- 2.10.14. The Contractor shall provide up to ten (10) Department staff to Contractor's Learning Management System. The ten (10) Department staff shall have access to unlimited trainings from the system.
- 2.11. Federal Financial Participation Related Intellectual Property Ownership
 - 2.11.1. In addition to the intellectual property ownership rights specified in the Contract, the following subsections enumerate the intellectual property ownership requirements the Contractor shall meet during the term of the Contract in relation to federal financial participation under 42 CFR §433.112 and 45 CFR §95.617.
 - 2.11.1.1. The Contractor shall notify the State before designing, developing, creating or installing any new data, new software or modification of a software using Contract Funds. The Contractor shall not proceed with such designing, development, creation or installation of data or software without express written approval from the State.
 - 2.11.1.2. If the Contractor uses Contract Funds to develop necessary materials, including, but not limited to, programs, products, procedures, data and software to fulfill its obligations under the Contract, the Contractor shall document all Contract Funds used in the development of the Work Product, including, but not limited to the materials, programs, procedures, and any data, software or software modifications.
 - 2.11.1.2.1. The terms of this Contract will encompass sole payment for any and all Work Product and intellectual property produced by the Contractor for the State. The Contractor shall not receive any additional payments for licenses, subscriptions, or to remove a restriction on any intellectual property Work Product related to or developed under the terms of this Contract.
 - 2.11.1.3. The Contractor shall provide the State comprehensive and exclusive access to and disclose all details of the Work Product produced using Contract Funds.
 - 2.11.1.4. The Contractor shall hereby assign to the State, without further consideration, all right, interest, title, ownership and ownership rights in all work product and deliverables prepared and developed by the Contractor for the State, either alone or jointly, under this Contract, including, but not limited to, data, software and software modifications designed, developed, created or installed using Contract Funds, as allowable in the United States under 17 U.S.C.S. §201 and §204 and in any foreign jurisdictions.
 - 2.11.1.4.1. Such assigned rights include, but are not limited to, all rights granted under 17 U.S.C.S §106, the right to use, sell, license or otherwise transfer or exploit the Work Product and the right to make such changes to the Work Product as determined by the State.
 - 2.11.1.4.2. This assignment shall also encompass any and all rights under 17 U.S.C.S §106A, also referred to as the Visual Artists Rights Act of 1990 (VARA), and any and all

moral rights to the Work Product.

- 2.11.1.4.3. The Contractor shall require its employees and agents to, promptly sign and deliver any documents and take any action the State reasonably requests to establish and perfect the rights assigned to the State or its designees under these provisions.
- 2.11.1.4.4. The Contractor shall execute the assignment referenced herein immediately upon the creation of the Work Product pursuant to the terms of this Contract.
- 2.11.1.5. The State claims sole ownership and all ownership rights in all copyrightable software designed, developed, created or installed under this contract, including, but not limited to:
 - 2.11.1.5.1. Data and software, or modifications thereof created, designed or developed using Contract Funds.
 - 2.11.1.5.2. Associated documentation and procedures designed and developed to produce any systems, programs, reports and documentation.
 - 2.11.1.5.3. All other Work Products or documents created, designed, purchased, or developed by the Contractor and funded using Contract Funds.
- 2.11.1.6. All ownership and ownership rights pertaining to Work Product created in the performance of this Contract will vest with the State, regardless of whether the Work Product was developed by the Contractor or any Subcontractor.
- 2.11.1.7. The Contractor shall fully assist in and allow without dispute, both during the term of this Contract and after its expiration, registration by the State of any and all copyrights and other intellectual property protections and registrations in data, software, software modifications or any other Work Product created, designed or developed using Contract Funds.
- 2.11.1.8. The State reserves a royalty-free, non-exclusive and irrevocable license to produce, publish or otherwise use such software, modifications, documentation and procedures created using Contract Funds on behalf of the State, the Federal Department of Health and Human Services (HHS) and its contractors. Such data and software includes, but is not limited to, the following:
 - 2.11.1.8.1. All computer software and programs, which have been designed or developed for the State, or acquired by the Contractor on behalf of the State, which are used in performance of the Contract.
 - 2.11.1.8.2. All internal system software and programs developed by the Contractor or subcontractor, including all source codes, which result from the performance of the Contract; excluding commercial software packages purchased under the Contractor's own license.
 - 2.11.1.8.3. All necessary data files.
 - 2.11.1.8.4. User and operation manuals and other documentation.
 - 2.11.1.8.5. System and program documentation in the form specified by the State.
 - 2.11.1.8.6. Training materials developed for State staff, agents or designated representatives in the operation and maintenance of this software.

2.12. Performance Reviews

- 2.12.1. The Department may conduct performance reviews or evaluations of the Contractor in relation to the Work performed under the Contract.
- 2.12.2. The Department may work with the 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.
- 2.12.3. The 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. The Contractor shall provide this information regardless of whether the Department decides to work with the Contractor on any aspect of the performance review or evaluation.
- 2.12.4. 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.
- 2.12.5. 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.

2.13. Renewal Options and Extensions

- 2.13.1. 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.
- 2.13.2. The Parties may amend the Contract to extend beyond five (5) 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.
- 2.13.3. In the event that the Contract is extended beyond five (5) 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.
- 2.13.4. 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.

2.14. Department System Access

- 2.14.1. In the event that the Contractor requires access to any Department computer system to complete the Work, the Contractor shall have and maintain all hardware, software, and interfaces necessary to access the system without requiring any modification to the Department's system. The Contractor shall follow all Department policies, processes, and procedures necessary to gain access to the Department's systems.
- 2.14.2. The 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.

2.15. State of Colorado Information Technology Requirements

2.15.1. Cyber Security Policies

- 2.15.1.1. The Contractor shall adhere to all State of Colorado Information Technology Security and Privacy requirements that are relevant to the Contract.
- 2.15.1.2. The Contractor shall comply with the most current CISPs located at www.oit.state.co.us/ois/policies.
- 2.15.1.2.1. The Contractor shall review, on a semi-annual basis, the CISPs and related documents to ensure compliance with standards and guidelines therein.

2.15.2. Cloud and Vendor Hosted Solutions

- 2.15.2.1. The Contractor shall maintain network security that at a minimum includes network firewall provision, intrusion detection, and regular (two or more annually) third part vulnerability assessments. Contractor shall maintain network security that conforms to generally recognized industry standards and best practices that Contractor applies to its own network.
- 2.15.2.2. Contractor shall provide, maintain, and support the system and subsequent updates, upgrades, and bug fixes such that the system is, and remains, secure from those vulnerabilities. The Department recommends the Contractor review and implement strategies based on the following:
 - 2.15.2.2.1. Open Web Application Security Project's (OWASP) "Top Ten Project" located at <http://www.owasp.org>;
 - 2.15.2.2.2. CWE/SANS Top 25 Programming Errors located at <http://cwe.mitre.org/top25/> or <http://www.sans.org/top25-programming-errors>
 - 2.15.2.2.3. Other generally recognized and comparable industry practices or standards.
- 2.15.2.3. The Contractor shall preserve the confidentiality; integrity and accessibility of State data with administrative, technical, and physical measures that conform to generally recognized industry standards and best practices that Contractor then applies to its own processing environment. Maintenance of a secure processing environment includes but is not limited to the timely application of patches, fixes, and updates to operating systems and applications as provided by Contractor.
- 2.15.2.4. All State Confidential Information and State data of any kind shall be stored, processed, accessed from, or transferred only in or to facilities located within the United States unless written permission has been provided by the State in advance.

3. CONTRACTOR PERSONNEL

3.1. Personnel General Requirements

- 3.1.1. Contractor shall provide qualified Key Personnel and Other Personnel as necessary to perform the Work throughout the term of the Contract.
- 3.1.2. The Contractor shall ensure that no Key Personnel or Other Personnel violate any of the Conflict of Interest provisions in this Contract.
 - 3.1.2.1. Contractor shall provide the Department with a final list of individuals assigned to the Contract and appropriate contact information for those individuals.
 - 3.1.2.1.1. DELIVERABLE: Final list of individuals assigned to the Contract

- 3.1.2.1.2. DUE: Within five (5) Business Days after the Effective Date
- 3.1.2.2. The Contractor shall update this list upon the Department's request for changes in the individuals assigned to the Contract.
- 3.1.2.2.1. DELIVERABLE: Updated list of individuals assigned to the Contract
- 3.1.2.2.2. DUE: Within five (5) Business Days after the Department's request for an update
- 3.1.3. 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.
- 3.1.4. Contractor shall not voluntarily change individuals in Key Personnel positions without the prior written approval of the Department.
- 3.1.5. If any individual filling a Key Personnel position leaves employment with Contractor or moves to another work assignment, Contractor shall notify the Department and propose a replacement person to the Department. The Contractor shall supply the Department with the name, resume, and references for any proposed replacement. Any individual replacing Key Personnel shall have the qualifications stated for the Key Personnel position the person is to assume. The Department will review and approve proposed Key Personnel that have the qualifications outlined in Section 3.3.
- 3.1.5.1. DELIVERABLE: Name(s), resume(s) and references for the person(s) replacing anyone in a Key Personnel position during a voluntary change
- 3.1.5.2. DUE: At least five (5) Business Days prior to the change in Key Personnel
- 3.1.6. 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.
- 3.1.6.1. DELIVERABLE: Name(s), resume(s) and references for the person(s) replacing anyone in a Key Personnel position who leaves employment with Contractor
- 3.1.6.2. DUE: Within ten (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
- 3.1.7. Contractor's Key Personnel shall perform at least fifty percent (50%) of their work and responsibilities on this project in the Denver metropolitan area, unless the Department grants permission otherwise in writing.
- 3.1.8. 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.
- 3.1.8.1. DELIVERABLE: All current professional licensure and certification documentation as specified for Key Personnel or Other Personnel
- 3.1.8.2. DUE: Within five (5) Business Days of receipt of updated licensure or upon request by the Department

3.2. Personnel Availability

- 3.2.1. 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.
- 3.2.2. 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.
- 3.2.3. 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.
- 3.2.4. At the Department's direction, the 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.
- 3.2.5. All of Contractor's Key Personnel and Other Personnel that attend any meeting with the Department or other Department stakeholders shall be physically present at the location of the meeting for at least fifty percent (50%) of the meetings, unless the Department gives prior, written permission to attend by telephone or video conference. The Department will determine which meetings require the physical attendance of Key Personnel and Other Personnel. If 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.
- 3.2.6. The Contractor shall respond to all telephone calls, voicemails, and emails from the Department within two (2) Business Days of receipt by the Contractor.

3.3. Key Personnel

- 3.3.1. Contractor shall designate people to hold the following Key Personnel positions:
 - 3.3.1.1. Program Lead
 - 3.3.1.1.1. The Program Lead shall have the following qualifications:
 - 3.3.1.1.1.1. At least three (3) years of project management experience, preferably in major IT systems-related work.
 - 3.3.1.1.1.2. At least three (3) years of experience conducting IV&V work, preferably in health or major IT systems-related work.
 - 3.3.1.1.2. The Program Lead shall be responsible for all of the following:
 - 3.3.1.1.2.1. Serving as Contractor's primary point of contact for the Department.
 - 3.3.1.1.2.2. 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.
 - 3.3.1.1.2.3. Overseeing all other Key Personnel and Other Personnel and ensuring proper staffing levels throughout the term of the Contract.
 - 3.3.1.2. Project Leads
 - 3.3.1.2.1. The Contractor shall initially have two (2) Project Leads, one (1) for Medicaid

Enterprise and one (1) for E&E. When the ARRA-HITECH work is required, the Contractor shall provide a third Project Lead for the ARRA-HITECH work.

- 3.3.1.2.2. The Project Leads shall have the following qualifications:
 - 3.3.1.2.2.1. At least (2) years of project management experience, preferably in major IT systems-related work.
 - 3.3.1.2.2.2. At least two (2) years of experience conducting IV&V work, preferably in health or major IT systems-related work.
- 3.3.1.2.3. The Project Leads shall be responsible for the following:
 - 3.3.1.2.3.1. Serving as the primary point of Contact for work related to the Medicaid Enterprise that the Project Lead is overseeing.
 - 3.3.1.2.3.2. Ensuring the Completion of all Work for the Medicaid Enterprise that the Project Lead is overseeing.
- 3.3.1.3. Business Analysts
 - 3.3.1.3.1. The Contractor shall have Business Analysts.
 - 3.3.1.3.2. The Business Analysts shall have the following qualifications:
 - 3.3.1.3.2.1. At least two (2) years of experience working as a Business Analyst, preferably in health or major IT systems-related work.
 - 3.3.1.3.2.2. The Business Analysts shall have experience in:
 - 3.3.1.3.2.2.1. Gathering and writing requirements for IT projects.
 - 3.3.1.3.2.2.2. Documenting business requirements and business rules.
 - 3.3.1.3.2.2.3. Documenting user requirements.
 - 3.3.1.3.2.2.4. Writing functional and nonfunctional requirements.
 - 3.3.1.3.2.2.5. Capturing requirement attributes.
 - 3.3.1.3.2.2.6. Modeling the current business (AS-IS) process.
 - 3.3.1.3.2.2.7. Developing test plans, test strategies, test scenarios, and test cases.
 - 3.3.1.3.2.2.8. Monitoring risks and timelines.
 - 3.3.1.4. Technical Analysts
 - 3.3.1.4.1. The Contractor shall have Technical Analysts.
 - 3.3.1.4.2. The Technical Analysts shall have the following qualifications:
 - 3.3.1.4.2.1. At least two (2) years of experience working as a Technical Analyst, preferably in health or major IT systems-related work.
 - 3.3.1.4.2.2. The Technical Analysts shall have experience in:
 - 3.3.1.4.2.2.1. Identifying and resolving technical issues.
 - 3.3.1.4.2.2.2. Reading technical documents and system manuals.
 - 3.3.1.4.2.2.3. Understanding Design Specification, Development, and Enterprise Architecture Documents.

- 3.3.2. Contractor shall not allow for any individual to fill more than one (1) of the roles defined as Key Personnel.

3.4. Other Personnel Responsibilities

- 3.4.1. 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.
- 3.4.2. The Contractor shall ensure that it provides sufficient Subject Matter Experts and Project Support Staff and shall ensure Other Personnel are available when needed to complete the Work. Subject matter experts shall have at least one of the expertise outlined in Business Process and technical Service Classifications within MECT/MEET Checklist, located at <https://www.medicaid.gov/medicaid/data-and-systems/mect/index.html> and <https://www.medicaid.gov/medicaid/data-and-systems/meet/index.html>.
- 3.4.3. 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.
- 3.4.4. 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:
- 3.4.4.1. Contractor shall not subcontract more than forty percent (40%) of the Work.
- 3.4.4.2. Contractor shall provide the organizational name of each Subcontractor and all items to be worked on by each Subcontractor to the Department.
- 3.4.4.2.1. DELIVERABLE: Name of each Subcontractor and items on which each Subcontractor will work
- 3.4.4.2.2. DUE: The later of thirty (30) days prior to the Subcontractor beginning work or the Effective Date
- 3.4.4.3. The Contractor shall obtain prior consent and written approval for any use of Subcontractor(s).
- 3.4.4.4. The Contractor shall ensure that any subcontractor agreement includes the conflict of interest provision in this contract, unchanged in its entirety, and the Subcontract is approved by the Department, and if required CMS, in writing prior to the contract being executed.
- 3.4.4.5. The Department reserves the right to require that Subcontractors be removed for any reason, including, but not limited to violation of the conflict of interest provision, with thirty (30) days' notice.

3.5. Conflict of Interest

- 3.5.1. Throughout the term of the Contract, the Contractor shall abide by all the following conflict of interest rules from Section 1 of Appendix C of the published MECT/MEET protocol.
- 3.5.1.1. Any contractor (and its subcontractors) serving in the role of independent verification and validation (IV&V) service contractor/provider to the state Medicaid Enterprise and

ARRA-HITECH projects is prohibited from soliciting, proposing, or being awarded any project management, quality assurance, software design, development, or other manner of planning, design, development, or implementation phase activity on the state Medicaid Enterprise and ARRA-HITECH projects for which these IV&V services are being procured.

- 3.5.1.2. This exclusion is executed in accordance with federal regulations at 45 CFR 95.626, which require that this IV&V effort "... be conducted by an entity that is independent from the State (unless the State receives an exception from the CMS/HHS)."
- 3.5.1.3. For purposes of clarity, the Center for Medicaid and CHIP Services (CMCS) defines "the State" in the above regulatory citation as being a state's IT project, and the umbrella agency or department. The primary purpose of this exclusion is to ensure that the IV&V service provider avoids any real or perceived conflicts of interest. For federal purposes, the scope of the IV&V includes planning, management, and other programmatic activities in conformance with the term's usage in federal regulations at 45 CFR 95.626.
- 3.5.1.4. Independent V&V is the set of verification and validation activities performed by an agency not under the control of the organization developing the software. IV&V services must be provided and managed by an organization that is technically and managerially independent of the subject software development project. This independence takes two mandatory forms.
- 3.5.1.5. First, technical independence requires that the IV&V services provider organization, its personnel, and subcontractors are not and have not been involved in the software development or implementation effort or in the project's initial planning and/or subsequent design. Technical independence helps ensure that IV&V review reports are free of personal or professional bias, posturing, or gold plating.
- 3.5.1.6. Second, managerial independence is required to make certain that the IV&V effort is provided by an organization that is departmentally and hierarchically separate from the software development and program management organizations. Managerial independence helps ensure that the IV&V service provider can deliver findings and recommendations to state and federal executive leadership and management without restriction, fear of retaliation, or coercion (e.g., reports being subject to prior review or approval from the development group before release to outside entities, such as the federal government).
- 3.5.2. If the Contractor becomes aware of a conflict of interest relating to this Contract, the Contractor shall inform the Department within one (1) Business Day.
- 3.5.3. If the Contractor has a conflict of interest at any point during the term of the Contract, the Department may, in its sole discretion, terminate the Contract for cause.

3.6. Lifecycle Overview

3.6.1. Overview of the MMIS Certification Lifecycle

- 3.6.1.1. The Medicaid Certification Enterprise Lifecycle (MECL) administered by CMS contains four life-cycle phases and three types of certification milestone reviews. The milestone reviews occur at different phases of system/module development. The types of milestone reviews are the Project Initiation Milestone Review, the Operational Milestone Review, and the MMIS Certification Final Review. The life cycle and its milestone reviews are explained in detail in the CMS Medicaid Enterprise Certification Toolkit.

- 3.6.1.2. Reviews should include Project Initiation Milestone Review, Operational Milestone Reviews, and MMIS Certification Final Reviews, determined by Colorado's release plan. The exact number of milestone reviews may change, however.
- 3.6.2. Overview of the Medical Eligibility and Enrollment Lifecycle
 - 3.6.2.1. The Medicaid Eligibility & Enrollment Lifecycle (MEELC) administered by CMS contains four life cycle phases and three types of milestone reviews. The milestone reviews occur at different phases of system/module development. The types of milestone reviews are the Project Initiation Milestone Review, the Operational Milestone Review, and the Post Operational Review. The life cycle and its milestone reviews are explained in detail in the CMS Medicaid Eligibility and Enrollment Toolkit.
 - 3.6.2.2. Reviews should include Project Initiation Milestone Review, Operational Milestone Reviews, and Post Operational Reviews, determined by Colorado's release plan. The exact number of milestone reviews may change, however.
- 3.7. **IV&V Minimum Scope of Services**
 - 3.7.1. The Contractor shall provide all services as required in this Contract. The below section is mandatory language from CMS merely describing the minimum services required under CMS guidelines, and shall not be construed as the minimum Work under this Contract.
 - 3.7.2. The Contractor shall provide IV&V services for CMS and Colorado in support of the MECL & MEELC in accordance with guidance found in the Medicaid Enterprise Certification Toolkit (MECT) and Medicaid Eligibility & Enrollment Toolkit (MEET) taken from MITA.
 - 3.7.3. Progress Reports and Medicaid Enterprise Certification Checklists
 - 3.7.3.1. Periodically, and at the minimum quarterly, the IV&V service provider produces exception-based IV&V Progress Reports that objectively illustrate the strengths and weaknesses of the project and provide recommendations for correcting any identified weaknesses. System IV&V Progress Reports are prepared in advance of Milestone Reviews with CMS.
 - 3.7.3.2. The IV&V service provider staff will interview and observe Medicaid Enterprise and ARRA-HITECH development project management staff, and the Medicaid Enterprise and ARRA-HITECH projects development contractor staff (including any subcontractors). Service provider staff also will observe project meetings and activities to understand the processes, procedures, and tools used in the MMIS and E&E program and Medicaid Enterprise and ARRA-HITECH program environments. They will review and analyze all applicable and available documentation for adherence to accepted, contractually defined industry standards. The IV&V contractor will fill out the reviewer comment portion of the Medicaid Enterprise Certification Checklists and append them to the progress report.
 - 3.7.3.3. In preparation for the Milestone Reviews, the IV&V provider shall evaluate state documents and evidence, along with any working modules/code applicable to that particular review, and complete the reviewer comments portion of the Medicaid Enterprise Certification Checklists and the Medicaid Eligibility & Enrollment Checklists. The completed checklists are appended to the IV&V Progress Report. The progress report shall be delivered at least two (2) weeks prior to the scheduled Milestone Review.
 - 3.7.3.4. The IV&V service provider shall provide the Progress Reports to CMS at the same time

they are presented to the state. This reporting process, in accordance with federal regulations, includes final report issuance as well as all draft report submissions.

3.7.4. Oversight

3.7.4.1. IV&V services will be part of the larger oversight of the day-to-day operations and management of the Medicaid Enterprise and ARRA-HITECH projects. The IV&V service provider shall have complete access to Medicaid Enterprise and ARRA-HITECH projects documents, facilities, and staff during normal business hours, as required to carry out its oversight role. The IV&V contractor shall have access to all key staff on site at the Medicaid Enterprise and ARRA-HITECH projects location(s) daily, as needed to observe meetings, review deliverables and documentation, and conduct interviews, etc., to ensure a high level of integrity and confidence in the IV&V service provider's Medicaid Enterprise and ARRA-HITECH projects' oversight and monitoring.

3.7.4.2. The IV&V V service provider will review the project and system processes and progress in areas including, but not limited to, the following:

3.7.4.3. Project Management

3.7.4.3.1. Progress against budget and schedule

3.7.4.3.2. Risk management

3.7.4.3.3. Inclusion of state goals/objectives and all federal MMIS E&E and ARRA HITECH requirements in request for proposals and contracts

3.7.4.3.4. Adherence to the state's Software Development Life Cycle (SDLC)

3.7.4.3.5. Incorporation of the standards and condition for Medicaid IT into design and development

3.7.4.3.6. Reasonability, thoroughness, and quality of MITA self-assessment, concept of operations, information architecture, and data architecture.

3.7.4.3.7. Reflection of the state's MITA goals and plans into actual MMIS and E&E design and development

3.7.4.3.8. Configuration management that is robust and includes state or developer configuration audits against configuration baseline

3.7.4.3.9. Change management

3.7.4.3.10. Adherence to service level agreements

3.7.4.4. Modular development

3.7.4.4.1. Completeness and reasonability of MMIS and E&E concepts of operations, architecture, and designs

3.7.4.4.2. Accuracy of capture of interfaces and data sharing requirements with systems external to the Medicaid Enterprise and ARRA-HITECH

3.7.4.4.3. Viability and completeness of the data transition plan

3.7.4.4.4. Traceability of requirements through design, development, and testing

3.7.4.4.5. Adequacy of system security and privacy policies, plans, technical designs, and implementations

- 3.7.4.4.6. Coverage and integrity of all system testing, including stress testing and testing of interfaces between modules and with external partner systems
- 3.7.4.4.7. Capacity management, including consideration of future vendors' support and release plans for underlying databases, software, and hardware
- 3.7.4.4.8. Adequacy of disaster recovery planning
- 3.7.5. The IV&V contractor will evaluate and make recommendations about the state artifacts that are required for Milestone Reviews. A list of required artifacts is included in the CMS Medicaid Enterprise Certification Toolkit and CMS Medicaid Eligibility & Enrollment Toolkit.

3.8. IV&V General Work Requirements

- 3.8.1. All work under this Section will be applicable to all Medicaid Enterprise and ARRA-HITECH work. Any differentiation in the work process or product will be called out specifically. Any work that is to only be done for one (1) program will be noted.
- 3.8.2. The Contractor shall be expected to follow the most current Updated Individual Project IV&V Management Plan for each of the Medicaid Enterprise's Projects in order to determine the start and stop times for when specific IV&V work will be required.
 - 3.8.2.1. The Department may notify the Contractor of major milestones and start and end dates for life cycle segments in order to help inform the Contractor's scheduling of work.
 - 3.8.2.2. When a Project initiated, the Department may also identify specific work that the Contractor will not be responsible for completing for that specific Project.
 - 3.8.2.3. The Department may require that the Contractor begin or end a specific review at a specific time other than that determined by the Contractor.
- 3.8.3. The Contractor shall not be an active participant in any Medicaid Enterprise or Project that the Contractor is conducting IV&V on.
 - 3.8.3.1. The only input the Contractor shall provide shall be through the Deliverables and Reports in this Contract.
- 3.8.4. The Contractor shall seek to frame all recommendations in terms of allowing the Medicaid Enterprises to become more self-sufficient.
- 3.8.5. Requirements for the IV&V work for Medicaid Enterprise and E&E shall be the same unless specifically denoted.
- 3.8.6. Currently the work for ARRA-HITECH is provisional in nature and work will only start as new Projects are brought online.
 - 3.8.6.1. The Contractor will be expected to expand their volume to meet the increased demands for working on these specific Projects when they come on line.
 - 3.8.6.2. Sufficient notice will be provided in order to allow the Contractor to move and/or acquire additional staff to fulfill the increased demand for Work.
 - 3.8.6.3. Additional IV&V Work will be added via amendment prior to Work on those Projects beginning.
- 3.8.7. The Department reserves the right to reduce or eliminate any Work at any time from this agreement due to changes in funding or requirements from CMS or other entities.

- 3.8.7.1. Reductions and eliminations of Work will be done via transmittal with a subsequent contract amendment. Any outstanding payment will be governed by the main body of the agreement.
- 3.8.8. The Contractor shall create a Mapping Document describing how each MECT/MEET and other business requirement will be related to the Work in this contract.
- 3.8.8.1. The Contractor shall deliver the Mapping document to the Department for review and approval.
- 3.8.8.1.1. DELIVERABLE: Mapping Document
- 3.8.8.1.2. DUE: Within thirty (30) days from the Effective Date, and as requested by the Department as new projects are initiated
- 3.8.8.2. The Contractor shall deliver the Updated Mapping Document to the Department for review and approval.
- 3.8.8.2.1. DELIVERABLE: Updated Mapping Document
- 3.8.8.2.2. DUE: Six (6) months after the previous Mapping Document was delivered

3.9. Determination of Work

- 3.9.1. Each quarter, based on the current state of the IV&V Efforts, the Contractor shall create Preliminary Quarterly Work Plans for MMIS and E&E work describing the anticipated IV&V Efforts that will take place that quarter, along with a proposed cost schedule based on the completion of Milestones and Deliverables. Upon the Department's request, Contractor shall include ARRA HITECH work in the Preliminary Quarterly Work Plans.
- 3.9.1.1. The Preliminary Quarterly Work Plans shall include, but not be limited to the following:
 - 3.9.1.1.1. A description of each IV&V Effort that includes but is not limited to:
 - 3.9.1.1.1.1. A description of the Work to be completed for that Effort.
 - 3.9.1.1.1.2. The system for which the Effort will be undertaken.
 - 3.9.1.1.1.3. Which MITA or contract requirement the Effort is for.
 - 3.9.1.1.1.4. The milestones that will need to be met this quarter in order to ensure that the Effort is on track.
 - 3.9.1.1.1.5. Any Deliverables that will result from the Work that quarter.
 - 3.9.1.1.1.6. The estimated number of work hours it will take to complete the Effort by position title.
 - 3.9.1.1.1.7. The total cost based on the stated Work hours by position title.
 - 3.9.1.1.2. A general description of the IV&V Efforts will be taking place that month.
 - 3.9.1.1.3. A list and explanation for any Efforts that were not completed the previous quarter and are continuing into this quarter.
 - 3.9.1.1.4. A list and explanation for any Efforts that are not anticipated to be completed this quarter and will continue into next quarter.
 - 3.9.1.1.5. A total cost number for the quarter, not to include any Work that was described on a previous quarter's Work plan.

- 3.9.1.1.6. An updated Policy and Procedures Manual (Section 2.10.8.2.2.) that incorporates the ongoing projects and anticipated projects for the quarter.
- 3.9.1.1.6.1. The quarterly Policy and Procedures Manual shall prepare and provide all quarterly-specific documents, forms, training materials, and any other documents, information, and protocols that require approval by the Department prior to the beginning of the quarter.
- 3.9.1.1.7. Any general issues that will impact the Work.
- 3.9.2. The Contractor shall deliver the Preliminary Quarterly Work Plans to the Department for review and approval.
- 3.9.2.1. DELIVERABLE: Preliminary Quarterly Work Plan for MMIS
- 3.9.2.2. DUE: At least thirty (30) days prior to the first day of the quarter for which the plan covers
- 3.9.2.3. DELIVERABLE: Preliminary Quarterly Work Plan for E&E
- 3.9.2.4. DUE: At least thirty (30) days prior to the first day of the quarter for which the plan covers
- 3.9.3. The Department will review the Preliminary Quarterly Work Plans and may request changes to the Work plan.
- 3.9.3.1. The Contractor shall work with the Department to come to a final agreement as to the contents of and payments for each Quarterly Work Plan.
- 3.9.4. Once the Department has approved the Preliminary Quarterly Work Plans in writing, the Contractor shall create the Final Quarterly Work Plans.
- 3.9.4.1. The Final Quarterly Work Plan shall include all items that were included in the Preliminary Quarterly Work Plan and integrate all agreed-upon changes to that Plan.
- 3.9.5. The Contractor shall deliver the Final Quarterly Work Plan to the Department for review and approval.
- 3.9.5.1. DELIVERABLE: Final Quarterly Work Plan for MMIS
- 3.9.5.2. DUE: At least five (5) days prior to the first day of the quarter for which the plan covers
- 3.9.5.3. DELIVERABLE: Final Quarterly Work Plan for E&E
- 3.9.5.4. DUE: At least five (5) days prior to the first day of the quarter for which the plan covers
- 3.9.6. Once a Final Quarterly Work Plan is approved in writing, the Contractor shall follow that Final Quarterly Work Plan for that quarter for which it covers and complete all Work as described therein.
- 3.9.7. Upon acceptance of a Final Quarterly Work Plan, all costs become fixed regardless of actual effort or time required to complete the Work.

4. PROJECT SPECIFIC STATEMENT OF WORK

4.1. Purchase Request Orders

- 4.1.1. The Department shall assign all Work in Section 4 to the Contractor by means of Purchase Request Orders.
- 4.1.2. The Department expects that there shall be monthly and quarterly Purchase Request Orders of varying complexity.

- 4.1.3. Not all work in Section 4 is needed in every month or quarter. Therefore, in addition to stating whether a Deliverable is due monthly or quarterly, Deliverable Due Dates in this section may also include whether the Deliverable is only needed on an “as needed” base.
- 4.1.3.1. If a Deliverable Due Date in Section 4 is marked “As needed,” the Department may choose not to include the Deliverable in a Purchase Request Order. All other Deliverables shall be mandatory.
- 4.1.4. The Department may request that multiple Purchase Request Orders be completed at the same time.
- 4.1.5. The Purchase Request Orders shall include:
 - 4.1.5.1. Project description.
 - 4.1.5.2. Project start date and end date.
 - 4.1.5.3. Name and title of person(s) to complete specific components of the project, if any.
 - 4.1.5.3.1. For Subject Matter Experts, the description must include which expertise the Subject Matter Expert has.
 - 4.1.5.4. A schedule of Deliverables, tasks, and reports to be completed by the Contractor.
 - 4.1.5.5. A total fixed-price amount for the Purchase Request Order.
- 4.1.6. The Department will first issue a Preliminary Purchase Request Order, which shall contain all the information described in Section 4.1.5.
- 4.1.7. Upon receipt and review of a Preliminary Purchase Request Order, the Contractor shall produce a Preliminary Project Plan for the requested task.
- 4.1.8. The Preliminary Project Plan shall include, but not be limited to:
 - 4.1.8.1. Milestones and Deliverables, including anticipated completion dates which align with the dates in the Preliminary Purchase Request Order.
 - 4.1.8.2. A fixed price for the project, which shall be based on the estimated number of hours required to finish the Preliminary Purchase Request Order.
 - 4.1.8.3. Any technical obstacles that are not contained in the Preliminary Purchase Request Order that could potentially derail or delay the project.
 - 4.1.8.4. Any other information needed to ensure the Milestones and Deliverables are met on time.
- 4.1.9. The Preliminary Project Plan will be delivered to the Department for review.
 - 4.1.9.1. DELIVERABLE: Preliminary Project Plan
 - 4.1.9.2. DUE: Within ten (10) days of receipt to a Preliminary Purchase Request Order
- 4.1.10. Upon receipt of the Preliminary Project Plan, the Department shall review the Preliminary Project Plan and either accept the plan as it stands or request alterations.
- 4.1.11. If the Preliminary Project Plan is accepted, then it will serve as the Project Plan and the Department shall use the Project Plan to issue the Purchase Request Order.
- 4.1.12. If the Department requests alterations to the Preliminary Project Plan, the Contractor shall create an Amended Project Plan.
- 4.1.13. The request for alterations may be accompanied by an Amended Purchase Request Order.

- 4.1.14. The Amended Project Plan shall be presented to the Department for review.
- 4.1.14.1. DELIVERABLE: Amended Project Plan
- 4.1.14.2. DUE: Within five (5) days of any requested change by the Department
- 4.1.15. Upon the receipt of an Amended Project Plan, the Department shall review the Amended Project Plan and either accept the Amended Project Plan as submitted or request further alterations and another Amended Project Plan.
- 4.1.16. Once the Department is satisfied with the Project Plan or Amended Project Plan, the Department shall issue a Purchase Request Order.
- 4.1.17. Once the Purchase Request Order is issued, the Contractor may begin work on the Purchase Request Order.
- 4.1.18. Upon receipt and review of the Purchase Request Order, the Contractor may request in writing any further technical information, clarification of project goals or process, or any other information that may be required.

4.2. Service Level Agreements (SLAs)

- 4.2.1. The Department will monitor the Contractor's performance through five (5) Performance Standards. The Department may indefinitely withhold up to \$22,500 of each monthly payment and up to \$22,500 each quarter, as reflected in the quarter-end monthly payment, based on the failure to complete any of the following:
 - 4.2.1.1. MONTHLY PERFORMANCE STANDARDS:
 - 4.2.1.1.1. PERFORMANCE STANDARD: The Contractor shall report to the project manager all critical risks within five (5) Business Days of when the Contractor knew or should have known of the risk's occurrence.
 - 4.2.1.1.1.1. \$7,500.00 of each monthly payment may be withheld for the failure to complete this Performance Standard, at the Department's determination in good faith consultation with the Contractor.
 - 4.2.1.1.2. PERFORMANCE STANDARD: One hundred percent (100%) of Deliverables undergo a peer review prior to submission to the Department.
 - 4.2.1.1.2.1. \$2,000.00 of each monthly payment may be withheld for the failure to complete this Performance Standard, at the Department's determination in good faith consultation with the Contractor.
 - 4.2.1.1.3. PERFORMANCE STANDARD: Contractor shall submit ninety-five percent (95%) of all Deliverables on time as identified in the approved project plans. No more than ten percent (10%) of Deliverables require more than one revision cycle for SLI introduced errors and/or omissions.
 - 4.2.1.1.3.1. \$11,000.00 of each monthly payment may be withheld for the failure to complete this Performance Standard, at the Department's determination in good faith consultation with the Contractor.
 - 4.2.1.1.4. PERFORMANCE STANDARD: Key Personnel positions may not be open for more than thirty (30) days.

- 4.2.1.1.4.1. \$2,000.00 of each monthly payment may be withheld for the failure to complete this Performance Standard, at the Department's determination in good faith consultation with the Contractor.
- 4.2.1.2. **QUARTERLY PERFORMANCE STANDARD:**
- 4.2.1.2.1. **PERFORMANCE STANDARD:** At least fifty percent (50%) of Contractor's work and responsibilities shall be performed in the Denver Metropolitan area, as measured over the period of one state quarter.
- 4.2.1.2.1.1. \$22,500.00 of September, December, March, and June payments may be withheld for the failure to complete this Performance Standard, at the Department's determination in good faith consultation with the Contractor.

4.3. Quarterly Reporting to CMS

- 4.3.1. Each Quarter the Contractor shall produce and deliver, at a minimum, one IV&V Quarterly Progress Report per active Medicaid Enterprise (Section 3.7.3).
- 4.3.2. The Contractor shall ensure that they follow all requirements included in the MECT/MEET guidance as applicable, and any other regulation or official instruction from CMS in their submissions to CMS.
- 4.3.3. Each quarter the Contractor shall deliver the IV&V Quarterly Progress Reports described in this section simultaneously to CMS and the Department as required by CMS.
- 4.3.4. The Contractor shall perform a full review every quarter on all currently active business areas of all Projects, as identified by the Department and in the Updated Individual Project IV&V Management Plans.
- 4.3.5. The IV&V Quarterly Progress Reports shall use the templates from the most recent version of MECT or MEET, as applicable, available on CMS's website at <https://www.medicaid.gov>.
- 4.3.6. The IV&V Quarterly Progress Reports shall include, but not be limited to the following:
 - 4.3.6.1. An IV&V Progress Report for each Business Area currently active for each Medicaid Enterprise.
 - 4.3.6.1.1. IV&V Certification Progress Report template that is now an Excel workbook can be found on the most recent version of MECT/MEET, as applicable, available on CMS's website <https://www.medicaid.gov>.
 - 4.3.6.2. A Checklist for each Business Area currently active for each Medicaid Enterprise as required.
- 4.3.7. The Contractor shall deliver each of the Medicaid Enterprise's IV&V Quarterly Progress Reports including drafts, simultaneously to the Department and CMS following the most recent CMS required published procedure in their delivery of the IV&V Quarterly Progress Reports.
 - 4.3.7.1. IV&V Certification Progress Reports are to be submitted to the MMIS or E&E mailbox indicated in the MECT/MEET protocol as well as to the Regional Office, and CMS representatives as applicable, and only reports submitted in preparation for a Milestone Review need to have checklists attached.
 - 4.3.7.2. The Contractor shall deliver each of the Medicaid Enterprise's IV&V Quarterly MECT/MEET Checklists and submit to shared repository for HCPF, IV&V, and CMS.

4.3.7.2.1. DELIVERABLE: Eligibility and Enrollment IV&V Quarterly Progress Report

4.3.7.2.2. DUE: At least thirty (30) days prior to the first day of the quarter

4.3.7.2.3. DELIVERABLE: MMIS IV&V Quarterly Progress Report

4.3.7.2.4. DUE: At least thirty (30) days prior to the first day of the quarter

4.4. IV&V Project Management Work

4.4.1. The Contractor shall perform the following work regarding the Project Management of all IV&V activities under this Contract:

4.4.2. Master IV&V Management Plan

4.4.2.1. The Contractor shall develop and maintain a Master IV&V Management Plan describing timelines of all current IV&V Work under this Contract and which Deliverables and Reports will be completed, and their due dates.

4.4.2.1.1. DELIVERABLE: Initial Master IV&V Management Plan

4.4.2.1.2. DUE: Within thirty (30) days of the Effective Date

4.4.2.2. The Contractor shall ensure that the Initial Master IV&V Management Plan is updated at minimum weekly and captures all currently planned activities, currently planned and actual work completed, as well as planned and actual hours spent.

4.4.2.3. The Contractor shall deliver the Updated Master IV&V Management Plan to the Department upon request or shall have the plan posted online in a mutually convenient location.

4.4.2.3.1. DELIVERABLE: Updated Master IV&V Management Plan

4.4.2.3.2. DUE: Weekly, or upon Request of the Department

4.4.3. Individual Medicaid Enterprise IV&V Management Plans

4.4.3.1. The Contractor shall develop Individual Medicaid Enterprise IV&V Management Plans which shall describe, at minimum: the activities, timelines, personnel, effort-based schedule, standards, and methodology for conducting each of the IV&V reviews for each Medicaid Enterprise.

4.4.3.2. The Contractor shall develop an Individual Medicaid Enterprise IV&V Management Plan for each Medicaid Enterprise covered under this Contract.

4.4.3.3. The Contractor shall deliver the Individual Medicaid Enterprise IV&V Management Plans to the Department for review and approval.

4.4.3.3.1. DELIVERABLE: Individual Medicaid Enterprise IV&V Management Plan

4.4.3.3.2. DUE: Within thirty (30) days of the Effective Date of an amendment starting a new Project

4.4.3.4. The Contractor shall ensure that the Individual Medicaid Enterprise IV&V Management Plans are updated at minimum weekly with all current work and timelines.

4.4.3.5. The Contractor shall deliver the Updated Individual Medicaid Enterprise IV&V Management Plans to the Department upon request or shall have the plan posted online in a mutually convenient location.

4.4.3.5.1. DELIVERABLE: Updated Individual Medicaid Enterprise IV&V Management Plans

- 4.4.3.5.2. DUE: Weekly, or upon Request of the Department
- 4.4.4. Monthly Briefing Document
 - 4.4.4.1. The Contractor shall prepare a Monthly Briefing Document for the Department.
 - 4.4.4.2. The Monthly Briefing Document shall include but not be limited to:
 - 4.4.4.2.1. All Written Feedback and Updated Written Feedback documents produced in the Month for which the Briefing Document Covers.
 - 4.4.4.2.2. Written support and documentation of all items to be presented during the next Management Briefing.
 - 4.4.4.2.3. The results or findings of any Evaluations, reviews, Validations or Verifications completed during the prior month or updates in relation to any of the following areas:
 - 4.4.4.2.3.1. CMS guidance.
 - 4.4.4.2.3.2. Operational oversight.
 - 4.4.4.2.3.3. Overview of IV&V Management Plan Updates.
 - 4.4.4.2.3.4. Overview of periodic reviews of Medicaid Enterprise and ARRA-HITECH Components.
 - 4.4.4.2.3.5. Updates to Risk Analysis and Mitigation Plan Review.
 - 4.4.4.2.3.6. Overview of Critical Incident Reports produced during the previous month.
 - 4.4.4.2.3.7. Overview Medicaid Enterprise and ARRA-HITECH Vendor Critical Incident Reports.
 - 4.4.4.2.3.8. Project Management updates.
 - 4.4.4.2.3.9. Quality Assurance updates.
 - 4.4.4.2.3.10. Medicaid Enterprise and ARRA-HITECH Operating Environment updates.
 - 4.4.4.2.3.11. Medicaid Enterprise and ARRA-HITECH Development Environments updates.
 - 4.4.4.2.3.12. Medicaid Enterprise and ARRA-HITECH Software Development updates.
 - 4.4.4.2.3.13. Medicaid Enterprise and ARRA-HITECH System Testing updates.
 - 4.4.4.2.3.14. Medicaid Enterprise and ARRA-HITECH Data Management updates.
 - 4.4.4.2.4. Any recommendations to mitigate any risk, deficiency, or issue discovered as a result of any Evaluation, review, or Verification completed during the prior month.
 - 4.4.4.2.5. A Periodic Performance Standard Planning Document that includes the status of each activity shown on the IV&V Management Plan for that Medicaid Enterprise and ARRA-HITECH Component as well as the progress since the prior report.
 - 4.4.4.2.6. Any updated Work Breakdown Structure developed during the prior month.
 - 4.4.4.3. The Monthly Briefing Document shall be delivered to the Department and its designee for review and approval.
 - 4.4.4.4. DELIVERABLE: Monthly Briefing Document
 - 4.4.4.5. DUE: Monthly, by the fifth (5th) day of the month following the last day for which the Monthly Briefing Document covers

4.4.5. Master Risk List

4.4.5.1. The Contractor shall create and maintain a Master Risk List.

4.4.5.2. The List shall contain, but not be limited to:

4.4.5.2.1. A description of each risk identified during the IV&V process including what project or projects the risk applies to.

4.4.5.2.2. The month and year the risk was first identified.

4.4.5.2.3. Whether the risk has been resolved.

4.4.5.2.4. Why the risk was resolved in that manner.

4.4.5.3. The Contractor shall ensure that the Master Risk List is maintained and is up to date.

4.4.5.4. The Contractor shall deliver the most recent version of the Master Risk List to the Department for review and approval each month along with the Monthly Briefing Document.

4.4.5.4.1. DELIVERABLE: Master Risk List

4.4.5.4.2. DUE: Each month with the Monthly Briefing Document

4.4.6. Executive Status Document

4.4.6.1. The Contractor shall prepare a Monthly Executive Status Document.

4.4.6.1.1. The Status Document shall summarize the Monthly Briefing Document highlighting:

4.4.6.1.1.1. Written support and documentation of all items to be presented during the next Management Briefing.

4.4.6.1.2. The results or findings of any Evaluations, reviews, Validations or Verifications completed during the prior month or updates in relation to any of the following areas:

4.4.6.1.2.1. CMS guidance.

4.4.6.1.2.2. Operational oversight.

4.4.6.1.2.3. Overview of IV&V Management Plan Updates.

4.4.6.1.2.4. Overview of periodic reviews of Medicaid Enterprise and ARRA-HITECH Components.

4.4.6.1.2.5. Updates to Risk Analysis and Mitigation Plan Review.

4.4.6.1.2.6. Overview of Critical Incident Reports produced during the previous month.

4.4.6.1.2.7. Overview Medicaid Enterprise and ARRA-HITECH Vendor Critical Incident Reports.

4.4.6.1.2.8. Project Management updates.

4.4.6.1.2.9. Quality Assurance updates.

4.4.6.1.2.10. Medicaid Enterprise and ARRA-HITECH Operating Environment updates.

4.4.6.1.2.11. Medicaid Enterprise and ARRA-HITECH Development Environments updates.

4.4.6.1.2.12. Medicaid Enterprise and ARRA-HITECH Software Development updates.

4.4.6.1.2.13. Medicaid Enterprise and ARRA-HITECH System Testing updates.

- 4.4.6.1.2.14. Medicaid Enterprise and ARRA-HITECH Data Management updates.
- 4.4.6.1.3. Any recommendations to mitigate any risk, deficiency or issue discovered as a result of any Evaluation, review, or Verification completed during the prior month.
- 4.4.6.1.4. A Periodic Performance Standard Planning Document that includes the status of each activity shown on the IV&V Management Plan for that Medicaid Enterprise and ARRA-HITECH Component as well as the progress since the prior report.
- 4.4.6.1.5. Any updated Work Breakdown Structure developed during the prior month.
- 4.4.6.1.6. DELIVERABLE: Executive Status Document
- 4.4.6.1.7. DUE: Monthly, by the fifth (5th) day of each month
- 4.4.7. Quarterly State Executive Updates
 - 4.4.7.1. The Contractor shall facilitate Quarterly State Executive Update each quarter.
 - 4.4.7.2. The Department shall invite representatives from at least the following groups:
 - 4.4.7.2.1. Colorado Department of Health Care Policy and Financing
 - 4.4.7.2.2. Colorado Department of Human Services
 - 4.4.7.2.3. Governor's Office of Information Technology
 - 4.4.7.2.4. The Executive Steering Committee for CBMS
 - 4.4.7.2.5. Other groups as requested by the Department
 - 4.4.7.3. The location and timing of the meetings shall be determined by the Department.
 - 4.4.7.4. The meetings shall be approximately one (1) hour in length and shall give a high-level review of the items covered in the Executive Status document as well as any other items requested by the Department.
 - 4.4.7.4.1. At the Department's request, the Contractor may present a Quarterly State Executive Update to a broader audience, such as the Department's staff.
- 4.4.8. Annual Department Update
 - 4.4.8.1. The Contractor shall facilitate Annual Department Updates each year.
 - 4.4.8.2. The updates shall discuss who the Contractor is and introduce Department staff to what the Contractor does.
 - 4.4.8.3. The Department will set the place and time for the Annual Department Update each year and notify the Contractor of the location and time at least thirty (30) days in advance.
- 4.4.9. Initial IV&V Project Reviews
 - 4.4.9.1. The Contractor shall perform an Initial IV&V Project Review for each Project.
 - 4.4.9.2. The Initial IV&V Project Review shall include at least the following:
 - 4.4.9.2.1. The IV&V activities that will be required for the Project.
 - 4.4.9.2.2. The status of each required IV&V activity.
 - 4.4.9.2.3. Any potential difficulties or additional considerations which may need to be taken into account for this project.

- 4.4.9.2.4. Any other relevant information that will affect the scope or timeline of the IV&V effort for the project.
- 4.4.9.3. The Contractor shall draft and deliver each Initial IV&V Project Review to the Department for review and approval.
- 4.4.9.3.1. DELIVERABLE: Initial IV&V Project Review
- 4.4.9.3.2. DUE: Within ten (10) days of the Effective Date of an Amendment Starting a new Medicaid Enterprise
- 4.4.10. Monthly IV&V Project Reviews
- 4.4.10.1. The Contractor shall perform Monthly IV&V Project Reviews on each Project currently active.
- 4.4.10.2. The Monthly IV&V Project Reviews shall include all items from the Initial IV&V Project Review; shall include any progress made since the last Monthly IV&V Project Review for that Project; and shall highlight any changes made since the last Monthly IV&V Project Review for that Project.
- 4.4.10.3. The Contractor shall draft a Monthly IV&V Project Review for each active Project and deliver them to the Department for review and approval.
- 4.4.10.3.1. DELIVERABLE: Monthly IV&V Project Reviews
- 4.4.10.3.2. DUE: Monthly, by the fifth (5th) day following the last day for which the Review covers
- 4.4.10.4. The Contractor shall ensure that the findings from the Periodic IV&V Project Reviews are integrated into the appropriate Current Individual IV&V Management Plans.
- 4.4.11. Management Briefing Presentation
- 4.4.11.1. Upon request of the Department, the Contractor shall prepare and deliver a formal presentation on the status of an individual, or multiple IV&V projects.
- 4.4.11.2. The Contractor shall monitor the performance of each MMIS, E&E, and ARRA-HITECH (when functional) vendor, including DXC, Magellan, Deloitte and IBM, to verify that the vendor is in compliance with its contract with the Department. The Contractor shall also verify that each vendor's system development meets all requirements within the contract with the Department.
- 4.4.11.2.1. The Contractor shall include its evaluation of each vendor's performance in the Management Briefing Presentation.
- 4.4.11.3. The Department will notify the Contractor at least ten (10) business days before the required date of the presentation.
- 4.4.11.3.1. The presentation request will include the following:
 - 4.4.11.3.1.1. The requested content of the presentation.
 - 4.4.11.3.1.2. The location and time of the presentation.
 - 4.4.11.3.1.3. The expected audience for the presentation.
 - 4.4.11.3.1.4. Any other requirement for the presentation.
- 4.4.11.4. The Department will not require more than one (1) Management Briefing Presentation

per month, unless agreed to in advance by the Contractor.

4.4.11.5. The Contractor shall provide all presentation materials and notes from the presentation to the Department for review and approval.

4.4.11.5.1. DELIVERABLE: Presentation Materials and Notes

4.4.11.5.2. DUE: Within three (3) Business days after the Presentation

4.4.12. Joint Management Plan Review Meeting

4.4.12.1. The Contractor shall work with the Department to schedule the Joint Management Plan Review Meeting.

4.4.12.2. The Joint Management Plan Review Meeting shall be used to review all upcoming deliverables and discuss any issues with the work.

4.4.12.3. The Contractor shall attend each Joint Management Plan Review Meeting.

4.4.12.4. The Joint Management Plan Review Meeting shall occur every three (3) months, approximately one month before the start of a quarter.

4.4.12.5. The Contractor shall ensure that all Key Personnel attend the meeting.

4.4.12.6. The Meeting shall discuss the current Master and Individual Project IV&V Management Plans including at least the following:

4.4.12.6.1. Timelines and potential changes to timelines for the coming three (3) to four (4) months.

4.4.12.6.2. Any issues that are affecting the Work.

4.4.12.7. Any changes requested and approved by the Department in any of these meetings shall be made to the Master and Individual Project IV&V Management Plans.

4.4.12.8. The Contractor shall take meeting minutes for each Joint Management Plan Review Meeting documenting what was discussed, any decisions made, and any action items that require further follow up.

4.4.12.8.1. The Contractor shall deliver the meeting minutes to the Department for review and approval.

4.4.12.8.1.1. DELIVERABLE: Joint Management Plan Review Meeting Minutes

4.4.12.8.1.2. DUE: Within three (3) Business Days after each meeting

4.4.13. Bi-Annual Department Strategic Plan and Colorado Health IT Roadmap Review

4.4.13.1. Every six (6) months the Contractor shall perform a review of the Department's Strategic Plan and the Colorado Health IT Roadmap in order to determine if those documents are in alignment with the systems the Contractor has been reviewing.

4.4.13.2. The Contractor shall make recommendations on how the Department, OIT, and OeHI can make adjustments to those documents in order to bring the plans in alignment with MITA, MECT and MEET standards as well as work plans reviewed under this statement of work.

4.4.13.3. The Contractor shall create a written document describing the improvements and shall deliver that document to the Department for review and approval.

4.4.13.3.1. DELIVERABLE: Bi-Annual Department Strategic Plan and Colorado Health IT Roadmap Review Document

4.4.13.3.2. DUE: Every six (6) months as directed by the Department

4.4.13.4. The goal of this meeting shall be to help the Department align its work and move forward in a strategic and purposeful fashion.

4.5. Procurement Oversight Work

4.5.1. The Contractor shall perform the following work regarding IV&V of the procurement process for new Projects.

4.5.2. Procurement Strategy Review

4.5.2.1. The Contractor shall conduct an overview of the procurement strategy developed for the project and verify that it meets state and federal Project objectives.

4.5.2.2. Project objectives will be established by looking at any applicable state and federal requirements or guidance for the Project or Medicaid Enterprise as well as any stated goals for the Project from the Department.

4.5.2.3. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the proposed procurement strategy.

4.5.2.4. The Contractor shall deliver the Written Feedback on Procurement Process to the Department along with Monthly Briefing Document for review and approval.

4.5.2.4.1. DELIVERABLE: Written Feedback on Procurement Process

4.5.2.4.2. DUE: With the Monthly Briefing Document

4.5.2.5. The Contractor shall perform reviews on updated versions of the procurement strategy if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.5.2.5.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the procurement strategy and shall deliver the Updated Written Feedback on Procurement Process to the Department along with Monthly Briefing Document for review and approval.

4.5.2.5.1.1. DELIVERABLE: Updated Written Feedback on Procurement Process

4.5.2.5.1.2. DUE: As needed, with the Monthly Briefing Document

4.5.3. Solicitation Document Review

4.5.3.1. The Contractor shall review and make recommendations on solicitation documents for new Projects.

4.5.3.1.1. The Contractor shall review the overall structure of the document and make recommendations as to the ability of the document to adequately inform potential contractors about the Project's objectives, requirements, and risks.

4.5.3.1.2. The Contractor shall review and verify that the evaluation criteria in the solicitation documents and ensure that the evaluation criteria:

4.5.3.1.2.1. Are consistent with the Project objectives.

4.5.3.1.2.2. Consistently apply, and hold up within, existing and stated evaluation processes.

4.5.3.1.2.3. Are metric-based and clearly articulated within the solicitation.

- 4.5.3.1.2.4. Effectively cover or measure all important sections of the solicitation.
- 4.5.3.1.3. The Contractor shall review and verify the obligations, responsibilities, and certification standards of each party to the solicitation document including ensuring that the service provider, Subcontractors, and state staff are clearly defined.
 - 4.5.3.1.3.1. This review shall include, but not be limited to:
 - 4.5.3.1.3.1.1. The terms and conditions.
 - 4.5.3.1.3.1.2. Statement of Work.
 - 4.5.3.1.3.1.3. Requirements
 - 4.5.3.1.3.1.4. Specific technical requirements and standards.
 - 4.5.3.1.3.1.5. Performance standards.
 - 4.5.3.1.3.1.6. Development milestones.
 - 4.5.3.1.3.1.7. Acceptance criteria.
 - 4.5.3.1.3.1.8. Delivery dates.
 - 4.5.3.1.3.1.9. And any other provision in the document that will create an obligation for the Party.
 - 4.5.3.1.3.2. The Contractor shall review and verify that there exist sufficient performance metrics are included to allow the State to determine the progress of the project against set state criteria.
- 4.5.3.1.4. The Contractor shall review and make recommendation on the solicitation documents relative to their ability to inform potential vendors about project objectives, requirements, risks, and the like. Contractor shall include recommendation for solicitation content and format.
- 4.5.3.1.5. The Contractor shall verify the evaluation criteria are clearly articulated within the solicitation documents and are consistent with project objectives. The Contractor shall also verify that evaluation processes are consistently applied and metric-based.
- 4.5.3.1.6. The Contractor shall verify that the contract for the service provider states that the service provider will participate in the IV&V process and will be cooperative in coordination and communication.
- 4.5.3.1.7. The Contractor shall review and evaluate the service provider implementation approach documents.
- 4.5.3.1.8. The Contractor shall review and evaluate any cost-benefit analysis leading to the initiation and solicitation of a Project to assess its reasonableness.
- 4.5.3.2. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the proposed solicitation documents.
- 4.5.3.3. The Contractor shall deliver the Written Feedback on Solicitation Documents to the Department along with Monthly Briefing Document for review and approval.
 - 4.5.3.3.1. DELIVERABLE: Written Feedback on Solicitation Documents
 - 4.5.3.3.2. DUE: With the Monthly Briefing Document

4.5.3.4. The Contractor shall perform reviews on updated versions of the solicitation documents if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.5.3.4.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the solicitation documents and shall deliver the Updated Written Feedback on Solicitation Documents to the Department along with Monthly Briefing Document for review and approval.

4.5.3.4.1.1. DELIVERABLE: Updated Written Feedback on Solicitation Documents

4.5.3.4.1.2. DUE: As needed, with the Monthly Briefing Document

4.6. Project Management Oversight Work

4.6.1. The Contractor shall perform the following work regarding IV&V of the project management for new Projects.

4.6.2. Executive Project Sponsorship

4.6.2.1. The Contractor shall assess executive stakeholder engagement and approval to ensure continuous executive stakeholder approval, participation, support and commitment, and that open pathways of communication exist among all stakeholders.

4.6.2.2. The Contractor shall verify that appropriate executive sponsors have approved all changes affecting Project objectives, costs, or schedules.

4.6.2.3. The Contractor shall create a written Monthly Executive Project Sponsorship Engagement report describing at minimum: Projects that are lacking sufficient executive support, recommended improvements to executive stakeholder engagement, and any cases where there is a lack of appropriate approvals.

4.6.2.4. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the proposed procurement strategy.

4.6.2.5. The Contractor shall deliver the Written Feedback on Executive Project Sponsorship to the Department along with Monthly Briefing Document for review and approval.

4.6.2.5.1. DELIVERABLE: Written Feedback on Executive Project Sponsorship

4.6.2.5.2. DUE: With the Monthly Briefing Document

4.6.2.6. The Contractor shall perform reviews on updated executive project sponsorship if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.6.2.6.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the executive project sponsorship and shall deliver the Updated Written Feedback on Executive Project Sponsorship to the Department along with Monthly Briefing Document for review and approval.

4.6.2.6.1.1. DELIVERABLE: Updated Written Feedback on Executive Project Sponsorship

4.6.2.6.1.2. DUE: As needed, with the Monthly Briefing Document

4.6.3. Overall Project Management Assessment

4.6.3.1. The Contractor shall verify and assess overall project management and organization;

specifically, the lines of reporting and responsibility provide adequate technical and managerial oversight of the Project.

- 4.6.3.2. The Contractor shall evaluate Project progress, resources, budget, schedules, work flow, and reporting to ensure proper management of the Project.
- 4.6.3.3. The Contractor shall assess coordination, communication and management to ensure groups within the Project and Medicaid Enterprise are not working independently of one another and are following a communication plan designed to ensure that there is minimal duplication of efforts.
- 4.6.3.4. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the overall project management strategy.
- 4.6.3.5. The Contractor shall deliver the Written Feedback on Overall Project Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.3.5.1. DELIVERABLE: Written Feedback on Overall Project Management
 - 4.6.3.5.2. DUE: With the Monthly Briefing Document
- 4.6.3.6. The Contractor shall perform reviews on updated versions of the overall project management if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.6.3.6.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the overall project management and shall deliver the Updated Written Feedback on Overall Project Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.3.6.1.1. DELIVERABLE: Updated Written Feedback on Overall Project Management
 - 4.6.3.6.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.6.4. Project-Specific Project Management
 - 4.6.4.1. The Contractor shall perform the following for each Project.
 - 4.6.4.2. The Contractor shall verify that a Project Management Plan has been created and is being followed.
 - 4.6.4.3. The Contractor shall evaluate each Project Management Plan and make recommendations to existing procedures to ensure that they are developed, communicated, implemented, baselined, monitored, controlled, complete and effective.
 - 4.6.4.4. The Contractor shall evaluate the existing project reporting plan and project reports to verify that a project's status is accurately traced and measured using existing project metrics.
 - 4.6.4.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the project-specific project management.
 - 4.6.4.6. The Contractor shall deliver the Written Feedback on Project-Specific Project Management to the Department along with Monthly Briefing Document for review and approval.

- 4.6.4.6.1. DELIVERABLE: Written Feedback on Project-Specific Project Management
- 4.6.4.6.2. DUE: With the Monthly Briefing Document
- 4.6.4.7. The Contractor shall perform further reviews of the project-specific project management if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.6.4.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the project-specific project management and shall deliver the Updated Written Feedback on Project-Specific Project Management to the Department along with Monthly Briefing Document for review and approval.
- 4.6.4.7.1.1. DELIVERABLE: Updated Written Feedback on Project-Specific Project Management
- 4.6.4.7.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.6.5. Process Reengineering Review
- 4.6.5.1. The Contractor shall perform the following work on each Project requiring systems or process reengineering.
- 4.6.5.2. The Contractor shall evaluate the project's ability and plans to redesign existing systems to achieve improvement in critical measures of performance described in the project plan, such as cost, quality, service, and speed.
- 4.6.5.3. The Contractor shall verify that the reengineering plan has the strategy, management backing, resources, and skillset available to effect change.
- 4.6.5.4. The Contractor shall verify that the Medicaid Enterprise has a plan to deal with resistance to change through usage of change management principles at each step and ensuring appropriate leadership involvement throughout the Project.
- 4.6.5.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the process reengineering.
- 4.6.5.6. The Contractor shall deliver the Written Feedback on Process Reengineering to the Department along with Monthly Briefing Document for review and approval.
- 4.6.5.6.1. DELIVERABLE: Written Feedback on Process Reengineering
- 4.6.5.6.2. DUE: With Monthly Briefing Document
- 4.6.5.7. The Contractor shall perform further reviews of the process reengineering if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.6.5.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the process reengineering and shall deliver the Updated Written Feedback on Process Reengineering to the Department along with Monthly Briefing Document for review and approval.
- 4.6.5.7.1.1. DELIVERABLE: Updated Written Feedback on Process Reengineering
- 4.6.5.7.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.6.6. Risk Management Planning
- 4.6.6.1. The Contractor shall verify that each project has a risk management plan in place, and

that it is being followed.

- 4.6.6.2. The Contractor shall verify that each risk management plan has effective methods in place to identify risks, that the risks are quantified, and that mitigation plans are put into place and communicated, implemented, monitored and completed.
- 4.6.6.3. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the risk management planning.
- 4.6.6.4. The Contractor shall deliver the Written Feedback on Risk Management Planning to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.6.4.1. DELIVERABLE: Written Feedback on Risk Management Planning
 - 4.6.6.4.2. DUE: With the Monthly Briefing Document
- 4.6.6.5. The Contractor shall perform further reviews of the risk management planning if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.6.6.5.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the risk management planning and shall deliver the Updated Written Feedback on Risk Management Planning to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.6.5.1.1. DELIVERABLE: Updated Written Feedback on Risk Management Planning
 - 4.6.6.5.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.6.7. Change Management
 - 4.6.7.1. The Contractor shall verify that a change management plan is created and followed for each Project as instructed by the Department.
 - 4.6.7.2. The Contractor shall evaluate the change management plan to verify that procedures are developed, communicated, implemented, monitored, and complete and that resistance to change is anticipated and prepared for.
 - 4.6.7.3. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the change management.
 - 4.6.7.4. The Contractor shall deliver the Written Feedback on Change Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.7.4.1. DELIVERABLE: Written Feedback on Change Management
 - 4.6.7.4.2. DUE: With the Monthly Briefing Document
 - 4.6.7.5. The Contractor shall perform further reviews of the change management if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.6.7.5.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the change management and shall deliver the Updated Written Feedback on Change Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.7.5.1.1. DELIVERABLE: Updated Written Feedback on Change Management
 - 4.6.7.5.1.2. DUE: With the Monthly Briefing Document

4.6.8. Communication Management

- 4.6.8.1. The Contractor shall verify that a communication management plan is created and followed for each Project as instructed by the Department.
- 4.6.8.2. The Contractor shall evaluate each communication management plan to verify that the plan supports communication and sharing between all project stakeholders, and assess if the communication plan is effective, fully implemented, monitored and complete.
- 4.6.8.3. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the communication management.
- 4.6.8.4. The Contractor shall deliver the Written Feedback on Communication Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.8.4.1. DELIVERABLE: Written Feedback on Communication management
 - 4.6.8.4.2. DUE: With the Monthly Briefing Document
- 4.6.8.5. The Contractor shall perform further reviews of the Communication Management if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.6.8.5.1. For each iteration, the Contractor shall update their written feedback to take into account changes to communication management and shall deliver the Updated Written Feedback on Communication Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.8.5.1.1. DELIVERABLE: Updated Written Feedback on Communication Management
 - 4.6.8.5.1.2. DUE: As needed, with the Monthly Briefing Document

4.6.9. Configuration Management

- 4.6.9.1. The Contractor shall review and evaluate the configuration management plans and procedures associated with the development process for each Project as instructed by the Department.
- 4.6.9.2. The Contractor shall verify that all critical development documents, including but not limited to: requirements, design, code, and job control language are maintained under an appropriate level of supervision and control.
- 4.6.9.3. The Contractor shall verify that the processes and tools are in place to identify code versions and to rebuild system configurations from source code.
- 4.6.9.4. The Contractor shall verify that appropriate source and object libraries are maintained for training, test and production, and that a formal sign-off procedure is in place for approving project deliverables.
- 4.6.9.5. The Contractor shall verify that appropriate processes and tools are in place to manage system changes, including formal logging of change request and the review, prioritization and timely scheduling of maintenance actions.
- 4.6.9.6. The Contractor shall verify that mechanisms are in place to prevent unauthorized changes being made to the system and to prevent authorized changes from being made to the wrong version.

- 4.6.9.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the configuration management.
- 4.6.9.8. The Contractor shall deliver the Written Feedback on Configuration Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.9.8.1. DELIVERABLE: Written Feedback on Configuration Management
 - 4.6.9.8.2. DUE: With the Monthly Briefing Document
- 4.6.9.9. The Contractor shall perform further reviews of the configuration management if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.6.9.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the configuration management and shall deliver the Updated Written Feedback on Configuration Management to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.9.9.1.1. DELIVERABLE: Updated Written Feedback on Configuration Management
 - 4.6.9.9.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.6.10. Project Estimating and Scheduling
 - 4.6.10.1. The Contractor shall evaluate and make recommendations on the estimating and scheduling process of the project for each Project as instructed by the Department.
 - 4.6.10.2. The Contractor shall verify that the project planning and resources are adequate for the work break down and schedule.
 - 4.6.10.3. The Contractor shall review schedules to verify that adequate time and resources are assigned for planning, development, review, testing, and rework.
 - 4.6.10.4. The Contractor shall examine historical data to determine if the Project and Medicaid Enterprise have been able to accurately estimate the time, labor, and cost of development efforts.
 - 4.6.10.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the project estimating and scheduling.
 - 4.6.10.6. The Contractor shall deliver the Written Feedback on Project Estimating and Scheduling to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.10.6.1. DELIVERABLE: Written Feedback on Project Estimating and Scheduling
 - 4.6.10.6.2. DUE: With the Monthly Briefing Document
 - 4.6.10.7. The Contractor shall perform further reviews of the project estimating and scheduling if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.6.10.8. For each iteration, the Contractor shall update their written feedback to take into account changes to the project estimating and scheduling and shall deliver the Updated Written Feedback on Project Estimating and Scheduling to the Department along with Monthly Briefing Document for review and approval.
 - 4.6.10.8.1. DELIVERABLE: Updated Written Feedback on Project Estimating and Scheduling

4.6.10.8.2. DUE: As needed, with the Monthly Briefing Document

4.6.11. Project Personnel

4.6.11.1. The Contractor shall examine the Project's personnel policies for each Project as instructed by the Department.

4.6.11.2. The Contractor shall examine the job assignments, skills, training, and experience of the personnel involved in the Medicaid Enterprise's development to verify that they are adequate for the development task and can complete the project in the timeframe required.

4.6.11.3. The Contractor shall evaluate the State's hiring plan for the project to verify that adequate human resources support will be available for development and maintenance of staff.

4.6.11.4. The Contractor shall evaluate the State's personnel policies to verify that staff turnover will be minimized during the Project.

4.6.11.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the project personnel.

4.6.11.6. The Contractor shall deliver the Written Feedback on Project Personnel to the Department along with Monthly Briefing Document for review and approval.

4.6.11.6.1. DELIVERABLE: Written Feedback on Project Personnel

4.6.11.6.2. DUE: With the Monthly Briefing Document

4.6.11.7. The Contractor shall perform further reviews of the project personnel if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.6.11.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the project personnel and shall deliver the Updated Written Feedback on Project Personnel to the Department along with Monthly Briefing Document for review and approval.

4.6.11.7.1.1. DELIVERABLE: Updated Written Feedback on Project Personnel

4.6.11.7.1.2. DUE: As needed, with the Monthly Briefing Document

4.6.12. Project Organization

4.6.12.1. The Contractor shall examine each Project's organization as instructed by the Department.

4.6.12.2. The Contractor shall verify the lines of reporting and responsibility provide adequate technical and managerial oversight of the project.

4.6.12.3. The Contractor shall verify that the project's organizational structure supports training, process definition, independent QA, configuration management, product evaluation, and any other functions critical for the project's success.

4.6.12.4. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the project organization.

4.6.12.5. The Contractor shall deliver the Written Feedback on Project Organization to the Department along with Monthly Briefing Document for review and approval.

4.6.12.5.1. DELIVERABLE: Written Feedback on Project Organization

4.6.12.5.2. DUE: As needed, with the Monthly Briefing Document

- 4.6.12.6. The Contractor shall perform further reviews of the project organization if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.6.12.6.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the project organization and shall be deliver the Updated Written Feedback on Project Organization to the Department along with Monthly Briefing Document for review and approval.
- 4.6.12.6.1.1. DELIVERABLE: Updated Written Feedback on Project Organization
- 4.6.12.6.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.6.13. Subcontractors and External Staff
- 4.6.13.1. The Contractor shall examine the use of subcontractors and external staff on each Project as requested by the Department.
- 4.6.13.2. The Contractor shall evaluate the use of subcontractors or other external sources of project staff in project development.
- 4.6.13.3. The Contractor shall verify that the work obligations of subcontractors and state staff including terms, conditions, statements of work, requirements, standards, development milestones, acceptance criteria, and delivery dates are clearly defined and communicated.
- 4.6.13.4. The Contractor shall verify that subcontractors' software development methodology and product standards are compatible with the system's standards and environment.
- 4.6.13.5. The Contractor shall verify that the subcontractors have and maintain the required skills, personnel, plans, resources, procedures and standards to meet their commitments to the Project.
- 4.6.13.5.1. This will include examining the feasibility of any offsite support of the project.
- 4.6.13.6. The Contractor shall verify that any proprietary tools used by subcontractors do not restrict the future maintainability, portability, and reusability of the system.
- 4.6.13.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the Subcontractors and external staff.
- 4.6.13.8. The Contractor shall deliver the Written Feedback on Subcontractors and External Staff to the Department along with Monthly Briefing Document for review and approval.
- 4.6.13.8.1. DELIVERABLE: Written Feedback on Subcontractors and External Staff
- 4.6.13.8.2. DUE: As needed, with the Monthly Briefing Document
- 4.6.13.9. The Contractor shall perform further reviews of the Subcontractors and external staff if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.6.13.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the Subcontractors and external staff and shall deliver the Updated Written Feedback on Subcontractors and External Staff to the Department along with Monthly Briefing Document for review and approval.
- 4.6.13.9.1.1. DELIVERABLE: Updated Written Feedback on Subcontractors and External Staff

4.6.13.9.1.2. DUE: As needed, with the Monthly Briefing Document

4.6.14. State Oversight

4.6.14.1. The Contractor shall examine the State's oversight of the Projects as instructed by the Department.

4.6.14.2. The Contractor shall verify that State oversight is provide in the form of periodic status reviews and technical interchanges.

4.6.14.3. The Contractor shall verify that the State has defined the technical and managerial inputs the subcontractor needs including reviews, approvals, requirements and interface clarifications, and that the Project has the resources to supply them on schedule.

4.6.14.4. The Contractor shall verify that the State has the final responsibility for monitoring project costs and schedules.

4.6.14.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the state oversight.

4.6.14.6. The Contractor shall deliver the Written Feedback on State Oversight to the Department along with Monthly Briefing Document for review and approval.

4.6.14.6.1. DELIVERABLE: Written Feedback on State Oversight

4.6.14.6.2. DUE: With the Monthly Briefing Document

4.6.14.7. The Contractor shall perform further reviews of the state oversight if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.6.14.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the state oversight and shall deliver the Updated Written Feedback on State Oversight to the Department along with Monthly Briefing Document for review and approval.

4.6.14.7.1.1. DELIVERABLE: Updated Written Feedback on State Oversight

4.6.14.7.1.2. DUE: As needed, with the Monthly Briefing Document

4.7. Quality Management

4.7.1. Quality Assurance (QA)

4.7.1.1. The Contractor shall examine the QA procedures for all Projects as instructed by the Department.

4.7.1.2. The Contractor shall evaluate and make recommendations on the Project's QA plans, procedures, and organization.

4.7.1.3. The Contractor shall verify that the QA has an appropriate level of independence from project management on a Project.

4.7.1.4. The Contractor shall verify that the QA organization monitors the fidelity of all defined process in all phases of the project.

4.7.1.5. The Contractor shall verify that the quality of all products produced by the project is monitored by formal reviews and sign-offs.

4.7.1.6. The Contractor shall verify that project self-evaluations are performed and that measures are continually taken to improve all processes.

- 4.7.1.7. The Contractor shall monitor the performance of the QA service provider by reviewing its processes and reports and performing spot checks of system documentation, assess findings and performance of the processes and reports.
- 4.7.1.8. The Contractor shall verify that the QA provider has an appropriate level of independence to evaluate and make recommendations on the project's QA plans, procedures and organization.
- 4.7.1.9. The Contractor shall verify that the QA service provider provides periodic assessment of the QA standards such as MITA, and that the QA standards are up to industry standards as adopted by the Enterprise Project and Portfolio Management Office at OIT.
- 4.7.1.10. The Contractor shall evaluate if appropriate mechanisms are in place for project self-evaluation and process improvement.
- 4.7.1.11. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the quality assurance.
- 4.7.1.12. The Contractor shall deliver the Written Feedback on Quality Assurance to the Department along with Monthly Briefing Document for review and approval.
 - 4.7.1.12.1. DELIVERABLE: Written Feedback on Quality Assurance
 - 4.7.1.12.2. DUE: With the Monthly Briefing Document
- 4.7.1.13. The Contractor shall perform further reviews of the quality assurance if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.7.1.13.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the quality assurance and shall deliver the Updated Written Feedback on Quality Assurance to the Department along with Monthly Briefing Document for review and approval.
 - 4.7.1.13.1.1. DELIVERABLE: Updated Written Feedback on Quality Assurance
 - 4.7.1.13.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.7.2. Process Definition and Product Standards
 - 4.7.2.1. The Contractor shall examine the process definition and product standards for each Medicaid Enterprise as instructed by the Department.
 - 4.7.2.2. The Contractor shall review and make recommendations on all defined processes and product standards associated with the system development.
 - 4.7.2.3. The Contractor shall verify that all major development processes are defined and that the defined and approved processes and standards are followed in development.
 - 4.7.2.4. The Contractor shall verify that the processes and standards are compatible with each other and with the system development methodology.
 - 4.7.2.5. The Contractor shall verify that all process definition and standards are complete, clear, up-to-date, consistent in format and are easily available to project personnel.
 - 4.7.2.6. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the process definition and product standards.
 - 4.7.2.7. The Contractor shall deliver the Written Feedback on Process Definition and Product

Standards to the Department along with Monthly Briefing Document for review and approval.

4.7.2.7.1. DELIVERABLE: Written Feedback on Process Definition and Product Standards

4.7.2.7.2. DUE: With the Monthly Briefing Document

4.7.2.8. The Contractor shall perform further reviews of the process definition and product standards if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.7.2.8.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the process definition and product standards and shall deliver the Updated Written Feedback on Process Definition and Product Standards to the Department along with Monthly Briefing Document for review and approval.

4.7.2.8.1.1. DELIVERABLE: Updated Written Feedback on Process Definition and Product Standards

4.7.2.8.1.2. DUE: As needed, with the Monthly Briefing Document

4.8. Training

4.8.1. User Training and Documentation

4.8.1.1. The Contractor shall examine the Medicaid Enterprise's user training and documentation processes for each Medicaid Enterprise as instructed by the Department.

4.8.1.2. The Contractor shall review and make recommendations on training provided to system users to ensure that it successfully transfers sufficient knowledge to continue maintenance and operation of the new systems.

4.8.1.3. The Contractor shall verify that all necessary policy and process documentation are easily available to all users.

4.8.1.4. The Contractor shall verify that all training is delivered on-time, and is evaluated and monitored for effectiveness, with additional training provided as needed.

4.8.1.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the user training and documentation.

4.8.1.6. The Contractor shall deliver the Written Feedback on User Training and Documentation to the Department along with Monthly Briefing Document for review and approval.

4.8.1.6.1. DELIVERABLE: Written Feedback on User Training and Documentation

4.8.1.6.2. DUE: With the Monthly Briefing Document

4.8.1.7. The Contractor shall perform further reviews of the user training and documentation if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.8.1.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the user training and documentation and shall deliver the Updated Written Feedback on User Training and Documentation to the Department along with Monthly Briefing Document for review and approval.

4.8.1.7.1.1. DELIVERABLE: Updated Written Feedback on User Training and

Documentation

4.8.1.7.1.2. DUE: As needed, with the Monthly Briefing Document

4.8.2. Developer Training and Documentation

1.1.1.1. The Contractor shall verify that all necessary policy, process, and standards documentation are easily available to developers for all Medicaid Enterprises as instructed by the Department.

1.1.1.2. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the developer training and documentation.

1.1.1.3. The Contractor shall deliver the Written Feedback on Developer Training and Documentation to the Department along with Monthly Briefing Document for review and approval.

1.1.1.3.1. DELIVERABLE: Written Feedback on Developer Training and Documentation

4.8.2.1. DUE: With the Monthly Briefing Document

4.8.3. The Contractor shall perform further reviews of the developer training and documentation if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.8.3.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the developer training and documentation and shall deliver the Updated Written Feedback on Developer Training and Documentation to the Department along with Monthly Briefing Document for review and approval.

4.8.3.1.1. DELIVERABLE: Updated Written Feedback on Developer Training and Documentation

4.8.3.1.2. DUE: As needed, with the Monthly Briefing Document

4.9. Requirements Management

4.9.1. Requirements Management

4.9.1.1. The Contractor shall examine each Project's requirements management as instructed by the Department.

4.9.1.2. The Contractor shall verify that an analysis of client, state, and federal needs and objectives has been performed to verify that requirements of the system are well understood, well defined, and satisfy federal guidance and regulations.

4.9.1.3. The Contractor shall examine the Department's Change Order process for each Project to determine whether it effectively provides clear guidance and requirements.

4.9.1.4. The Contractor shall examine the Department's Change Request process for each Project to determine whether it effectively provides clear guidance and requirements.

4.9.1.5. The Contractor shall evaluate the allocation of system requirements to hardware and software requirements.

4.9.1.6. The Contractor shall verify that software requirements can be traced through design, code, and test phases to verify that the systems perform as intended and contains no unnecessary software elements.

- 4.9.1.6.1. The Contractor shall assist with tracing vendor and project requirements to the certification requirements.
- 4.9.1.7. The Contractor shall verify that all requirements have been placed under formal configuration control.
- 4.9.1.8. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the requirements management.
- 4.9.1.9. The Contractor shall deliver the Written Feedback on Requirements Management to the Department along with Monthly Briefing Document for review and approval.
- 4.9.1.9.1. DELIVERABLE: Written Feedback on Requirements Management
- 4.9.1.9.2. DUE: With the Monthly Briefing Document
- 4.9.1.10. The Contractor shall perform further reviews of the requirements management if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.9.1.10.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the requirements management and shall deliver the Updated Written Feedback on Requirements Management to the Department along with Monthly Briefing Document for review and approval.
- 4.9.1.10.1.1. DELIVERABLE: Updated Written Feedback on Requirements Management
- 4.9.1.10.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.9.2. Security Requirements
- 4.9.2.1. The Contractor shall examine each Project's security requirements set forth by the State of Colorado, Department and federal standards as instructed by the Department.
- 4.9.2.2. The Contractor shall evaluate and make recommendations on project policies and procedures for ensuring that the system is secure and that the privacy of all data is maintained.
- 4.9.2.3. The Contractor shall evaluate the Project's restrictions on system and data access and the processes for granting access.
- 4.9.2.4. The Contractor shall evaluate the Project's security and risk analysis.
- 4.9.2.5. The contractor shall perform an assessment of Medicaid Enterprise security requirements as part of initial and ongoing reviews. At the Department's request, Contractor shall assess Medicaid Enterprises utilizing NIST standards.
- 4.9.2.6. The Contractor shall verify that sufficient processes and equipment are in place to back-up client and project data and files, and archive them at appropriate intervals.
- 4.9.2.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the security requirements.
- 4.9.2.8. The Contractor shall deliver the Written Feedback on Security Requirements to the Department along with Monthly Briefing Document for review and approval.
- 4.9.2.8.1. DELIVERABLE: Written Feedback on Security Requirements
- 4.9.2.8.2. DUE: With the Monthly Briefing Document

- 4.9.2.9. The Contractor shall perform further reviews of the security requirements if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.9.2.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the security requirements and shall deliver the Updated Written Feedback on Security Requirements to the Department along with Monthly Briefing Document for review and approval.
- 4.9.2.9.1.1. DELIVERABLE: Updated Written Feedback on Security Requirements
- 4.9.2.9.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.9.3. Requirements Analysis
- 4.9.3.1. The Contractor shall examine each Project's requirements analysis as instructed by the Department.
- 4.9.3.2. The Contractor shall verify that an analysis of client, state and federal needs and objectives has been performed to verify that the requirements of the system are well understood, well defined, and satisfy federal regulations.
- 4.9.3.3. The Contractor shall verify that all relevant stakeholders have been consulted as to the desired functionality of the system, and that users have been involved in prototyping of user interfaces.
- 4.9.3.4. The Contractor shall verify that all stakeholders have approved of all changes which impact project objectives, cost, or schedule.
- 4.9.3.5. The Contractor shall verify that all relevant stakeholders have approved of all changes which impact project objectives, cost or schedule.
- 4.9.3.6. The Contractor shall verify that performance requirements of the Project satisfy the user's needs.
- 4.9.3.7. The contractor shall verify that users' maintenance requirement for the system are completely specified.
- 4.9.3.8. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the requirements analysis.
- 4.9.3.9. The Contractor shall deliver the Written Feedback on Requirements Analysis to the Department along with Monthly Briefing Document for review and approval.
- 4.9.3.9.1. DELIVERABLE: Written Feedback on Requirements Analysis
- 4.9.3.9.2. DUE: With the Monthly Briefing Document
- 4.9.3.10. The Contractor shall perform further reviews of the requirements analysis if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.9.3.10.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the requirements analysis and shall deliver the Updated Written Feedback on Requirements Analysis to the Department along with Monthly Briefing Document for review and approval.
- 4.9.3.10.1.1. DELIVERABLE: Updated Written Feedback on Requirements Analysis
- 4.9.3.10.1.2. DUE: As needed, with the Monthly Briefing Document

4.9.4. Interface Requirements

- 4.9.4.1. The Contractor shall perform reviews of the interface requirements for each Project as instructed by the Department.
- 4.9.4.2. The Contractor shall verify that all system interfaces are exactly as described in the requirements, by medium and by function, including input/output control codes, data format, polarity, range, units, and frequency.
- 4.9.4.3. The Contractor shall verify that approved interface documents are available, and appropriate relationships are in place with all agencies and organizations supporting and using the interfaces.
- 4.9.4.4. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the interface requirements.
- 4.9.4.5. The Contractor shall deliver the Written Feedback on Interface Requirements to the Department along with Monthly Briefing Document for review and approval.
 - 4.9.4.5.1. DELIVERABLE: Written Feedback on Interface Requirements
 - 4.9.4.5.2. DUE: With the Monthly Briefing Document
- 4.9.4.6. The Contractor shall perform further reviews of the interface requirements if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.9.4.6.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the interface requirements and shall deliver the Updated Written Feedback on Interface Requirements to the Department along with Monthly Briefing Document for review and approval.
 - 4.9.4.6.1.1. DELIVERABLE: Updated Written Feedback on Interface Requirements
 - 4.9.4.6.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.9.5. Requirements Allocation and Specification
 - 4.9.5.1. The Contractor shall perform reviews of the requirements allocation and specification for each Project as instructed by the Department.
 - 4.9.5.2. The Contractor shall verify that all system requirements have been allocated to either a software or hardware subsystem and traced to CMS Certification requirements.
 - 4.9.5.3. The Contractor shall verify that requirements specifications have been developed for all hardware and software subsystems in a sufficient level of detail to ensure successful implementation.
 - 4.9.5.4. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the requirements allocation and specification.
 - 4.9.5.5. The Contractor shall deliver the Written Feedback on Requirements Allocation and Specification to the Department along with Monthly Briefing Document for review and approval.
 - 4.9.5.5.1. DELIVERABLE: Written Feedback on Requirements Allocation and Specification
 - 4.9.5.5.2. DUE: With the Monthly Briefing Document

4.9.5.6. The Contractor shall perform further reviews of the requirements allocation and specification if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.9.5.6.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the requirements allocation and specification and shall deliver the Updated Written Feedback on Requirements Allocation and Specification to the Department along with Monthly Briefing Document for review and approval.

4.9.5.6.1.1. DELIVERABLE: Updated Written Feedback on Requirements Allocation and Specification

4.9.5.6.1.2. DUE: As needed, with the Monthly Briefing Document

4.9.6. Reverse Engineering

4.9.6.1. The Contractor shall perform reverse engineering review work if a legacy system or a transfer system is used, or will be used, in development as instructed by the Department.

4.9.6.2. The Contractor shall verify that a well-defined plan and process for reengineering the system is in place and followed. The process, depending on the goals of the reuse and/or transfer, may include: reverse engineering, code translation, re-documentation, restructuring, normalization, and re-targeting.

4.9.6.3. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the reverse engineering.

4.9.6.4. The Contractor shall deliver the Written Feedback on Reverse Engineering to the Department along with Monthly Briefing Document for review and approval.

4.9.6.4.1. DELIVERABLE: Written Feedback on Reverse Engineering

4.9.6.4.2. DUE: With the Monthly Briefing Document

4.9.6.5. The Contractor shall perform further reviews of the reverse engineering if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.9.6.5.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the reverse engineering and shall deliver the Updated Written Feedback on Reverse Engineering to the Department along with Monthly Briefing Document for review and approval.

4.9.6.5.1.1. DELIVERABLE: Updated Written Feedback on Reverse Engineering

4.9.6.5.1.2. DUE: As needed, with the Monthly Briefing Document

4.10. Operating Environment Review

4.10.1. System Hardware Review

4.10.1.1. The Contractor shall perform system hardware review for each Project as instructed by the Department.

4.10.1.2. The Contractor shall evaluate new and existing system hardware configurations to determine if their performance is adequate to meet existing and proposed system requirements.

4.10.1.3. The Contractor shall determine if hardware is compatible with the State's existing processing environment, if it is maintainable, and if it is easily upgradable.

- 4.10.1.3.1. This evaluation shall include, but not be limited to:
 - 4.10.1.3.1.1. CPU's and other processors.
 - 4.10.1.3.1.2. Memory.
 - 4.10.1.3.1.3. Network connections and bandwidth.
 - 4.10.1.3.1.4. Communications controllers.
 - 4.10.1.3.1.5. Telecommunications systems including LAN/WAN.
 - 4.10.1.3.1.6. Terminals.
 - 4.10.1.3.1.7. Printers.
 - 4.10.1.3.1.8. Storage devices.
- 4.10.1.4. The Contractor shall evaluate current and projected service provider support of the hardware, as well as the State's hardware configuration management plans and procedures.
- 4.10.1.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the system hardware review.
- 4.10.1.6. The Contractor shall deliver the Written Feedback on System Hardware Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.10.1.6.1. DELIVERABLE: Written Feedback on System Hardware Review
 - 4.10.1.6.2. DUE: With the Monthly Briefing Document
- 4.10.1.7. The Contractor shall perform further reviews of the system hardware review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.10.1.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the system hardware review and shall deliver the Updated Written Feedback on System Hardware Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.10.1.7.1.1. DELIVERABLE: Updated Written Feedback on System Hardware Review
 - 4.10.1.7.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.10.2. System Software Review
 - 4.10.2.1. The Contractor shall perform system software review for each project as instructed by the Department.
 - 4.10.2.2. The Contractor shall evaluate new and existing system software to determine if its capabilities are adequate to meet existing and proposed system requirements.
 - 4.10.2.3. The Contractor shall determine if the software is compatible with the State's existing hardware and software environment, if it is maintainable, and if it is easily upgradeable.
 - 4.10.2.3.1. This evaluation will include but shall not be limited to operating systems, middleware, and network software including communications and file-sharing protocols.
 - 4.10.2.4. The Contractor shall evaluate the results of current and projected service provider support of the software, as well as the State's software acquisition plans and procedures (MITA SS-A).

- 4.10.2.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the system software review.
- 4.10.2.6. The Contractor shall deliver the Written Feedback on System Software Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.10.2.6.1. DELIVERABLE: Written Feedback on System Software Review
 - 4.10.2.6.2. DUE: With the Monthly Briefing Document
- 4.10.2.7. The Contractor shall perform further reviews of the system software review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.10.2.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the system software review and shall deliver the Updated Written Feedback on System Software Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.10.2.7.1.1. DELIVERABLE: Updated Written Feedback on System Software Review
 - 4.10.2.7.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.10.3. Database Software Review
 - 4.10.3.1. The Contractor shall perform database software review for each Project as instructed by the Department.
 - 4.10.3.2. The Contractor shall evaluate new and existing database products to determine if their capabilities are adequate to meet existing and proposed system requirements, including scalability and database sizing.
 - 4.10.3.3. The Contractor shall determine if the database's data format is easily convertible to other formats, if it supports the addition of new data items, if it is scalable, easily refreshable and is compatible with the State's existing hardware and software, including any on-line transaction processing (OLTP) environment.
 - 4.10.3.4. The Contractor shall evaluate any current and projected service provider support of the software, as well as the State's software acquisition plans and procedures.
 - 4.10.3.5. The Contractor shall make a technical assessment of requirements and design documents and provide an independent assessment of the solution's design in- accordance with MECT and MITA protocol.
 - 4.10.3.6. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the database software review.
 - 4.10.3.7. The Contractor shall deliver the Written Feedback on Database Software Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.10.3.7.1. DELIVERABLE: Written Feedback on Database Software Review
 - 4.10.3.7.2. DUE: With the Monthly Briefing Document
 - 4.10.3.8. The Contractor shall perform further reviews of the database software review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.10.3.8.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the database software review and shall deliver the Updated Written Feedback on Database Software Review to the Department along with

Monthly Briefing Document for review and approval.

4.10.3.8.1.1. DELIVERABLE: Updated Written Feedback on Database Software Review

4.10.3.8.1.2. DUE: As needed, with the Monthly Briefing Document

4.10.4. System Capacity Review

4.10.4.1. The Contractor shall perform system capacity reviews for each Project as instructed by the Department.

4.10.4.2. The Contractor shall evaluate the existing processing capacity of the system and verify that it is adequate for current state needs for both batch and on-line processing.

4.10.4.3. The Contractor shall evaluate the historic availability and reliability of the system including the frequency and criticality of system failure.

4.10.4.4. Evaluate the results of any volume testing or stress testing.

4.10.4.5. Evaluate any existing measurement and capacity planning program and the system's capacity to support future growth.

4.10.4.6. Make recommendations on changes in processing hardware, storage, network systems, operating systems, software, and software design, to meet future growth and improve system performance.

4.10.4.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the system capacity review.

4.10.4.8. The Contractor shall deliver the Written Feedback on System Capacity Review to the Department along with Monthly Briefing Document for review and approval.

4.10.4.8.1. DELIVERABLE: Written Feedback on System Capacity Review

4.10.4.8.2. DUE: With the Monthly Briefing Document

4.10.4.9. The Contractor shall perform further reviews of the system capacity review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.10.4.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the system capacity review and shall deliver the Updated Written Feedback on System Capacity Review to the Department along with Monthly Briefing Document for review and approval.

4.10.4.10. DELIVERABLE: Updated Written Feedback on System Capacity Review

4.10.4.11. DUE: As needed, with the Monthly Briefing Document

4.11. Development Environment

4.11.1. Hardware Development Review

4.11.1.1. The Contractor shall perform hardware development review for each Project as instructed by the Department.

4.11.1.2. The Contractor shall evaluate new and existing development hardware configurations to determine if their performance is adequate to meet the needs of system development.

4.11.1.3. The Contractor shall determine if hardware is maintainable, easily upgradeable, and compatible with the State's existing development and processing environment.

- 4.11.1.3.1. This evaluation shall include, but is not limited to:
 - 4.11.1.3.1.1. CPU's and other processors.
 - 4.11.1.3.1.2. Memory.
 - 4.11.1.3.1.3. Network connections and bandwidth.
 - 4.11.1.3.1.4. Communications controllers.
 - 4.11.1.3.1.5. Telecommunications systems including LAN/WAN.
 - 4.11.1.3.1.6. Terminals.
 - 4.11.1.3.1.7. Printers.
 - 4.11.1.3.1.8. Storage devices.
- 4.11.1.4. The Contractor shall evaluate current and projected service provider support of the hardware and the State's hardware configuration management plans and procedures.
- 4.11.1.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the hardware development review.
- 4.11.1.6. The Contractor shall deliver the Written Feedback on Hardware Development Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.11.1.6.1. DELIVERABLE: Written Feedback on Hardware Development Review
 - 4.11.1.6.2. DUE: With the Monthly Briefing Document
- 4.11.1.7. The Contractor shall perform further reviews of the hardware development review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.11.1.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the hardware development review and shall deliver the Updated Written Feedback on Hardware Development Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.11.1.7.1.1. DELIVERABLE: Updated Written Feedback on Hardware Development Review
 - 4.11.1.7.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.11.2. Software Development Review
 - 4.11.2.1. The Contractor shall perform software development review for each Project as instructed by the Department.
 - 4.11.2.2. The Contractor shall evaluate new and existing development software to determine if its capabilities are adequate to meet system development requirements.
 - 4.11.2.3. The Contractor shall determine if the software is maintainable, easily upgradeable, and compatible with the State's existing hardware and software environment.
 - 4.11.2.4. The Contractor shall evaluate the software environment as a whole to see if it shows a degree of integration compatible with good development.
 - 4.11.2.4.1. This evaluation shall include but not be limited to:
 - 4.11.2.4.1.1. Operating systems.

- 4.11.2.4.1.2. Network software security tools.
- 4.11.2.4.1.3. Project management software.
- 4.11.2.4.1.4. Configuration management software.
- 4.11.2.4.1.5. Compilers.
- 4.11.2.4.1.6. Cross compilers.
- 4.11.2.4.1.7. Linkers.
- 4.11.2.4.1.8. Loaders.
- 4.11.2.4.1.9. Debuggers.
- 4.11.2.4.1.10. Editors.
- 4.11.2.4.1.11. Reporting software.
- 4.11.2.5. The Contractor shall evaluate language and compiler selection with regard to portability and reusability American National Standards Institute (ANSI) standards.
- 4.11.2.6. The Contractor shall evaluate current and projected service provider support of the software and the State's software acquisition plans and procedures.
- 4.11.2.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the software development review.
- 4.11.2.8. The Contractor shall deliver the Written Feedback on Software Development Review to the Department along with Monthly Briefing Document for review and approval.
- 4.11.2.8.1. DELIVERABLE: Written Feedback on Software Development Review
- 4.11.2.8.2. DUE: With the Monthly Briefing Document
- 4.11.2.9. The Contractor shall perform further reviews of the software development review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.11.2.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the software development review and shall deliver the Updated Written Feedback on Software Development Review to the Department along with Monthly Briefing Document for review and approval.
- 4.11.2.9.1.1. DELIVERABLE: Updated Written Feedback on Software Development Review
- 4.11.2.9.1.2. DUE: As needed, with the Monthly Briefing Document

4.12. Software Development

4.12.1. High-Level Design Reviews

- 4.12.1.1. The Contractor shall perform high-level design reviews for each Project as instructed by the Department.
- 4.12.1.2. The Contractor shall evaluate and make recommendations on existing high-level design products to verify the design is workable, efficient, and satisfies all system and system interface requirements.
- 4.12.1.3. The Contractor shall evaluate the design products for adherence to the project design

methodology and standards.

- 4.12.1.4. The Contractor shall evaluate the design and analysis process used to develop the design and make recommendations for improvements.
- 4.12.1.5. The Contractor shall evaluate design standards, methodology and CASE tools.
- 4.12.1.6. The Contractor shall verify that design requirements can be traced back to system requirements.
- 4.12.1.7. The Contractor shall verify that all design products are under configuration control and formally approved before detailed design begins.
- 4.12.1.8. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the high-level design reviews.
- 4.12.1.9. The Contractor shall deliver the Written Feedback on High-Level Design Reviews to the Department along with Monthly Briefing Document for review and approval.
 - 4.12.1.9.1. DELIVERABLE: Written Feedback on High-Level Design Reviews
 - 4.12.1.9.2. DUE: With the Monthly Briefing Document
- 4.12.1.10. The Contractor shall perform further reviews of the high-level design reviews if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.12.1.10.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the high-level design reviews and shall deliver the Updated Written Feedback on High-Level Design Reviews to the Department along with Monthly Briefing Document for review and approval.
 - 4.12.1.10.1.1. DELIVERABLE: Updated Written Feedback on High-Level Design Reviews
 - 4.12.1.10.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.12.2. Detailed Design Reviews
 - 4.12.2.1. The Contractor shall perform detailed design reviews for each Project as instructed by the Department.
 - 4.12.2.2. The Contractor shall evaluate and make recommendations on existing detailed design products to verify that the design is workable, efficient, and satisfies all high level design requirements.
 - 4.12.2.3. The Contractor shall evaluate design products for adherence to the project design methodology and standards.
 - 4.12.2.4. The Contractor shall evaluate design standards, methodology and tools used.
 - 4.12.2.5. The Contractor shall verify that design requirements can be traced back to system requirements and high-level design.
 - 4.12.2.6. The Contractor shall verify that all design products are under configuration control and formally approved before coding begins.
 - 4.12.2.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the detailed design reviews.
 - 4.12.2.8. The Contractor shall deliver the Written Feedback on Detailed Design Reviews to the Department along with Monthly Briefing Document for review and approval.

- 4.12.2.8.1. DELIVERABLE: Written Feedback on Detailed Design Reviews
- 4.12.2.8.2. DUE: With the Monthly Briefing Document
- 4.12.2.9. The Contractor shall perform further reviews of the detailed design reviews if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.12.2.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the detailed design reviews and shall deliver the Updated Written Feedback on Detailed Design Reviews to the Department along with Monthly Briefing Document for review and approval.
- 4.12.2.9.1.1. DELIVERABLE: Updated Written Feedback on Detailed Design Reviews
- 4.12.2.9.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.12.3. Job Control Review
- 4.12.3.1. The Contractor shall perform job control review for each Project as instructed by the Department.
- 4.12.3.2. The Contractor shall perform an evaluation and make recommendations on existing job control and on the process for designing job control.
- 4.12.3.3. The Contractor shall evaluate the system's division between batch and online processing with regard to system performance and data integrity.
- 4.12.3.4. The Contractor shall evaluate batch jobs for appropriate scheduling, timing, and internal and external dependencies.
- 4.12.3.5. The Contractor shall evaluate the appropriate use of operating system scheduling software.
- 4.12.3.6. The Contractor shall verify that job control language scripts are under an appropriate level of configuration control.
- 4.12.3.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the job control review.
- 4.12.3.8. The Contractor shall deliver the Written Feedback on Job Control Review to the Department along with Monthly Briefing Document for review and approval.
- 4.12.3.8.1. DELIVERABLE: Written Feedback on Job Control Review
- 4.12.3.8.2. DUE: With the Monthly Briefing Document
- 4.12.3.9. The Contractor shall perform further reviews of the job control review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.12.3.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the job control review and shall deliver the Updated Written Feedback on Job Control Review to the Department along with Monthly Briefing Document for review and approval.
- 4.12.3.9.1.1. DELIVERABLE: Updated Written Feedback on Job Control Review
- 4.12.3.9.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.12.4. Code Review
- 4.12.4.1. The Contractor shall perform code review for each Project as instructed by the

Department.

- 4.12.4.2. The Contractor shall evaluate and make recommendations on the standards and process currently in place for code development.
- 4.12.4.3. The Contractor shall evaluate the existing code base for portability and maintainability, taking into account software metrics including, but not limited to: modularity, complexity and source and object size.
- 4.12.4.4. The Contractor shall evaluate code documentation for quality, completeness, maintenance history, and accessibility.
- 4.12.4.5. The Contractor shall evaluate the coding standards and guidelines and the project's compliance with these standards and guidelines.
 - 4.12.4.5.1. This evaluation will include, but is not limited to:
 - 4.12.4.5.1.1. Structure.
 - 4.12.4.5.1.2. Documentation.
 - 4.12.4.5.1.3. Modularity.
 - 4.12.4.5.1.4. Naming conventions.
 - 4.12.4.5.1.5. Format.
- 4.12.4.6. The Contractor shall verify that developed code is kept under appropriate configuration control and is easily accessible by developers.
- 4.12.4.7. The Contractor shall evaluate the project's use of software metrics in management and QA.
- 4.12.4.8. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the code review.
- 4.12.4.9. The Contractor shall deliver the Written Feedback on Code Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.12.4.9.1. DELIVERABLE: Written Feedback on Code Review
 - 4.12.4.9.2. DUE: With the Monthly Briefing Document
- 4.12.4.10. The Contractor shall perform further reviews of the code review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.12.4.10.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the code review and shall deliver the Updated Written Feedback on Code Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.12.4.10.1.1. DELIVERABLE: Updated Written Feedback on Code Review
 - 4.12.4.10.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.12.5. Unit Test Review
 - 4.12.5.1. The Contractor shall perform unit test review for each Project as instructed by the Department.
 - 4.12.5.2. The Contractor shall evaluate the plans, requirements, environment, tools and procedures

used for unit testing system modules.

- 4.12.5.3. The Contractor shall evaluate the level of test automation, interactive testing and interactive debugging available in the test environment.
- 4.12.5.4. The Contractor shall verify that an appropriate level of test coverage is achieved by the test process, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented.
- 4.12.5.5. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the unit test review.
- 4.12.5.6. The Contractor shall deliver the Written Feedback on Unit Test Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.12.5.6.1. DELIVERABLE: Written Feedback on Unit Test Review
 - 4.12.5.6.2. DUE: With the Monthly Briefing Document
- 4.12.5.7. The Contractor shall perform further reviews of the unit test review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.12.5.7.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the unit test review and shall deliver the Updated Written Feedback on Unit Test Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.12.5.7.1.1. DELIVERABLE: Updated Written Feedback on Unit Test Review
 - 4.12.5.7.1.2. DUE: As needed, with the Monthly Briefing Document

4.13. System and Acceptance Testing Results Review

4.13.1. System Integration Testing Review

- 4.13.1.1. The Contractor shall perform system integration testing review for each Project as instructed by the Department.
- 4.13.1.2. The Contractor shall evaluate the plans, requirements, environment, tools, and procedures used for integration testing of system modules.
- 4.13.1.3. The Contractor shall evaluate the level of automation and the availability of the system test environment.
- 4.13.1.4. The Contractor shall verify that an appropriate level of test coverage is achieved by the test process, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented, including formal logging of errors found in testing.
- 4.13.1.5. The Contractor shall verify that the test organization has an appropriate level of independence from the development organization.
- 4.13.1.6. The Contractor shall validate that the system, as a whole, is functioning as designed.
- 4.13.1.7. The Contractor shall observe defect reporting and defect management process.
- 4.13.1.8. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the system integration testing review.

- 4.13.1.9. The Contractor shall provide the Department with input using its experience and review criteria in making go/no go decisions on each project.
- 4.13.1.10. The Contractor shall deliver the Written Feedback on System Integration Testing Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.13.1.10.1. DELIVERABLE: Written Feedback on System Integration Testing Review
 - 4.13.1.10.2. DUE: With the Monthly Briefing Document
- 4.13.1.11. The Contractor shall perform further reviews of the system integration testing review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.13.1.11.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the system integration testing review and shall deliver the Updated Written Feedback on System Integration Testing Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.13.1.11.1.1. DELIVERABLE: Updated Written Feedback on System Integration Testing Review
 - 4.13.1.11.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.13.2. Pilot Test Interface Testing Review
 - 4.13.2.1. The Contractor shall perform pilot test interface testing review for each Project as instructed by the Department.
 - 4.13.2.2. The Contractor shall evaluate the plans, requirements, environment, tools and procedures for pilot testing the system.
 - 4.13.2.3. The Contractor shall verify that a sufficient number and type of case scenarios are used to ensure comprehensive but manageable testing, and that test are run in a realistic, real-time environment.
 - 4.13.2.4. The Contractor shall verify that test scripts are complete, with step-by-step procedures, required pre-existing events or triggers, and expected results.
 - 4.13.2.5. The Contractor shall verify that test results are verified, that the correct code configuration has been used, and that test runs are appropriately documented, including formal logging of errors found in testing.
 - 4.13.2.6. The Contractor shall verify that the test organization has an appropriate level of independence from the development organization.
 - 4.13.2.7. The Contractor shall evaluate interface testing plans and procedures for compliance with industry standards.
 - 4.13.2.8. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the pilot test interface testing review.
 - 4.13.2.9. The Contractor shall deliver the Written Feedback on Pilot Test Interface Testing Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.13.2.9.1. DELIVERABLE: Written Feedback on Pilot Test Interface Testing Review
 - 4.13.2.9.2. DUE: With the Monthly Briefing Document

- 4.13.2.10. The Contractor shall perform further reviews of the pilot test interface testing review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.13.2.10.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the pilot test interface testing review and shall deliver the Updated Written Feedback on System Hardware Review to the Department along with Monthly Briefing Document for review and approval.
- 4.13.2.10.1.1. DELIVERABLE: Updated Written Feedback on Pilot Test Interface Testing Review
- 4.13.2.10.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.13.3. Acceptance and Turnover Review
- 4.13.3.1. The Contractor shall perform acceptance and turnover review for each Project as instructed by the Department.
- 4.13.3.2. The Contractor shall verify that acceptance procedures and acceptance criteria for each product are defined, reviewed, and approved prior to test and the results of the test are documented.
- 4.13.3.3. The Contractor shall ensure that acceptance procedures address the process by which any software product that does not pass acceptance testing is corrected.
- 4.13.3.4. The Contractor shall verify that appropriate acceptance testing based on the defined acceptance criteria is performed satisfactorily before acceptance of software products.
- 4.13.3.5. The Contractor shall verify that the acceptance test organization has an appropriate level of independence from all entities other than the project sponsoring organization.
- 4.13.3.6. The Contractor shall verify that business and technical training plan is in place for the project as well as ongoing operations.
- 4.13.3.7. The Contractor shall review and evaluate the system or process implementation plan.
- 4.13.3.8. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the acceptance and turnover review.
- 4.13.3.9. The Contractor shall deliver the Written Feedback on Acceptance and Turnover Review to the Department along with Monthly Briefing Document for review and approval.
- 4.13.3.9.1. DELIVERABLE: Written Feedback on Acceptance and Turnover Review
- 4.13.3.9.2. DUE: With the Monthly Briefing Document
- 4.13.3.10. The Contractor shall perform further reviews of the acceptance and turnover review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
- 4.13.3.10.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the acceptance and turnover review and shall deliver the Updated Written Feedback on Acceptance and Turnover Review to the Department along with Monthly Briefing Document for review and approval.
- 4.13.3.10.1.1. DELIVERABLE: Updated Written Feedback on Acceptance and Turnover

Review

4.13.3.10.1.2. DUE: As needed, with the Monthly Briefing Document

4.14. Data Management Review Work

4.14.1. Data Conversion Review

4.14.1.1. The Contractor shall perform data conversion reviews for each Project as instructed by the Department.

4.14.1.2. The Contractor shall evaluate the State's existing and proposed plans, procedures, and software for data conversion.

4.14.1.3. The Contractor shall verify that procedures are in place and are being followed to review the completed data for completeness and accuracy and to perform data clean-up as required.

4.14.1.4. The Contractor shall determine conversion error rates and if the error rates are manageable.

4.14.1.5. The Contractor shall make recommendations on making the conversion process more efficient and on maintaining the integrity of data during the conversion.

4.14.1.6. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the data conversion review.

4.14.1.7. The Contractor shall deliver the Written Feedback on Data Conversion Review to the Department along with Monthly Briefing Document for review and approval.

4.14.1.7.1. DELIVERABLE: Written Feedback on Data Conversion Review

4.14.1.7.2. DUE: With the Monthly Briefing Document

4.14.1.8. The Contractor shall perform further reviews of the data conversion review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.

4.14.1.8.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the data conversion review and shall deliver the Updated Written Feedback on Data Conversion Review to the Department along with Monthly Briefing Document for review and approval.

4.14.1.8.1.1. DELIVERABLE: Updated Written Feedback on Data Conversion Review

4.14.1.8.1.2. DUE: As needed, with the Monthly Briefing Document

4.14.2. Database Design Review

4.14.2.1. The Contractor shall perform a database design review for each Project as instructed by the Department.

4.14.2.2. The Contractor shall evaluate new and existing database designs and system processes/workflows to determine if they meet existing and proposed system requirements.

4.14.2.3. The Contractor shall recommend improvements to existing designs to improve data integrity and system performance.

4.14.2.4. The Contractor shall evaluate the design for maintainability, scalability, refreshability, concurrence, normalization, and any other factors affecting performance and data integrity.

- 4.14.2.5. The Contractor shall evaluate the Project's process for administering the database, including backup, recovery, performance analysis and control of data item creation.
- 4.14.2.6. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the database design review.
- 4.14.2.7. The Contractor shall deliver the Written Feedback on Database Design Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.14.2.7.1. DELIVERABLE: Written Feedback on Database Design Review
 - 4.14.2.7.2. DUE: With the Monthly Briefing Document
- 4.14.2.8. The Contractor shall perform further reviews of the database design review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.14.2.8.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the database design review and shall deliver the Updated Written Feedback on Database Design Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.14.2.8.1.1. DELIVERABLE: Updated Written Feedback on Database Design Review
 - 4.14.2.8.1.2. DUE: As needed, with the Monthly Briefing Document
- 4.15. Operations Oversight Work**
 - 4.15.1. The Contractor shall perform operation oversight reviews in this section for each Project as instructed by the Department.
 - 4.15.2. Operational Change Tracking Review
 - 4.15.2.1. The Contractor shall evaluate statewide systems' change request and defect tracking processes.
 - 4.15.2.2. The Contractor shall track defects and defect trends and provide summary to the Department.
 - 4.15.2.2.1. DELIVERABLE: Written Feedback on defects and defect trends
 - DUE: As needed, with the Monthly Briefing Document
 - 4.15.2.3. The Contractor shall evaluate the implementation of the process activities and request volumes to determine if processes are effective and are being followed.
 - 4.15.3. Customer and User Operational Satisfaction Review
 - 4.15.3.1. The Contractor shall evaluate user satisfaction with the Project to determine areas of improvement.
 - 4.15.4. Operational Goals Review
 - 4.15.4.1. The Contractor shall evaluate the impact of the Project on Medicaid Enterprise goals and performance standards.
 - 4.15.5. Operational Documentation Review
 - 4.15.5.1. The Contractor shall evaluate operational plans and processes.
 - 4.15.6. Operational Processes and Activity Reviews
 - 4.15.6.1. The Contractor shall evaluate implementation of the process activities including backup,

disaster recovery, and day-to-day operations to verify the processes are being followed.

- 4.15.7. The Contractor shall produce written feedback which shall include their evaluation, any recommendations, and any other considerations regarding the operations oversight review.
- 4.15.8. The Contractor shall deliver the Written Feedback on Operations Oversight Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.15.8.1. DELIVERABLE: Written Feedback on Operations Oversight Review
 - 4.15.8.2. DUE: With the Monthly Briefing Document
- 4.15.9. The Contractor shall perform further reviews of the operations oversight review if requested by the State or if required in the Updated Individual Project IV&V Management Plans.
 - 4.15.9.1. For each iteration, the Contractor shall update their written feedback to take into account changes to the operations oversight review and shall deliver the Updated Written Feedback on Operations Oversight Review to the Department along with Monthly Briefing Document for review and approval.
 - 4.15.9.1.1. DELIVERABLE: Updated Written Feedback on Operations Oversight Review
 - 4.15.9.1.2. DUE: As needed, with the Monthly Briefing Document

4.16. Additional Support

- 4.16.1. Contractor shall create a SharePoint Project Collaboration Site for each Project Request Order. The Site shall, at a minimum:
 - 4.16.1.1. Allow for participants to share documents.
 - 4.16.1.2. Facilitate document reviews.
 - 4.16.1.3. Maintain version control
 - 4.16.1.4. Notify team members of significant events securely.
- 4.16.2. Contractor shall provide classroom risk management training and orientation, covering the entire risk management life cycle, including, at a minimum:
 - 4.16.2.1. Risk identification.
 - 4.16.2.2. Assessment.
 - 4.16.2.3. Mitigation.
 - 4.16.2.4. Tracking.
- 4.16.3. Contractor shall perform a Quarterly In-person Management Review.
- 4.16.4. Contractor shall provide a Quarterly, one-hour "Brown Bad Lunch" Session. The Sessions shall cover PMI Knowledge areas, and the sessions shall provide PDU/CE credits.

4.17. Expansion and Contraction of this Contract

- 4.17.1. Due to the multi-programmatic nature of this Contract, the Department reserves the right to contract the volume of work under this Contract due to any reason, to include, but not be limited to: decrease in funding, elimination or scaling back of a program, the lack of demonstrated need for specific work in this contract, or due to the public interest.
 - 4.17.1.1. The contraction will be accompanied with an amendment to the Contract with the change.

- 4.17.1.2. Any contraction will likely be accompanied by a rate decrease as negotiated between the parties at that time.
- 4.17.2. The Department reserves the right to expand the volume of work under this contract through amendment of the Contract to include additional programs which are required or wish to have IV&V performed.
- 4.17.2.1. Any additions in scale will not expand the scope to work outside of IV&V work.
- 4.17.2.2. Any addition will be done through an amendment to the Contract and will likely be accompanied by an associated rate increase as negotiated at the time of the amendment.

5. REPORTING REQUIREMENTS

- 5.1. The Contractor shall provide all reports listed in this section in the format directed by the Department and containing the information requested by the Department.

5.2. Administrative Reporting

- 5.2.1. The Contractor shall provide an Administrative Report to the Department, upon the Department's request, covering the period directed by the Department.
- 5.2.1.1. The Administrative Report shall contain all information regarding the 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:
 - 5.2.1.1.1. Number of Full Time Equivalent per position category, as determined by the Department, and total salary expenditure for that position category.
 - 5.2.1.1.2. Operating expenses broken out by category, as determined by the Department.
 - 5.2.1.1.3. Number of staff that were newly hired and separated and number of vacant positions, broken out by position category, as determined by the Department.
 - 5.2.1.1.4. Administrative revenues, such as payments by debt and interest revenues, broken out by source as directed by the Department.
 - 5.2.1.1.5. Administrative expenditures, such as payments to Subcontractors and Providers, broken out by source as directed by the Department.
 - 5.2.1.1.6. Remaining cash-on-hand at the end of the period.
- 5.2.1.2. The Contractor shall deliver the Administrative Report to the Department within ten (10) Business Days following the request by the Department for that report. The Department may create a fixed schedule for the Contractor's submission of the Administrative Report by delivering the schedule to the Contractor in writing. The Department may change or terminate any fixed schedule it creates by notifying the Contractor in writing of the change or termination.
- 5.2.1.2.1. DELIVERABLE: Administrative Report
- 5.2.1.2.2. DUE: Within ten (10) Business Days after the Department's request. If the Department has delivered a fixed schedule to the Contractor, then the Contractor shall deliver the report as described in the most recent version of that schedule

5.3. COMPENSATION

- 5.3.1. The compensation under this Contract shall consist of payments made based on the

completion of the Paid Deliverables as described in a Final Purchase Request Order. The compensation shall be based on hourly rates as bid by the Offeror and the number of hours that the Contractor determines is required to complete the Work as agreed upon under a specific Purchase Request Order and Project Plan.

- 5.3.1.1. Paid Deliverables include the Quarterly Reporting to CMS, the Monthly Briefing Document, the Executive Status Document, and the Monthly IV&V Project Reviews, as outlined in the table below and other Deliverables defined through the Purchase Request Order:

HIGH-LEVEL TASK DESCRIPTION	SECTION	DELIVERABLE	DUE DATE
MAPPING DOCUMENT / UPDATED MAPPING DOCUMENT	3.8.8	3.8.8.1.1. MAPPING DOCUMENT / UPDATED MAPPING DOCUMENT	WITHIN THIRTY (30) DAYS FROM THE EFFECTIVE DATE / SIX (6) MONTHS AFTER THE PREVIOUS MAPPING DOCUMENT
QUARTERLY REPORTING TO CMS FOR EACH MEDICAID ENTERPRISE	4.3	4.3.7.2.1. ELIGIBILITY AND ENROLLMENT IV&V QUARTERLY PROGRESS REPORT	AT LEAST THIRTY (30) DAYS PRIOR TO THE FIRST DAY OF THE QUARTER
	4.3	4.3.7.2.3. MMIS IV&V QUARTERLY PROGRESS REPORT	AT LEAST THIRTY (30) DAYS PRIOR TO THE FIRST DAY OF THE QUARTER
MONTHLY BRIEFING, WHICH INCLUDES ALL DELIVERABLES THAT MAY BE SUBMITTED WITH MONTHLY BRIEFING DOCUMENT	4.4.4	4.4.4.4 MONTHLY BRIEFING DOCUMENT	MONTHLY, BY THE FIFTH (5 TH) DAY OF THE MONTH FOLLOWING THE LAST DAY FOR WHICH THE MONTHLY BRIEFING DOCUMENT COVERS
SUMMARY OF MONTHLY BRIEFINGS	4.4.6	4.4.6.1.6 EXECUTIVE STATUS	MONTHLY, BY THE FIFTH (5 TH) DAY OF

		DOCUMENT	EACH MONTH
SUMMARY OF MONTHLY IV&V REVIEWS	4.4.10	4.4.10.3.1 MONTHLY IV&V PROJECT REVIEW	MONTHLY, BY THE FIFTH (5 TH) DAY FOLLOWING THE LAST DAY FOR WHICH THE REVIEW COVERS

- 5.3.2. Once a fixed price for a Purchase Request Order has been quoted, the Project Plan accepted, and a Purchase Request Order issued, the payment schedule shall be fixed.
- 5.3.3. Any increase in compensation on a Purchase Request Order shall be at the discretion of the Department.
- 5.3.4. Rates shall be based on that Work done exclusively by the individual designated as Key Personnel doing the Work for each rate.
- 5.3.5. The Contractor shall budget sufficiently such that the stated contract maximum amount for each fiscal year is sufficient to cover all four quarters of the fiscal year.
- 5.3.6. Contractor's compensation will not exceed the stated contract maximum amount payable stated for this contract for either MMIS or E&E Work. Any changes to the maximum amount payable shall require a formal written amendment.
- 5.3.7. Once a price has been fixed through a Purchase Request Order, the payment schedule shall be fixed for that Deliverable.
- 5.3.8. Hourly rates are designated for the following, as outlined in Exhibit C:
- 5.3.8.1. Program lead
- 5.3.8.2. Project Lead
- 5.3.8.3. Business Analysts
- 5.3.8.4. Technical Analysts
- 5.3.8.5. Subject Matter Experts (Blended Rate)

5.4. INVOICING AND PAYMENT PROCEDURES

- 5.4.1. The Contractor shall invoice the Department on a monthly basis, by the fifteenth (15th) of the month following the month for which the invoice covers. The Contractor shall not invoice the Department for a month prior to the last day of that month.
- 5.4.2. The invoice shall contain all of the following for the month for which the invoice covers:
- 5.4.2.1. The cost for the Deliverable payment portion of the Maximum Monthly Payment, described in Section 4, only if all Deliverables described in that section which were accepted by the Department and are received by their required due dates for the month that the invoice covers.
- 5.4.2.2. The Purchase Request Order numbers and description of deliverable(s) or Work completed from each Purchase Request Order that has been approved and authorized for invoicing by the Department.
- 5.4.3. Payment of Invoices

- 5.4.3.1. The Department shall remit payment to the Contractor, for all amounts shown on an invoice, after the Department's acceptance of that invoice. Acceptance of an invoice shall not imply the acceptance or sufficiency of any work performed or deliverables submitted to the Department during the month for which the invoice covers or any other month. The Department shall not make any payment on an invoice prior to its acceptance of that invoice.
- 5.4.3.2. The Department will review the submitted invoice, and compare the information contained in the invoice to the Department's information. The Department will only accept an invoice after it has reviewed the information contained on the invoice and determined that all amounts are correct.
- 5.4.3.3. In the event that the Department determines that all information on an invoice is correct, the Department shall notify the Contractor of its acceptance of the invoice, in writing.
- 5.4.3.4. In the event that the Department determines that any information on an invoice is incorrect, the Department will notify the Contractor of this determination and what is incorrect on the invoice. The Contractor shall correct any information the Department determined to be incorrect and resubmit that invoice to the Department for review.
 - 5.4.3.4.1. The Department will review the invoice to ensure that all corrections have been made.
 - 5.4.3.4.2. If all information on the resubmitted invoice is correct, the Department will accept the invoice.
 - 5.4.3.4.3. If any information on the resubmitted invoice is still incorrect, then the Department will return the invoice to the Contractor for correction and resubmission.
- 5.4.3.5. In the event that the Contractor believes that the calculation or determination of any payment is incorrect, the Contractor shall notify the Department of the error within thirty (30) days of receipt of the payment or notification of the determination of the payment, as appropriate. The Department will review the information presented by the Contractor and may make changes based on this review. The determination or calculation that results from the Department's review shall be final. No disputed payment shall be due until after the Department has concluded its review.
- 5.5. Notwithstanding anything to the contrary in the Contract, all payments for the final month of the Contract shall be paid to the Contractor no sooner than ten (10) days after the Department has determined that the Contractor has completed all of the requirements of the Closeout Period.
Closeout Payments
 - 5.5.1. 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 ten (10) days after the Department has determined that Contractor has completed all of the requirements of the Closeout Period.

EXHIBIT C, RATES

Position	Rate per Hour
Program Lead	\$175.00 per hour
Project Lead	\$165.00 per hour
Business Analyst	\$145.00 per hour
Technical Analyst	\$155.00 per hour
Blended Rate	\$137.50 per hour

EXHIBIT D, SAMPLE OPTION LETTER

OPTION LETTER

State Agency Department of Health Care Policy and Financing	Option Letter Number Insert the Option Number (e.g. "1" for the first option)
Contractor Insert Contractor's Full Legal Name, including "Inc.", "LLC", etc...	Original Contract Number Insert CMS number or Other Contract Number of the Original Contract
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	Option Contract Number Insert CMS number or Other Contract Number of this Option Contract Performance Beginning Date The later of the Effective Date or Month Day, Year Current Contract Expiration Date Month Day, Year

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 the Contract 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/Section Number/Letter. 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

- a. The Effective Date of this Option Letter is upon approval of the State Controller or the Effective Date of this Option Letter, whichever is later.

STATE OF COLORADO
John W. Hickenlooper, Governor
Department of Health Care Policy and Financing
Kim Bimestefer, Executive Director

By: Kim Bimestefer, Executive Director

Date: _____

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

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: _____
Greg Tanner, Controller; Department of Health Care Policy and Financing

Option Effective Date: _____

EXHIBIT E, INFORMATION TECHNOLOGY PROVISIONS

This Exhibit regarding **Information Technology Provisions** (the “Exhibit”) is an essential part of the agreement between the State and Contractor as described in the Contract to which this Exhibit is attached. Unless the context clearly requires a distinction between the Contract and this Exhibit, all references to “Contract” shall include this Exhibit.

1. PROTECTION OF SYSTEM DATA

- A. 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.
- B. 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:
 - i. Contractor provides physical or logical storage of State Records;
 - ii. Contractor creates, uses, processes, discloses, transmits, or disposes of State Records;
 - iii. Contractor is otherwise given physical or logical access to State Records in order to perform Contractor’s obligations under this Contract.
- C. Contractor shall, and shall cause its Subcontractors, to do all of the following:
 - i. Provide physical and logical protection for all hardware, software, applications, and data that meets or exceeds industry standards and the requirements of this Contract.
 - ii. 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.
 - iii. Comply with State and federal rules and regulations related to overall security, privacy, confidentiality, integrity, availability, and auditing.
 - iv. Provide that security is not compromised by unauthorized access to workspaces, computers, networks, software, databases, or other physical or electronic environments.
 - v. Promptly report all Incidents, including Incidents that do not result in unauthorized disclosure or loss of data integrity, to a designated representative of the State’s Office of Information Security (“OIS”).
 - vi. Comply with all rules, policies, procedures, and standards issued by the

Governor's Office of Information Technology ("OIT"), including project lifecycle methodology and governance, technical standards, documentation, and other requirements posted at www.oit.state.co.us/about/policies.

- D. 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.
- E. Contractor shall perform current background checks in a form reasonably acceptable to the State on all of its respective employees and agents performing services or having access to State Records provided under this Contract, including any Subcontractors or the employees of Subcontractors. A background check performed within 30 days prior to the date such employee or agent begins performance or obtains access to State Records shall be deemed to be current.
 - i. Contractor will provide notice to the Security and Compliance Representative for the State indicating that background checks have been performed. Such notice will inform the State of any action taken in response to such background checks, including any decisions not to take action in response to negative information revealed by a background check.
 - ii. 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.

2. DATA HANDLING

- A. The State, in its sole discretion, may securely deliver State Records directly to the facility where such data is used to perform the Work. Contractor may not maintain or forward these State Records to or from any other facility or location, except for the authorized and approved purposes of backup and disaster recovery purposes, without the prior written consent of the State. 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 OIS.
- B. 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.

- C. 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.
- D. 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.

3. COMPLIANCE

- A. In addition to the compliance obligations imposed by the main body of the Contract, Contractor shall comply with:
 - i. All Colorado Office of Information Security (OIS) policies and procedures which OIS has issued pursuant to §§24-37.5-401 through 406, C.R.S. and 8 CCR §1501-5 and posted at <http://oit.state.co.us/ois>
 - ii. All information security and privacy obligations imposed by any federal, state, or local statute or regulation, or by any industry standards or guidelines, as applicable based on the classification of the data relevant to Contractor's performance under the Contract. Such obligations may arise from:
 - a. Health Information Portability and Accountability Act (HIPAA)
 - b. IRS Publication 1075
 - c. Payment Card Industry Data Security Standard (PCI-DSS)
 - d. FBI Criminal Justice Information Service Security Addendum
 - e. CMS Minimum Acceptable Risk Standards for Exchanges
 - f. Electronic Information Exchange Security Requirements and Procedures For State and Local Agencies Exchanging Electronic

Information With The Social Security Administration

- B. Contractor shall implement and maintain all appropriate administrative, physical, technical, and procedural safeguards necessary and appropriate to ensure compliance with the standards and guidelines applicable to Contractor's performance under the Contract.
- C. Contractor shall allow the State reasonable access and shall provide the State with information reasonably required to assess Contractor's compliance. Such access and information may include:
 - i. The performance of security audit and penetration tests, as requested by OIS or its designee at any time under this Contract;
 - ii. An annual SOC2 Type II audit including, at a minimum, the Trust Principles of Security, Confidentiality, and Availability, or an alternative audit recommended by OIS.

4. INTELLECTUAL PROPERTY ESCROW

- A. Upon request from the State and within the State's sole discretion, Contractor shall deposit the software, documentation, and/or all other related material(s) that are part of the Work with a reputable, State-approved software escrow agent ("Escrow Agent").
 - a. For the purposes of this section, software is the source code accompanied by a running object code version submitted on a virus-free magnetic or optical media, compiled and ready to be read by a computer; documentation is all materials sufficient for a trained computer programmer of general proficiency to maintain and support the software without further assistance from Contractor; and all other related material(s) is anything else related to the software or documentation necessary or required for the proper use of the same (such software, documentation and all other related material(s) hereinafter referred to collectively as the "Escrowed Software").
 - b. Contractor shall also have a continuing obligation to deposit any maintenance modifications, updates, upgrades, new releases, or documentation related to the Escrowed Software for the term of the Contract.
- B. Contractor shall enter into an "Escrow Agreement" with the Escrow Agent, which will instruct the Escrow Agent to independently verify the operation of Escrowed Software and cause delivery of the Escrowed Software in Contractor's possession to the State if any one of the following events occurs:
 - a. Contractor agrees in writing to the delivery.
 - b. Contractor ceases to do business and the State has not approved a successor

to assume Contractor's obligations to the State.

- c. Contractor has failed to support the Escrowed Software or has otherwise breached this Contract and has exhausted all cure periods to avoid termination for such breach.
 - d. Contractor files for liquidation under the U.S. Bankruptcy Code, or files for reorganization under the U.S. Bankruptcy Code and does not remain debtor in possession.
- C. Contractor shall grant the appropriate license rights in the Escrow Agreement to the Escrow Agent to allow the Escrow Agent to exercise its rights under this Contract. If the Escrow Agent delivers the Escrowed Software to the State, the State shall have the same license and rights to use the Escrowed Software as the State had under this Contract, including, but not limited to, the right to utilize the source code and create updates and derivative works consistent with the purpose of this Contract.
- D. All costs and fees associated with the Escrow Agreement between Contractor and the Escrow Agent for the Escrowed Software shall be the sole responsibility of Contractor. Upon request by the State, Contractor shall provide the State with a copy of the Escrow Agreement.

5. TRANSITION OF SERVICES

Upon expiration or earlier termination of this Contract or any Services provided in this Contract, Contractor shall accomplish a complete transition of the Services from Contractor to the State or any replacement provider designated solely by the State without any interruption of or adverse impact on the Services or any other services provided by third parties in this Contract. Contractor shall cooperate fully with the State or such replacement provider and promptly take all steps required to assist in effecting a complete transition of the Services designated by the State. All services related to such transition shall be performed at no additional cost beyond what would be paid for the Services in this Contract.

6. LICENSE OR USE AUDIT RIGHTS

- A. Contractor shall have the right, at any time during and throughout the Contract Term, but not more than once per Fiscal Year, to request via written notice in accordance with the notice provisions of the Contract that the State audit its use of and certify as to its compliance with any applicable license or use restrictions and limitations contained in this Contract (an "Audit Request"). The Audit Request shall specify the time period to be covered by the audit, which shall not include any time periods covered by a previous audit. The State shall complete the audit and provide certification of its compliance to Contractor ("Audit Certification") within 120 days following the State's receipt of the Audit Request.
- B. If upon receipt of the State's Audit Certification, the Parties reasonably determine that: (i) the State's use of licenses, use of software, use of programs, or any other use during the audit period exceeded the use restrictions and limitations contained

in this Contract ("Overuse") and (ii) the State would have been or is then required to purchase additional maintenance and/or services ("Maintenance"), Contractor shall provide written notice to the State in accordance with the notice provisions of the Contract identifying any Overuse or required Maintenance and request that the State bring its use into compliance with such use restrictions and limitations.

- C. Notwithstanding anything to the contrary in this Contract, or incorporated as a part of Contractor's or any Subcontractor's website, click-through or online agreements, third-party agreements, or any other documents or agreements between the Parties, the State shall not be liable for the costs associated with any Overuse or Maintenance, regardless of whether the State may have been notified in advance of such costs.



CT #	
CMS ID	
P&C Specialist	

Procurement Cover Sheet – CLEARANCE

Program Contact	Kristen Lindblom	Phone Ext	5078
Office	Health Information Office	Division	Health Information Office
Type of Procurement	Contract	Goods / Services	Services
Business	Medicaid Enterprise Systems		

Contractor Name	SLI Government Solutions
Purpose Statement	To Perform as the Independent Verification and Validation vendor for the Department's Medicaid Enterprises.
Business Need	Independent Validation and Verification (IV&V) is conducted on IT projects to provide an objective third party to confirm that system requirements are fulfilled and the project is successfully implemented. For Medicaid systems projects, IV&V serves on behalf of CMS and provides reporting to CMS to validate and verify that project implementation is successful. CMS requires IV&V to be performed on all system implementation projects that will utilize enhanced match funding for maintenance and operations.
Previous Contract Amount *Current SFY	This is a new contract - \$15,000,000
Modification Contract Amount	N/A
New Total Contract Amount	\$15,000,000
Key Modifications *Applies to Amendments/Option Letters	N/A

Yes 4.6.2.3	Is the vendor required to continuously identify the best solutions, technology and processes for the state including, proposing new capabilities or technologies as they become available	5.2 and 5.3, Page 17
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For any of the criteria noted in this checklist that were listed as "No" or "N/A", please describe your rationale below (add additional cells as necessary):

Executive Leadership Team Member Signoff: _____

HCPF Contract Checklist - Contracts

Contract Manager Name:

Kristen Lindblom

Vendor Name:

SLI Government Solutions

Contract Title:

IV&V

Contract Reference or Checkoff (N/A if not applicable)	Criteria	Toolkit Reference (#, Page)
Performance Metrics		
Yes 4.2	Do performance metrics exist and are they tied to HCPF's goals? <ul style="list-style-type: none"> Health Care Affordability for Coloradans Medicaid Cost Control Member Health Customer Service Operational Excellence 	1.1, Page 13
Yes	Are HCPF Program staff and their Management clear on program expectations and have they been <u>clearly included</u> in drafting and review of the contract?	1.2, Page 13
Yes 2.12	Is there a structured performance review process?	1.3, Page 13
Termination		
Yes Section 5-Termination	Does the contract include the standard template termination for public-interest and termination for cause boilerplate clauses (termination in the public interest allows termination if the legislature, judiciary, or Governor determines the program or contract no longer serves the interests of the state)?	2.1, Page 14
Yes Section 12	Does the contract include the ability to create variable or progressive corrective action plans outside of the standard contract remedies?	2.2, Page 14
Yes 2.9.10	Is there a contingency plan describing what will happen if work is not completed, contract is terminated, or new vendor is selected?	2.3, Page 14
Yes 2.9.10	Does the contract require the contractor to provide sufficient project documentation to ensure ongoing success without the vendor in the event the contract is terminated? Does the contract include appropriate actions for a close-out period due to a contract termination?	4.2, page 16
Payment		
Yes 4.2 and 5.3	Are payments tied to one of the following: <ol style="list-style-type: none"> Meeting specific performance standards; Completing deliverables; or Recovering funds for the Department? 	3.1 to 3.3, Page 15
Yes	Is payment competitive with the market for these services?	1, Page 5
Partnership		
Yes Performance standards 4.2	Does the contract empower the contract manager to hold the vendor accountable for responsiveness to individual issues, assigning quality trained personnel to project, delivering quality outcomes, and engagement at meetings and presentations?	4.3, Page 16
Innovation		
Yes 4.4.13.3, 4.6.2.3, 4.6.5.2, 4.7.1.10	Is there criteria in the contract that provides incentives or requirements for the vendor to provide thought leadership, best practices, or process improvement recommendations?	5.1, Page 17