STATE OF HAWAII

Department of Human Services

REQUEST FOR PROPOSALS (RFP)

RFP-MQD-2015-003
To provide healthcare services for the State of Hawaii Organ and Tissue Transplant Program (SHOTT)

RFP–MQD–2015-003

Med-QUEST Division

State of Hawaii

Department of Human Services

Med-QUEST Division

Contract Monitoring and Compliance Section

Request for Proposals

RFP-MQD-2015-003
To provide healthcare services for the State of Hawaii Organ and Tissue Transplant Program (SHOTT)

September 19, 2014

Note: It is the Offeror's responsibility to check the public procurement notice website, the request for proposal website, or to contact the RFP point-of contact identified in the RFP for any addenda issued to this RFP. If this RFP was downloaded from the public website, each Offeror must provide contact information to the RFP contact person for this RFP. For your convenience, you may download the RFP Interest Form found in Appendix B, complete and e-mail or mail to the RFP contact person. The State shall not be responsible for any incomplete proposal submitted as a result of missing addenda, attachments or other information regarding the RFP.

Table of Contents

SECTION 10 ADMINISTRATIVE OVERVIEW **6**

10.100 PURPOSE OF THE REQUEST FOR PROPOSAL 6
10.200 AUTHORITY FOR ISSUANCE OF RFP 6
10.300 RFP POINT-OF-CONTACT 7
10.400 USE OF SUBCONTRACTORS 7
10.500 CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS 7
10.600 ORGANIZATION OF THE RFP 8

SECTION 20 RFP SCHEDULE AND REQUIREMENTS **9**

20.100 RFP TIMELINE 9
20.200 ORIENTATION CONFERENCE 9
20.300 SUBMISSION OF QUESTIONS 10
20.400 NOTICE OF INTENT TO PROPOSE 10
20.500 REQUIREMENTS TO CONDUCT BUSINESS IN THE STATE OF HAWAII 11
20.600 HAWAII COMPLIANCE EXPRESS (HCE) 11
20.700 DOCUMENTATION 12
20.800 RULES OF PROCUREMENT 12
20.810 No Contingent Fees 12
20.820 Discussions with Offerors 13
20.830 RFP Amendments 13
20.840 Costs of Preparing Proposal 13
20.850 Provider Participation in Planning 14
20.860 Disposition of Proposals 14
20.870 Rules for Withdrawal or Revision of Proposals 14
20.900 CONFIDENTIALITY OF INFORMATION 15
21.100 ACCEPTANCE OF PROPOSALS 15
21.200 SUBMISSION OF PROPOSALS 16
21.300 DISQUALIFICATION OF OFFERORS 17
21.400 IRREGULAR PROPOSALS 18
21.500 REJECTION OF PROPOSALS 18
21.600 CANCELLATION OF RFP 19
21.700 OPENING OF PROPOSALS 19
21.800 ADDITIONAL MATERIALS AND DOCUMENTATION 20
21.900 AWARD NOTICE 20
22.100 PROTESTS 20

SECTION 30 BACKGROUND **22**

30.100 MEDICAL ASSISTANCE IN HAWAII 22
30.200 HAWAII QUEST INTEGRATION 22
30.300 DEPARTMENT OF HUMAN SERVICES 24
30.400 TRANSPLANT SERVICES TO BE PROVIDED 25
30.500 SHOTT POLICY MEMORANDUMS 25

SECTION 40 SCOPE OF SERVICES **26**

40.100 OFFEROR'S ROLE IN MANAGED CARE 26
40.200 TRANSPLANTS 26
40.300 HEALTHCARE SERVICES TO BE PROVIDED 27
40.400 CARE COORDINATION AND CASE MANAGEMENT 28
40.500 CERTIFYING AND CREDENTIALING PROVIDERS 30
40.600 COORDINATION OF OTHER BENEFITS 31
40.700 REIMBURSEMENT 32
40.800 PROCESSING OF BENEFIT COST 32
40.900 REPORTING REQUIREMENTS 33
41.100 OFFEROR PERSONNEL 34
41.110 Transplant Coordinator 34
41.120 Supporting Staff 34
41.200 AUTHORIZATION/APPROVAL PROCESS 35
41.300 OTHER SERVICES TO BE PROVIDED 39
41.400 BENEFICIARY AND OFFEROR'S RESPONSIBILITIES 40
41.500 BENEFICIARY GRIEVANCE AND APPEALS PROCESS 41
41.600 PROVIDER GRIEVANCE AND APPEALS PROCESS 42
41.700 READINESS REVIEW 43

SECTION 50 TERMS AND CONDITIONS 44

50.100 CONTRACT DOCUMENTS 44
50.200 CONFLICT BETWEEN CONTRACT DOCUMENTS, STATUTES AND RULES 44
50.300 SUBCONTRACTOR AGREEMENTS 45
50.400 RETENTION OF MEDICAL RECORDS 47
50.500 RESPONSIBILITY FOR TAXES 48
50.600 FULL DISCLOSURE 48
50.610 Business Relationships 48
50.620 Litigation 49
50.700 CONFLICT OF INTEREST 49
50.800 EMPLOYMENT OF DEPARTMENT PERSONNEL 49
50.900 FISCAL INTEGRITY 51
51.100 TERM OF THE CONTRACT 51
51.200 LIABILITY INSURANCE REQUIREMENTS 52
51.300 MODIFICATION OF CONTRACT 54
51.400 CONFORMANCE WITH FEDERAL REGULATIONS 54
51.500 TERMINATION OF THE CONTRACT 54
51.510 Termination for Default 55
51.520 Termination for Expiration or Modification of the Programs by CMS 55
51.530 Termination for Bankruptcy or Insolvency 55
51.540 Procedure for Termination 56
51.550 Termination Claims 58
51.600 CONFIDENTIALITY OF INFORMATION 59
51.700 AUDIT REQUIREMENTS 61
51.710 Accounting Records Requirements 61
51.720 Inclusion of Audit Requirements in Subcontracts 62

51.800 ONGOING INSPECTION OF WORK PERFORMED 62
51.900 DISPUTES 62
52.100 LIQUIDATED DAMAGES, SANCTIONS AND FINANCIAL PENALTIES 63
52.110 Liquidated Damages 63
52.120 Sanctions 63
52.130 Special Rules for Temporary Management 65
52.200 COMPLIANCE WITH LAWS 67
52.210 Wages, Hours and Working Conditions of Employees Providing Services 67
52.220 Compliance with other Federal and State Laws 67
52.300 MISCELLANEOUS SPECIAL CONDITIONS 68
52.310 Use of Funds 69
52.320 Prohibition of Gratuities 69
52.330 Publicity 69
52.340 Force Majeure 69
52.350 Attorney's Fees 70
52.360 Time is of the Essence 70

SECTION 60 TECHNICAL PROPOSAL 71

60.100 INTRODUCTION 71
60.200 PROPOSAL LETTER 71
60.300 TRANSMITTAL LETTER 71
60.400 FINANCIAL STATUS 73
60.410 Financial Statements 73
60.500 EXECUTIVE SUMMARY 73
60.600 COMPANY BACKGROUND AND EXPERIENCE 74
60.610 Background of the Company 74
60.620 Company Experience 74
60.630 Data Processing 75
60.700 ORGANIZATION AND STAFFING 75
60.710 Organization Charts 75
60.720 Staffing 76
60.800 PROVIDER NETWORK 77
60.900 CASE MANAGEMENT 77

SECTION 70 BUSINESS PROPOSAL 79

70.100 ADMINISTRATIVE RATE 79

SECTION 80 EVALUATION AND SELECTION 80

80.100 INTRODUCTION 80
80.200 EVALUATION PROCESS 80
80.300 MANDATORY PROPOSAL EVALUATION 80
80.400 PROPOSAL EVALUATION 81
80.500 TECHNICAL EVALUATION CRITERIA 81
80.510 Transmittal Letter (0 points possible) 83
80.520 Executive Summary (10 points possible) 83
80.530 Company Background and Experience (15 points possible) 83

80.540 Organization and Staffing (15 points possible) *84*
80.550 Provider Network (20 points possible) *84*
80.560 Case Management (20 points possible) *85*
80.600 BUSINESS PROPOSAL EVALUATION 85
80.700 CONTRACT AWARD 85
APPENDIX A – WRITTEN QUESTIONS FORMAT **87**
APPENDIX B – RPF INTEREST FORM **88**
APPENDIX C – PROPOSAL FORMS **89**
APPENDIX D – ORGAN AND TISSUE TRANSPLANT GUIDELINES **90**
APPENDIX E – TRANSPLANT EVALUATION FORM **91**
APPENDIX F – GENERAL TERMS AND CONDITIONS **92**
APPENDIX G – BUSINESS ASSOCIATE AGREEMENT **93**
APPENDIX H – BUSINESS PROPOSAL **94**

SECTION 10 ADMINISTRATIVE OVERVIEW

10.100 Purpose of the Request for Proposal

This Request for Proposals (RFP) solicits proposals from qualified companies to provide care coordination and case management services under the State of Hawaii's Transplant Program. The organizations that respond to this RFP must be able to provide a system for the direction, coordination, monitoring, and tracking of services received for all Department of Human Services (DHS) managed care health plan and Medicaid's fee-for-service (FFS) beneficiaries, on a statewide basis. Proposals for a specific island or county will not be accepted.

Offerors are advised that the entire RFP, any addenda, and the corresponding proposal shall be part of the contract with the successful Offeror. The Department of Human Services (DHS) reserves the right to modify, amend, change, add or delete any requirements in this RFP to serve the best interest of the State. If significant amendments are made to the RFP, the Offerors shall be provided at least ten working days or sufficient time to submit their proposals.

Offerors are encouraged to read each section of the RFP thoroughly. While sections may appear similar among RFP's, state purchasing agencies may add additional information as applicable. It is the responsibility of the Offeror to understand the requirements of each RFP.

10.200 Authority for Issuance of RFP

This RFP is issued under the authority of Title XIX of the Social Security Act, 42 USC Section 1396, et. seq. as amended, the implementing regulations issued under the authority thereof, Section 346-14 of the Hawaii Revised Statutes (HRS), and the provisions of the Chapter 103F, HRS. All Offerors are charged with presumptive knowledge of all requirements cited by these authorities, and submission of a valid executed proposal by any Offeror shall constitute admission of such knowledge on the part of such Offeror. Failure to comply with any requirement may result in the rejection of the proposal. The DHS reserves the right to reject any or all proposals received or to cancel this RFP, according to the best interest of the State.

10.300 RFP Point-of-Contact

This RFP is issued by the State of Hawaii, Department of Human Services. The RFP Point-of-Contact or designated staff within DHS is the sole point of contact from the date of release of this RFP until the selection of a successful offeror. The RFP Point of Contact is:

Ms. Patricia Bazin, Health Care Services Branch Administrator
Department of Human Services/Med-QUEST Division
601 Kamokila Boulevard, Room 506A,
Kapolei, HI 96707
Telephone: (808) 692-8083
Facsimile: (808) 692-8087

10.400 Use of Subcontractors

In the event of a proposal submitted jointly or by multiple organizations, one (1) organization shall be designated as the primary Offeror and shall have responsibility for not less than sixty percent (60%) of the work to be performed. The project leader shall be an employee of the prime Offeror. All other participants shall be designated as Subcontractors. Subcontractors shall be identified by name and by a description of the services/functions, they will be performing. The primary Offeror shall be wholly responsible for the entire performance whether or not subcontractors are used. The Primary Offeror shall sign the contract with DHS.

If a Subcontractor is used, the Offeror shall ensure the MQD that they, as the Primary Offeror, have the ultimate responsibility and to insure the Subcontractor(s) will provide the services according to the criteria of this RFP.

10.500 Campaign Contributions by State and County Contractors

Pursuant to section 11-355, HRS, campaign contributions are prohibited from specified State or county government contractors during the term of the contract if the contractors are paid with funds appropriated by a legislative body. For more information, refer to the Campaign Spending Commission webpage (http://ags.hawaii.gov/campaign/).

10.600 Organization of the RFP

This RFP is composed of ten sections plus appendices:

- Section 10 – Administrative Overview – Provides general information on the purpose of the RFP, the authorities relating to the issuance of the RFP and the organization of the RFP.

- Section 20 – RFP Schedule and Requirements – Provides information on the rules and schedules for procurement of the transplant services.

- Section 30 – Background – Describes the current medical assistance programs.

- Section 40 – Scope of Services – Provides information on the services to be provided under the contract.

- Section 50 – Terms and Conditions – Describes the terms and conditions under which the work will be performed.

- Section 60 – Technical Proposal – Defines the required format of the technical proposal and the minimum information to be provided in the proposal.

- Section 70 – Business Proposal – Defines the required format of the business proposal and the minimum information to be provided in the proposal.

- Section 80 – Evaluation and Selection – Defines the evaluation process.

  Various appendices are included to support the information presented in Sections 10 through 80.

Section 20 RFP Schedule and Requirements

20.100 RFP Timeline

The delivery schedule set forth herein represents the DHS's best estimate of the schedule that will be followed. If a component of this schedule, such as Proposals Due date, is delayed, the rest of the schedule will likely be shifted by the same number of days. The proposed schedule is as follows:

Issue RFP	September 19, 2014
Request teleconference information	September 22, 2014
Orientation Conference	September 25, 2014
Submission of written questions	September 26, 2014
Written responses to questions	October 3, 2014
Notice of Intent to Propose	October 3, 2014
Receipt of proposals	October 24, 2014
Review of proposals	October 25 to November 20, 2014
Contract Award	November 21, 2014
Implementation	April 1, 2015

20.200 Orientation Conference

An orientation for Offerors in the reference to this RFP will be held on the date identified in Section 20.100 from 1:00 to 2:00 pm at the Med-QUEST Office, Kakuhihewa Building at 601 Kamokila Boulevard, #577A, Kapolei, Hawaii. In addition, Offerors may attend the orientation via teleconference. Offerors interested in attending via teleconference shall send an e-mail to questrfp@medicaid.dhs.state.hi.us requesting teleconference information by 2:00 pm on the date identified in Section 20.100.

Impromptu questions will be permitted at the orientation and spontaneous responses provided at the discretion of the state purchasing agency. However, responses provided at the orientation conference are intended only as general direction and may not represent the official position of the state purchasing agency. Formal responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation conference, but no later than the submittal deadline for written questions indicated in Section 20.100, Written Questions.

20.300 Submission of Questions

Offerors shall submit questions in writing and/or on CD in Word 2013 format, or lower to the following address:

Ms. Patricia Bazin
c/o Dona Jean Watanabe
Med-QUEST Division-Finance Office
1001 Kamokila Boulevard, Room 317
Kapolei, Hawaii 96707-2005
E-mail address: questrfp@medicaid.dhs.state.hi.us

The written questions shall reference the RFP section, page and paragraph number in the format provided in Appendix A. Offerors must submit written questions by 2:00 p.m. (H.S.T.) on the date identified in Section 20.100, DHS shall respond to the written questions no later than the date identified in Section 20.100. No verbal responses shall be considered as official.

20.400 Notice of Intent to Propose

Potential Offerors shall submit a Notice of Intent to Propose to the RFP Point-of-Contact no later than the date identified in Section 20.100 at 2:00 p.m., (H.S.T.) using the format provided in Appendix B. Submission of intent to propose is not a prerequisite for the submission of proposal, but it is necessary that the RFP Point-of-Contact receive the letter by this deadline to assure proper distribution of amendments, questions and answers and other communication regarding this RFP.

Notice of intent can be mailed or faxed to:

Ms. Patricia Bazin
c/o Dona Jean Watanabe
Med-QUEST Division-Finance Office
1001 Kamokila Boulevard, Room 317
Kapolei, Hawaii 96707-2005
Fax: (808) 692-7989

20.500 Requirements to Conduct Business in the State of Hawaii

Offerors are advised that if awarded a contract under this RFP, each Offeror shall, upon award of the contract, furnish proof of compliance with the following requirements of HRS, required to conduct business in the State:

HRS Chapter 237, tax clearance

HRS Chapter 383, unemployment insurance

HRS Chapter 386, workers' compensation

HRS Chapter 392, temporary disability insurance

HRS Chapter 393, prepaid health care

One of the following:

- Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); or

- Be registered to do business in the State (hereinafter referred to as a "compliant non-Hawaii business").

Offerors are advised that there are costs associated with compliance under this section. Any costs are the responsibility of the Offeror. Proof of compliance is shown by providing the Certificate of Vendor Compliance issued by Hawaii Compliance Express.

20.600 Hawaii Compliance Express (HCE)

The DHS utilizes the HCE to verify compliance with the requirements to conduct business in the State, upon award of the contract. The HCE is an electronic system that allows

vendors/contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates of Tax Clearance Certificates from the Department of Taxation and Internal Revenue Service, Certificate of Compliance from the Department of Labor and Industrial Relations, and a Certificate of Good Standing from the Department of Commerce and Consumer Affairs. There is a nominal annual fee for the service which is the responsibility of the Offeror. The "Certificate of Vendor Compliance" issued online through HCE provides the registered Offeror's current compliance status as of the issuance date, and is accepted for both contracting and final payment purposes. See website:

http://spo.hawaii.gov/hce/

20.700 Documentation

Offerors may review information describing Hawaii's QUEST, QUEST Expanded Access (QExA), and fee-for-service (FFS) programs in the Request for Proposals (RFP) documentation library located on the Med-QUEST Division (MQD) website at www.med-quest.us. The documentation library contains material designed to provide additional program and supplemental information and shall have no effect on the requirements stated in this RFP.

All possible efforts shall be made to ensure that the information contained in the documentation library is complete and current. However, the DHS does not warrant that the information in the library is complete or correct and reserves the right to amend, delete and modify the information at any time without notice to the Offerors.

20.800 Rules of Procurement

To facilitate the procurement process, various rules have been established as described in the following subsections.

20.810 No Contingent Fees

No Offeror shall employ any company or person, other than a bona fide employee working solely for the Offeror or company regularly employed as its marketing agent, to solicit or secure this contract, nor shall it pay or agree to pay any company or person, other than a bona fide employee working solely for the Offeror or a company regularly employed by the Offeror as its marketing agent, any fee commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award of a contract to perform the specifications of this RFP.

20.820 Discussions with Offerors

A. Prior To Submittal Deadline:
Discussions may be conducted with potential Offerors to promote understanding of the purchasing agency's requirements.

B. After Proposal Submittal Deadline:
Discussions may be conducted with Offerors whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with Section 3-143-403, Hawaii Administrative Rules (HAR).

20.830 RFP Amendments

The DHS reserves the right to amend the RFP any time prior to the closing date for the submission of the proposals. In addition, addenda may also be made after proposal submission consistent with Section 3-143-301(e), HAR. Amendments shall be sent to all Offerors who requested copies of the RFP or submitted a letter of intent to propose from the DHS pursuant to Section 20.400.

20.840 Costs of Preparing Proposal

Any costs incurred by the Offeror for the development and submittal of a proposal in response to this RFP are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii shall provide no reimbursement for such costs.

20.850 Provider Participation in Planning

Provider participation in a State purchasing agency's efforts to plan for or to purchase health and human services prior to the State purchasing agency's release of a RFP, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals if conducted in accordance with Sections 3-142-202 and 3-142-203, HAR, pursuant to Chapter 103F, HRS.

20.860 Disposition of Proposals

All proposals become the property of the State of Hawaii. The successful proposal shall be incorporated into the contract. A copy of successful and unsuccessful proposal(s) shall be public record as part of the procurement file as described in Section 3-143-616, HAR, pursuant to Chapter 103F, HRS. The State of Hawaii shall have the right to use all ideas, or adaptations to those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal shall not affect this right.

According to Section 3-143-612, HAR, Offerors who submit technical proposals that fail to meet mandatory requirements or fail to meet all threshold requirements during the technical evaluation phase may retrieve their technical proposal within thirty (30) days after its rejection from the purchasing agency. After thirty (30) days, the purchasing agency may discard the rejected technical proposal.

20.870 Rules for Withdrawal or Revision of Proposals

A proposal may be withdrawn or revised at any time prior to, but not after, the Proposal Due Date specified in Section 20.100, provided that a request in writing executed by an Offeror or its duly authorized representative for the withdrawal or revision of such proposal is filed with the DHS before the deadline for receipt of proposals. The withdrawal of a proposal shall not prejudice the right of an Offeror to submit a new proposal.

After the Proposal Due Date as defined in Section 20.100, all proposals timely received shall be deemed firm offers that are

binding on the Offerors for ninety (90) days. During this period, an Offeror may neither modify nor withdraw its proposals without written authorization or invitation from the DHS. Offerors may withdraw their bid without incurring penalties as described in Section 80.700.

Notwithstanding the general rules for withdrawal or revision of proposals, the State purchasing agency may request that Offerors submit a final revised proposal in accordance with Section 3-143-607, HAR.

20.900 Confidentiality of Information

The DHS shall maintain the confidentiality of proposals only to the extent allowed or required by law, including but not limited to Section 92F-13, HRS, and Sections 3-143-604 and 3-143-616, HAR. If the Offeror seeks to maintain the confidentiality of sections of the proposal, each page of the section(s) shall be marked as "Proprietary" or "Confidential." An explanation to the DHS of how substantial competitive harm would occur if the information were released is required. If the explanation is sufficient, then to the extent permitted by the exemptions in Section 92F-13, HRS, the affected section may be deemed confidential. Such information shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal. The DHS shall maintain the confidentiality of the information to the extent allowed by law. Blanket labeling of the entire document as "proprietary," however, shall result in none of the document being considered proprietary.

21.100 Acceptance of Proposals

The DHS reserves the right to reject any or all proposals received or to cancel this RFP according to the best interest of the State.

The DHS also reserves the right to waive minor irregularities in proposals providing such action is in the best interest of the State.

Where the DHS may waive minor irregularities, such waiver shall in no way modify the RFP requirements or excuse an Offeror from full compliance with the RFP specifications and other contract requirements if the Offeror is awarded the contract.

The DHS also reserves the right to consider as acceptable only those proposals submitted in accordance with all technical requirements set forth in this RFP and which demonstrate an understanding of the requirements. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be disqualified without further notice.

21.200 Submission of Proposals

Each qualified Offeror shall submit only one (1) proposal. More than one (1) proposal shall not be accepted from any Offeror. The Proposal Application Identification (Form SPO-H-200) shall be completed and submitted with the proposal (Appendix C).

The Offeror shall submit three (3) bound copies of the technical proposal, and a complete electronic version (in MS Word 2013 or lower or in PDF) of the technical proposal on a CD. The RFP Point-of-Contact shall receive the technical proposals no later than 2:00 p.m. (H.S.T.) on the Proposal Due date specified in Section 20.100 or postmarked by the USPS no later than the date specified in Section 20.100 and received by the Department within ten (10) days of the Proposal Due date. All mail-ins postmarked by USPS after the date specified in Section 20.100, shall be rejected. Hand deliveries shall not be accepted after 2:00 p.m., H.S.T., the date specified in Section 20.100. Deliveries by private mail services such as FEDEX shall be considered hand deliveries and shall not be accepted if received after 2:00 p.m., H.S.T., the date specified in Section 20.100. Proposals shall be mailed or delivered to:

Ms. Patricia M. Bazin
c/o Dona Jean Watanabe
Department of Human Services
Med-QUEST Division/Finance Office
1001 Kamokila Boulevard, Suite 317
Kapolei, Hawaii 96707

The outside cover of the package containing the technical proposal shall be marked:

Hawaii DHS/RFP-MQD-2015-003
State of Hawaii Organ and Tissue Transplant (SHOTT) Program
(Name of Offeror)

Offerors are solely responsible for ensuring receipt of the proposals and amendments by the appropriate DHS office by the required deadlines.

Any amendments to proposals shall be submitted in a manner consistent with this section.

21.300 Disqualification of Offerors

An Offeror shall be disqualified and the proposal automatically rejected for any of the following reasons:

- Proof of collusion among Offerors, in which case all bids involved in the collusive action shall be rejected and any Offeror participating in such collusion shall be barred from future bidding until reinstated as a qualified Offeror;
- An Offeror's lack of responsibility and cooperation as shown by past work or services;
- An Offeror's being in arrears on existing contracts with the State or having defaulted on previous contracts;
- An Offeror shows any noncompliance with applicable laws;
- An Offeror's delivery of proposal after the proposal due date and time;

- An Offeror's failure to pay, or satisfactorily settle, all bills overdue for labor and material on former contracts with the State at the time of issuance of this RFP;
- An Offeror's lack of financial stability and viability;
- An Offeror's consistently substandard performance related to meeting the MQD requirements from previous contracts;
- An Offeror's lack of sufficient experience to perform the work contemplated;
- An Offeror's lack of a proper provider network; or
- An Offeror's lack of a proper license to cover the type of work contemplated if required to perform the required services.

21.400 Irregular Proposals

Proposals shall be considered irregular and rejected for the following reasons including, but not limited to the following:

- The transmittal letter is unsigned by an Offeror or does not include evidence of authority of the officer submitting the proposal to submit such proposal;
- The proposal shows any non-compliance with applicable law or contains any unauthorized additions or deletions, conditional bids, incomplete bids, or irregularities of any kind, which may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning; or
- An Offeror adds any provisions reserving the right to accept or reject an award, or to enter into a contract pursuant to an award, or adds provisions contrary to those in the solicitation.

21.500 Rejection of Proposals

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the issues involved and comply with the scope of service. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any or more of the following reasons: (Relevant sections of the HAR for Chapter 103F, HRS, are parenthesized)

1. Rejection for failure to cooperate or deal in good faith (Section 3-141-201, HAR);
2. Rejection for inadequate accounting system (Section 3-141-202, HAR);
3. Late Proposals (Section 3-143-603, HAR);
4. Unauthorized Multiple/Alternate Proposals (Section 3-143-605, HAR);
5. Inadequate response to RFPs (Section 3-143-609, HAR);
6. Proposal not responsive (Section 3-143-610(a)(1), HAR); or
7. Offeror not responsible (Section 3-143-610(a)(2), HAR).

21.600 Cancellation of RFP

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

21.700 Opening of Proposals

Proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped and, when possible, time-stamped upon receipt by the DHS. All documents so received shall be held in a secure place by the State purchasing agency and not opened until the Proposal Due Date as described in Sections 20.100 and 21.200.

Procurement files shall be open for public inspection after a contract has been awarded and executed by all parties.

21.800 Additional Materials and Documentation

Upon request from the State purchasing agency, each Offeror shall submit any additional materials and documentation reasonably required by the State purchasing agency in its evaluation of the proposal.

21.900 Award Notice

A notice of intended contract award, if any, shall be sent to the selected Offeror on or about the Contract Award date identified in Section 20.100.

Any contract arising out of this solicitation is subject to the approval of the Department of Attorney General as to form and to all further approvals, including the approval of the Governor as required by statute, regulation, rule, order, or other directive.

The State of Hawaii is not liable for any costs incurred prior to the Commencement of Services to Member date identified in Section 20.100.

22.100 Protests

Offerors may file a Notice of Protest against the awarding of the contract. The Notice of Protest form, SPO-H-801, is available on the State Procurement Office (SPO) website http://hawaii.gov/spo/ in the Toolbox/QuickLinks/ SPO Forms/Forms for Vendors, Contractors, and Service Providers/Forms for Health and Human Services Providers and Protest Forms Instructions section. Only the following may be protested:

1. A state purchasing agency's failure to follow procedures established by Chapter 103F, HRS;

2. A state purchasing agency's failure to follow any rule established by Chapter 103F, HRS; and

3. A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in an RFP issued by the state-purchasing agency.

The Notice of Protest shall be postmarked by the USPS or hand delivered to: (1) the head of the state purchasing agency conducting the protested procurement; and (2) the procurement officer who is conducting the procurement (as indicated below) within five (5) working days of the postmark of the Notice of Findings and Decisions sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of the actual receipt by the DHS.

Procurement Officer	**Head of State Purchasing Agency**
Name: Kenneth S. Fink, MD, MGA, MPH	Name: Patricia McManaman, Esq.
Title: Administrator	Title Chief Procurement Officer
Mailing Address: P. O. Box 700190 Kapolei, Hawaii 96709-0190	Mailing Address: P. O. Box 339 Honolulu, Hawaii 96809-0339
Business Address: 1001 Kamokila Boulevard, Suite 317 Kapolei, Hawaii 96707	Business Address: 1001 Kamokila Blvd., Suite 317 Kapolei, Hawaii 96707

SECTION 30 BACKGROUND

30.100 Medical Assistance in Hawaii

MQD is the unit within the Department of Human Services (DHS) that administers the medical assistance programs. Medicaid, a federal and state partnership program created by Congress in 1965, provides medical assistance benefits to qualified uninsured and underinsured through currently, the QUEST and QUEST Expanded Access (QExA) programs. The DHS shall implement the QUEST Integration (QI) program on January 1, 2015. The QI program will combine both QUEST and QExA into one program. This RFP describes only the QI program due to the short timeframe for its implementation.

Together, Medicaid covers approximately 325,000 individuals (approximately 275,000 in non-aged, non-disabled population and approximately 50,000 in its aged, blind, and disabled population). The basic eligibility requirements for Medicaid include being 1) a U.S. citizen or qualified alien; 2) a Hawaii resident; and 3) not residing in a public institution such as prison or the State psychiatric hospital. Most eligibility categories such as low-income adults, pregnant women and children have different income thresholds and are not subject to an asset limit.

30.200 Hawaii QUEST Integration

The QUEST Integration program is designed to improve the health care and to enhance and expand coverage for persons eligible for Medicaid and Children's Health Insurance Program (CHIP) by the most cost effective and efficient means with an emphasis on prevention and quality health care. (Because CHIP in Hawaii is operated as Medicaid expansion, Medicaid is used to represent both Medicaid and CHIP.) Certain other individuals ineligible for these programs due to citizenship status may be eligible for other medical assistance and served through contracted health plans.

The health plan shall assist the State of Hawaii in this endeavor through the tasks, obligations and responsibilities detailed herein.

Originally implemented as the QUEST program in 1994, QUEST stands for:

Quality care
Universal access
Efficient utilization
Stabilizing costs, and
Transforming the way health care is provided to QUEST members.

The QUEST program was designed in 1994 to increase access to health care and control the rate of growth in health care costs.

The QUEST program has gone through many changes since 1994 that included expanding the populations covered by QUEST. In 2009, the DHS implemented its QUEST Expanded Access (QExA) program that allowed its aged, blind, or disabled (ABD) population to also benefit from managed care.

The QUEST Integration program is a melding of several programs to include but not limited to QUEST, QUEST-ACE, QUEST-Net and QExA program into one-Statewide program providing managed care services to all of Hawaii's Medicaid population.

The goals of the QUEST Integration program are to:

- Improve the health care status of the member population;
- Minimize administrative burdens, streamline access to care for enrollees with changing health status, and improve health outcomes by integrating programs and benefits;
- Align the program with the Affordable Care Act (ACA);
- Improve care coordination by establishing a "provider home" for members through the use of assigned primary care providers (PCPs);
- Expand access to home and community based services (HCBS) and allow members to have a choice between institutional services and HCBS;
- Maintain a managed care delivery system that assures access to high quality, cost-effective care that is provided

whenever possible, in the members' community, for all covered populations;

- Establish contractual accountability among the State, the health plans and health care providers;
- Continue the predictable and slower rate of expenditure growth associated with managed care; and
- Expand and strengthen a sense of member responsibility and promote independence and choice among members that leads to a more appropriate utilization of the health care system.

30.300 Department of Human Services

MQD is the organizational unit within DHS that is responsible for the operation and administration of the medical assistance programs including QUEST Integration programs. For purposes related to this RFP, the basic functions or responsibilities of MQD include:

- Developing and defining the medical, dental, behavioral health, and LTSS benefits to be provided by the managed care plans;
- Developing the rules, policies, regulations and procedures to be followed under QUEST Integration;
- Negotiating and contracting with selected medical, behavioral health, and dental plans;
- Determining initial and continued eligibility of beneficiaries;
- Enrolling and disenrolling beneficiaries;
- Monitoring the quality of services provided by the health plans and its providers;
- Reviewing and analyzing utilization of services provided by the health plans and its providers;
- Handling unresolved beneficiary grievances with the health plans and providers;

- Analyzing the effectiveness of QUEST Integration in meeting its objectives;
- Managing the Hawaii Prepaid Medical Management Information System (HPMMIS);
- Providing beneficiary information to the health plans;
- Providing monthly capitation payments to health plans; and
- Managing the fiscal agent functions.

30.400 Transplant Services to be Provided

It is expected that the Offeror will address and perform the tasks set forth in this RFP. It is also understood that this listing of tasks and activities is not all-inclusive and that other elements of work may be addressed within the Offeror's proposal, if deemed appropriate.

The Transplant Program is for eligible QUEST, QExA, QUEST Integration, and Medicaid Fee for Service beneficiaries. The program covers non-experimental and non-investigational transplants for beneficiaries who meet specific medical conditions. Children and adults will be required to meet the specific medical conditions for the transplants in all cases. Included under the Program are all services from the initial evaluation through the first annual visit following the last successful transplantation received by a beneficiary.

30.500 SHOTT Policy Memorandums

The DHS issues policy memorandums to offer clarity on policy or operational issues or legal changes impacting the Offeror. The health plan shall comply with the requirements of all the policy memorandums during the course of the contract and execute each memorandum when distributed by MQD during the period of the contract. The Offeror shall acknowledge receipt of the memoranda through electronic mail.

SECTION 40 SCOPE OF SERVICES

40.100 Offeror's Role in Managed Care

The State of Hawaii defines a set package of transplant benefits that shall be provided to eligible beneficiaries. The State of Hawaii Organ and Tissue Transplant (SHOTT) program Offeror shall provide for the direction, coordination, monitoring and tracking of the transplant services needed by the beneficiaries. The Offeror shall also provide the transplant candidates/beneficiaries with a case manager, who assesses the beneficiary's transplant care needs and coordinates services to meet these needs. The Offeror shall coordinate with MQD regarding any and all issues as it relates to the eligibility of the beneficiaries in the SHOTT program.

40.200 Transplants

The Offeror shall offer the following transplants:

Children (Under 21 years of age)

- Heart
- Liver
- Lung
- Heart and Lung
- Allogeneic Stem Cell Transplant
- Autologous Stem Cell Transplant
- Small Bowel with and without Liver
- Kidney
- Pancreas
- Pancreas/Kidney *[note: Kidney transplants are limited to Medicaid beneficiaries whose primary and only coverage is Medicaid or QUEST Integration and who do NOT qualify for Medicare coverage of their kidney transplants.]*

- Intestinal

Adults (21 years of age or above)

- Heart
- Liver
- Lung
- Heart and Lung
- Allogeneic Stem Cell Transplant
- Autologous Stem Cell Transplant
- Kidney
- Pancreas
- Pancreas/Kidney *[note: Kidney transplants are limited to Medicaid beneficiarys whose primary and only coverage is Medicaid or QUEST and who do NOT qualify for Medicare coverage of their kidney transplants.]*
- Intestinal

The Offeror shall use the guidelines provided in Appendix D in providing transplants. These guidelines may be updated according to requirements established by the MQD.

40.300 Healthcare services to be provided

Proposal shall be for statewide services. There will be one Offeror selected to provide the following healthcare services:

- Provide all healthcare related services (both transplant and ancillary) while beneficiaries are in the SHOTT program;
- Care coordination and Case management;
- Evaluation for transplant;
- Counseling;

- Interpreter services;
- Translation services that the Offeror is aware the beneficiary needs for written materials in DHS required languages;
- Transportation (air and ground);
- Lodging;
- Meals;
- Crisis management;
- Medication management;
- Palliative care;
- Post-transplant care;
- Medical treatment referrals; and
- Hotline 24-hour, 7 days a week.

40.400 Care Coordination and Case Management

Should Medicare approve additional transplants, the State of Hawaii will have the option of adding these transplants to the program.

The care coordination/case management responsibilities include but are not limited to:

- Provide a system for direction, coordinating, monitoring, and tracking of services by each beneficiary
- Assist the beneficiary's physician with coordinating of services for them
- Must be available on a 24 hour basis and can be reached within one-half (1/2) hour after a call is placed
- Must be a resident(s) of the State of Hawaii

- Provide the beneficiary with a clear and adequate information on how to obtain services and make informed decisions about their transplant health needs
- Coordinate and integrate the beneficiary's transplant care and services with the health plan and primary care provider or fee for service provider
- Achieve continuity of beneficiary's care
- Assist the member to obtain transplant care and ensure that these services are received in a timely manner
- Ensure that an active system of outreach is in place to provide the flexibility needed to reach those members requiring services, such as the homeless, or others, who might not access services without impairments, lack of transportation, etc.
- Facilitate member compliance with recommended transplant treatment
- Assure that the beneficiary has adequate caregiver support for post-transplant care
- Provide support to the caregiver so that they may care for the beneficiary
- Provide care coordination and case management services from the notice of possibly becoming a transplant candidate to one year after the transplant was performed
- Be responsible for arranging interpreter services and shall assist beneficiary in obtaining needed services
- Demonstrate the capability to provide effective communication and translation services as necessary, so that the beneficiaries understand their condition, the suggested treatments and the effect of the treatment on their condition including side effects
- Must also inform its members of the availability of these services. The Offeror may not require the beneficiary to use a friend or family member for interpreter services

- The Offeror shall arrange for interpreter services for beneficiaries that speak a language other than English. The offeror shall provide sign language and TTY services to members with a hearing impairment.

- The Offeror shall inform beneficiaries of their rights to the grievance and appeal process. The Offeror shall address members issues.

40.500 Certifying and Credentialing Providers

Offeror shall:

- Develop and maintain a sufficient provider network to provide the required transplant services needed by beneficiaries in a timely manner. It is expected that the Offeror will provide qualified providers to meet the transplant needs of the beneficiaries. All providers of service shall meet applicable state and federal regulations, licensing, certification/credentialing and recertification/recredentialing requirements. All providers must be initially credentialed and recredentialed every two years

- Contract with and utilize only Medicare-certified facilities for transplant procedures to be performed on children and adults

- Be required to contract with Medicare-certified Hawaii facilities. Priority will be given to in state facilities, however, if there are limitations in the scope of service, out of state facilities may be considered.

- Have a minimum of 80% of its transplant provider network located in either Hawaii or along the West Coast of the continent for transplant procedures for children and adults

- Have followed the established criteria for selecting and contracting with transplant providers supplied by the State of Hawaii

- Have a sufficient provider network such that beneficiaries are able to obtain the needed services within an acceptable period of time, including meeting the management and clinical needs of the severely handicapped population

- Specifically identify how care coordination will be performed, either through identifying employees or a care coordination agency contracted with the responding company

- Provide the most current list of all contracted providers within the Offeror's network to be utilized for this RFP. The list shall be organized by State and for each contracted provider listed the Offeror must identify:

  a) Name of the facility

  b) Address of the facility including the city and state where the facility is located

  c) Identify the type(s) of transplants each facility is contracted to perform. Identify whether the facility is on contract to provide transplant services for adults, children or both

  d) Date of most recent Medicare certification and the type of transplant the facility has received certification

- Negotiate rates on behalf of the State of Hawaii Medicaid Program. Prior to implementation of rates they must be approved by the State.

40.600 Coordination of Other Benefits

Reimbursement from the third party shall be sought unless the Offeror determines that recovery would not be cost effective. For example, the Offeror may determine that the amount it reasonably expects to recover will be less than the cost of recovery. In such situations, the Offeror shall document the situation and provide adequate explanations to DHS.

The Offeror shall coordinate benefits with other coverage, both public and private, which are or may be available to pay transplant expenses on behalf of any beneficiaries including:

- Continuing cost avoidance of the plans accident and workers' compensation benefits

- Reporting all accident cases incurring medical and transplant expenses in excess of $500.00 (Five Hundred Dollars) to DHS

- Providing a list of transplant expenses, in the format requested by DHS, for recovery purposes

- Recovering transplant expenses incurred by beneficiaries from all other TPL resources

- Informing DHS of TPL information uncovered during the course of normal business operations

- Providing DHS with monthly reports of the total cost avoidance and amounts collected from TPL's within 30 working days of the end of the month

- Developing procedures for determining when to pursue TPL recovery

40.700 Reimbursement

The method of reimbursement from DHS to the Offeror shall be a fixed monthly administrative fee based on the volume of possible transplants listed in Section 41.400 of this RFP. Should the transplant candidates increase beyond the specified volumes listed in Section 41.400, the reimbursement will move to the next tier level. In addition, the Offeror will also receive reimbursement for processing of non-transplant related claims. The Offeror shall be reimbursed based on the lines processed for payment on the CMS 1500 and header level on the UB-04 forms and other claim forms.

The Offeror shall also receive reimbursement from DHS for the benefits paid for by the Offeror for transplant and non-transplant related claims. These benefits are pass through payments and do not affect the contract amount.

40.800 Processing of Benefit Cost

The Offeror shall request funds from the Med-QUEST Finance Office. Within 45 days of receipt of the payment, the Offeror shall make the necessary payments to the providers.

40.900 Reporting Requirements

- The Offeror shall issue to the State at minimum the following reports:

1. Financial Reporting
   - Reported YTD for each FY in triangle format
   - Reported within 45 days of each FY quarter end
     - Report shall include:
       a) Transplant Related Incurred Claims
       b) Transplant Related Paid Claims
       c) Non-Transplant Related Incurred Claims
       d) Non-Transplant Related Paid Claims
       e) Cost Avoidance Payments
2. Patient Reporting Requirements
   - Reported YTD within 45 days of each FY quarter end
     - Report shall include:
       a) Medicaid ID
       b) Date of Birth
       c) Diagnosis
       d) Transplant Type
       e) Transplant Facility
       f) Date of Referral
       g) Date of Acceptance into Program
       h) Date of Acceptance by Facility
       i) Date Denied or Withdrawn

j) Date of Transplant

k) Current Patient Status

l) Wait-list Time by Patient

3. Program Management Reporting Requirements

- Reported YTD within 45 days of each FY quarter end

  - Report shall include:

    a) Number of Total Transplants Performed for each FY

    b) Average number of total Transplant Beneficiaries in Program

    c) Average cost of Transplants by procedure (not to include patients where SHOTT is secondary payor)

    d) Average Savings by Transplant Type

    e) Average Overall Savings for Program

    f) 1 year Outcomes

    g) 3 year Outcomes

The Offeror shall also provide the state with adhoc reports within 30 days of the requested information.

41.100 Offeror Personnel

41.110 Transplant Coordinator

The Offeror shall be responsible to ensure that appropriate medical care is provided to the transplant beneficiary, as well as address potential quality of care problems. The Offeror must have staff located in Hawaii and work closely with the Med-QUEST medical director and transplant facility and participate in any committees relating to the QUEST Integration program when requested by DHS.

41.120 Supporting Staff

The Offeror shall have in place adequate organizational and administrative systems that are capable of implementing contractual obligations. The Offeror shall have adequate staff to perform the required services to:

- Coordinate and manage the provision of necessary services to the transplant beneficiary;
- Oversee the administrative and operational requirements of transplant and transplant-related services;
- Investigate beneficiary and provider grievance and appeals; and
- Provide appropriate and timely claims history data and meet reporting requirements.

41.200 Authorization/Approval Process

The processes listed below may be modified with the agreement of the Offeror and DHS.

1. In all cases, children and adults will be required to meet the specific medical conditions for transplants. The MQD shall determine whether a transplant evaluation is warranted utilizing the Forms Specified and applicable medical information. See Appendix E.

2. The Offeror may refer to DHS guidelines related to transplant services in Chapter 8 of the Medicaid Provider Manual found on the Med-QUEST Division website at http://www.med-quest.us/providers/ProviderManual.html.

3. Physicians within the community and QUEST Integration health plans identify persons who meet the medical conditions for a transplant evaluation. They will be instructed to follow the Medicaid requirements for the SHOTT program.

   For a QUEST Integration member, the health plan submits forms that may include the Aid to Disabled Review Committee (ADRC) application packet (DHS Form 1180, 1127, 1128, 1144), as required, to the MQD ADRC

coordinator for disability determination. Not all QUEST Integration members (those in the low income adult group) will have an ADRC application packet submitted.

In order to refer a patient to the SHOTT program, the referring physician completes a DHS 1144 'Request for Medical Authorization' requesting a transplant evaluation as well as submit appropriate medical information documenting the beneficiary's medical condition, including result of lab tests, studies, clinical notes, etc.

4. The QI member will be dis-enrolled from the health plan and transitioned to the SHOTT program once approved for transplantation. The effective date of enrollment is the date the MQD medical director signed the DHS 1144.

5. For a Medicaid FFS beneficiary, the physician should complete a DHS 1144 'Request for Medical Authorization' requesting a transplant evaluation as well as submit appropriate medical information documenting the beneficiary's medical condition, including result of lab tests, studies, clinical notes, etc..

6. MQD will:

    a. Check beneficiary's eligibility in the MQD HPMMIS or Kauhale (community) On-Line Eligibility Assistance (KOLEA) system.

    b. Perform an initial review to determine that all required documentation is received.

        1. If additional information is needed, the MQD transplant coordinator will follow up with the referring party and instruct them to provide the additional information. No further action will be taken by MQD until the required information is received.

        2. When all documents are received, the MQD transplant coordinator will then submit the SHOTT packet to the MQD medical director for review.

7. The MQD medical director reviews the Form 1144 and the supporting documentation and makes a determination as to whether to forward the request to SHOTT Offeror. If additional information is required, the MQD will obtain the additional information from the beneficiary's health plan/physician. MQD determination to forward the request to the SHOTT Offeror is made within one week provided all necessary information is available.

9. The MQD medical director approves or disapproves the transplant evaluation request on Form 1144 to move forward to SHOTT.

    a. If the request for the transplant evaluation is not approved to move forward to SHOTT, the agency that makes the referral (i.e., health plan, hospital, referring physician) is notified by MQD. A Copy of Form 1144 indicating a denial is returned to the referring physician who informs the beneficiary.

    b. If the request for the transplant evaluation is approved to move forward to SHOTT:

        1) The MQD notifies the SHOTT program coordinator/case manager as well as the agency making the referral (i.e., health plan, hospital, referring physician) of the approval.

        2) Customer Service Branch (CSB) changes health plan enrollment for the beneficiary.

        3) The MQD completes the SHOTT Case Information Form (CIF). This CIF is then transmitted by fax, with any TPL information, the approved and signed Form 1144, and all the supporting documentation to SHOTT.

10. Upon receipt of the approved Form 1144, the SHOTT Offeror notifies the agency making the referral (i.e., health plan, hospital, referring physician) and the beneficiary that a review is underway. The SHOTT Offeror conducts a "paper review" and determines whether the referral (approved Form 1144) meets transplant criteria. If additional information is

necessary to make a determination, the SHOTT Offeror will request information from the referring physician.

a. If transplant criteria are met:

   1) The SHOTT Offeror assumes financial responsibility from the date that Form 1144 was signed and approved by the MQD medical director.

   2) The SHOTT Offeror is responsible for coordinating care for transplant services, to include a caregiver, transportation, lodging, and interpreter services.

   3) The beneficiary will be asked about Social Security Income information if it is not documented on the SHOTT CIF.

b. If the transplant criteria are not met, the SHOTT medical director notifies by telephone the MQD medical director of the possible denial and request approval.

   1) If the MQD medical director approves the denial, the SHOTT medical director may call the agency making the referral (i.e., health plan, hospital, referring physician) to notify them of the denial. The SHOTT Offeror will send a standard form letter formally notifying them of the denial with a copy to MQD.

   2) SHOTT sends a standard form letter to the beneficiary notifying him/her of the denial.

   3) If the MQD medical director does not agree with the SHOTT Offeror's recommendation, he/she may ask SHOTT to send the case out for a peer/secondary review.

      i. Throughout the referral process, the MQD and the SHOTT coordinator will communicate closely regarding the status of all referred beneficiaries.

The Offeror shall be required to process claims for transplant and non-transplant services. The Offeror shall pay all claims in a timely basis in accordance with 1902(a)(37)(A) of the SSA. The Offeror shall ensure that ninety percent (90%) of clean claims

for payment (a clean claim is one for which no further written information or substantiation is required in order to make payment) are paid within thirty (30) days of the date of receipt of such claims and that ninety-nine percent (99%) of clean claims are paid within ninety (90) days of the date of receipt of such claims. It is the responsibility of the Offeror to educate providers on appropriate claims submission. Inappropriate submission of claims to the offeror, shall not relieve them of their timely payment guideline.

The Offeror shall be responsible for reimbursing transplant and non-transplant-related claims according to the Medicaid reimbursement schedule as maintained by MQD.

41.300 Other Services to be Provided

- Travel, Lodging, and Meals

  1. The Offeror shall make all transportation (air and ground), lodging and meal arrangements for a transplant beneficiary and one attendant (if needed) while traveling for evaluation or transplant services. The Offeror shall coordinate with the DHS to work with the DHS' contracted Travel Company; however, the Offeror is responsible for the coordination services. The DHS will be responsible for the reimbursements for authorized transportation, lodging and meal services. The Offeror shall be responsible to maintain and submit a log/report of air, ground, lodging and meals services to the State within five (5) working days after the end of the month in which the services were provided.

  2. The Offer may find information related to transportation services in Chapter 16 of the Medicaid Provider Manual found on the MQD website at http://www.med-quest.us/providers/ProviderManual.html.

     The Offeror shall be responsible to inform and educate the members of these services. The DHS will provide the Offeror with a detailed procedure on how to initiate these services, (i.e. coupons, payment voucher, etc.) prior to the implementation of this contract.

3. If a request for transportation or meals and lodging does not meet the Authorization criteria, the Offeror shall deny the service. Any denial should be documented by beneficiary name, types of service requested, and reason for denial. A denial of services log/report shall be provided to the DHS on a monthly basis.

- Interpreter services

  The Offeror shall be responsible for identifying beneficiary's needs for an interpreter. The Offeror shall demonstrate the capability to provide effective communication and interpreter services as necessary, so that the beneficiaries understand their condition, the suggested treatments and the effect of the treatment on their condition including side effects. The Offeror shall describe its approach to providing interpreter services in its proposal. The Offeror may not require the beneficiary to use a friend or family member for interpreter services.

  1. The Offeror shall be able to provide interpreter services for beneficiaries that speak a language other than English. The Offeror shall provide sign language and TTY services to members with a hearing impairment.

- Hotline

  1. The Offeror shall have staff available on a 24-hour, 7 days a week, to take calls and make arrangement for the Transplant Services

  2. Communications between Offeror's staff and MQD in regards to administrative matters, shall be done between 7:45 a.m. to 4:30 p.m., Monday through Friday, Hawaii Standard Time (H.S.T.). If in addition to an Oahu staff person, the Offeror utilizes out-of-state personnel, a toll-free number should be available from Hawaii on a twenty-four hour basis. Out-of-state personnel must also be available during Hawaii hours as noted.

41.400 Beneficiary and Offeror's Responsibilities

The Offeror shall provide DHS annual updates to policies and requirements for organ transplants that are current with the

most recent Medicaid guidelines. Updates shall be due annually on July 1 for the duration of the contract period, and may be requested more frequently in the event of changes to the Medicaid guidelines or at the request of DHS. Furthermore, the Offeror is required to provide consultation and input to DHS as required regarding amendments to the provider manual as it relates to transplant services.

As part of the education conducted by DHS, beneficiaries shall be notified that they are to provide the Offeror and DHS with any information affecting their beneficiary status. DHS shall describe the information that is to be provided and explain the procedures to be followed during its educational sessions and in its printed material. The Offeror shall also explain the information and the procedures to be followed by the beneficiaries during the orientation process.

It is expected that not all beneficiaries will remember to provide DHS with the information on changes to their status. Therefore, it is important for the Offeror, which may have more contact with the beneficiaries, to forward such information to DHS on a timely basis and inform the beneficiary of his/her responsibility to report changes directly to DHS. The Offeror shall complete the required 1179 form for changes in beneficiary status and forward the information to the designated DHS representative on a daily basis. DHS will identify the appropriate codes to be used to identify death, births, adoptions, changes in health status (pregnancy or permanent disability), etc., and the record layout.

41.500 Beneficiary Grievance and Appeals Process

The SHOTT program shall have a beneficiary grievance and appeals process for the timely and effective resolution of any disputes between the Offeror and the beneficiary. The process shall include any beneficiary grievances and appeals. Beneficiaries may use the grievance process to resolve issues and problems with the Offeror, a provider, or other concerns. Beneficiary grievances shall be resolved within thirty (30) days of the day following the date of submission to the Offeror.

Beneficiaries may file an appeal in accordance with §17-1703.1, Administrative Appeals, Hawaii Administrative Rules.

The SHOTT program shall have beneficiary grievance and appeals system policies and procedures.

41.600 Provider Grievance and Appeals Process

The SHOTT program shall have a provider grievance and appeals process that provides for the timely and effective resolution of any disputes between the Offeror and provider(s). The process shall include provider grievances and provider appeals. Providers may use the grievance process to resolve issues and problems with the Offeror (this includes a problem regarding a beneficiary). Provider grievances and provider appeals shall be resolved within sixty (60) days of the day following the date of submission to the Offeror. The Offeror shall give providers thirty (30) days from the decision of the grievance to file an appeal.

The SHOTT program shall have provider grievance and appeals system policies and procedures.

41.700 Readiness Review

Offeror shall comply with all readiness review activities required by the DHS. Readiness Review requires the Offeror to submit to the DHS required documents 60 days after the contract effective date. Documents include the following:

- Staffing Chart
- Policies and Procedures for Care Coordination and Case Management (of the Beneficiary and with other Providers
  - Policies and Procedures for Reporting Requirements
- Policies and Procedures for Grievances and Appeals (for Beneficiaries and Providers)

Offeror will be asked to participate in any on-site review activities conducted by the DHS and submit updates on implementation activities. The DHS reserves the right to request additional documents for review and approval during readiness review.

SECTION 50 TERMS AND CONDITIONS

50.100 Contract Documents

The following documents form an integral part of the written contract between the health plan and the DHS (hereafter collectively referred to as "the Contract"):

- Contract for Health and Human Services: Competitive Purchase of Service (AG Form 103F1 (10/08)) (see Appendix F), including General Conditions for Health & Human Services Contracts (AG Form 103F (10/08) (see Appendix F), any Special Conditions, attachments, and addenda;
- this RFP, appendices, attachments, and addenda, which shall be incorporated by reference; and
- the Offeror's technical proposal submitted in response to this RFP form, which shall be incorporated by reference.

References to "General Conditions" in this Section 50 are to the General Conditions for Health & Human Services Contracts attached as Appendix F.

50.200 Conflict Between Contract Documents, Statutes and Rules

Replace General Condition 7.5, Conflict between General Conditions and Procurement Rules, with the following:

- Contract Documents: In the event of a conflict among the contract documents, the order of precedence shall be as follows: (1) Contract for Health and Human Services: Competitive Purchase of Service (AG Form 103F1), including all general conditions, special conditions, attachments, and addenda; (2) the RFP, including all attachments and addenda, as amended; and (3) applicant's proposal. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control.
- Contract and Statutes: In the event of a conflict between the language of the contract, and applicable statutes, the latter shall prevail.

- Contract and Procurement Rules/Directives: In the event of a conflict between the Contract and the Procurement Rules or a Procurement Directive, the Procurement Rules or any Procurement Directive in effect on the date this Contract became effective shall control and are hereby incorporated by reference.

- The sections of the rules and regulations cited in this RFP may change as the rules and regulations are amended for MQD. No changes shall be made to this RFP due to changes in the section numbers. The documents in the documentation library shall be changed as needed. The availability and extent of the materials in the documentation library shall have no effect on the requirements stated in this RFP.

50.300 Subcontractor Agreements

Replace General Condition 3.2, Subcontracts and Assignments, with the following:

The Offeror may negotiate and enter into contracts or agreements with subcontractors to the benefit of the Offeror and the State. All such agreements shall be in writing. No subcontract that the Offeror enters into with respect to the performance under the contract shall in any way relieve the Offeror of any responsibility for any performance required of it by the contract.

The Offeror shall submit to the DHS for review and prior approval, all subcontractor agreements related to the provision of covered benefits and services and member services activities to members (e.g., call center) and provider services activities and payments to providers. In addition, the DHS reserves the right to inspect **all** subcontractor agreements at any time during the contract period.

The Offeror shall notify the DHS in writing at least ninety (90) days prior to adding or deleting subcontractor agreements or making any change to any subcontractor agreements which may materially affect the Offeror's ability to fulfill the terms of the contract.

The Offeror shall provide the DHS with immediate notice in writing by registered or certified mail of any action or suit filed against it by any subcontractor, and prompt notice of any claim made against the Offeror by any subcontractor that, in the opinion of the Offeror, may result in litigation related in any way to the contract with the State of Hawaii.

Additionally, no assignment by the Offeror of the Offeror's right to compensation under the contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawaii, as provided in Section 40-58, HRS, or its successor provision.

All subcontractor agreements must, at a minimum:

- Describe the activities, including reporting responsibilities, to be performed by the subcontractor and require that the subcontractor meet all established criteria prescribed and provide the services in a manner consistent with the minimum standards specified in the Offeror's contract with the State;
- Require that the subcontractor fulfill the requirements of 42 CFR Section 438.6 that are appropriate to the service delegated under the subcontract;
- Include a provision that allows the Offeror to:
    - Evaluate the subcontractor's ability to perform the activities to be delegated;
    - Monitor the subcontractor's performance on an ongoing basis and subject it to formal review according to a periodic schedule (the frequency shall be stated in the agreement) established by the DHS and consistent with industry standards or State laws and regulations;
    - Identify deficiencies or areas for improvement; and
    - Take corrective action or impose other sanctions including, but not limited to, revoking delegation, if the subcontractor's performance is inadequate.
- Require that the subcontractor submits to the Offeror a tax clearance certificate from the Director of the DOTAX, State of

Hawaii, showing that all delinquent taxes, if any, levied or accrued under State law against the subcontractor have been paid;

- Include a provision that the Offeror shall designate itself as the sole point of recovery for any subcontractor;
- Include a provision that neither the State nor the Offeror members shall bear any liability of the Offeror's failure or refusal to pay valid claims of subcontractors;
- Require that the subcontractor track and report complaints against them to the Offeror;
- Require that the subcontractor fully adhere to the privacy, confidentiality and other related requirements stated in the RFP and in applicable federal and state law;
- Require that the subcontractor follow all audit requirements as outlined in Section 51.700 inclusive. The actual requirements shall be detailed in the agreement;
- Require that the medical records be retained in compliance with Section 50.400. The actual requirements shall be detailed in the agreement;
- Require that the subcontractor comply with all requirements related to confidentiality of information as outlined in Section 51.600. The actual requirements found in this section shall be detailed in the agreement.
- Require that the subcontractor notify the Offeror and the MQD of all breaches of confidential information relating to Medicaid applicants and recipients, as Offeror members. The notice to the State shall be within two (2) business days of discovery of the breach and a written report of the investigation and resultant mitigation of the breach shall be provided to the State within thirty (30) calendar days of the discovery of the breach.

50.400 Retention of Medical Records

The following is added to the end of General Condition 2.3, Records Retention:

The Offeror and its providers shall retain all medical records, in accordance with Section 622-58, HRS, for a minimum of seven (7) years from the last date of entry in the records. For minors, the Offeror shall retain all medical records during the period of minority plus a minimum of seven (7) years after the age of majority.

The Offeror shall include in its subcontracts and provider agreements record retention requirements that are at least equivalent to those stated in this section.

During the period that records are retained under this section, the Offeror and any subcontractor or provider shall allow the state and federal governments full access to such records, to the extent allowed by law.

50.500 Responsibility For Taxes

In addition to the requirements of General Condition 3.4.4, PROVIDER's Responsibilities, subject to its corporate structure, licensure status, or other statutory exemptions, Offerors may be liable for, or exempt from, other federal, state, and/or local taxes including, but not limited to, the insurance premium tax (chapter 431, Article 7, Part II, HRS). Each Offeror is responsible for determining whether it is subject to, or exempt from, any such federal, state, or local taxes. The DHS makes no representations whatsoever as to the liability or exemption from liability of the Offeror to any tax imposed by any governmental entity.

50.600 Full Disclosure

50.610 Business Relationships

The Offeror warrants that it has fully disclosed all business relationships, joint ventures, subsidiaries, holding companies, or any other related entity in its proposal and that any new relationships shall be brought to the attention of the DHS as soon as such a relationship is consummated. The terms and conditions of CMS require full disclosure on the part of all contracting Offerors and providers.

The Offeror shall not knowingly have a director, officer, partner, or person with more than five percent (5%) of the Offeror's equity, or have an employment, consulting, or other agreement with such a person for the provision of items and services that are significant and material to the entity's contractual obligation with the State, who has been debarred, suspended or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549. The Offeror shall not, without prior approval of the DHS, lend money or extend credit to any related party. The Offeror shall fully disclose such proposed transactions and submit a formal written request for review and approval.

The Offeror shall include the provisions of this section in any subcontract or provider agreement.

50.620 Litigation

The Offeror shall disclose any pending litigation both in and out of Hawaii to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

50.700 Conflict of Interest

The following is added to the end of General Condition 1.7, Conflicts of Interest:

No official or employee of the State of Hawaii or the federal government who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of the programs shall, prior to the completion of the project, voluntarily acquire any personal interest, direct or indirect, in the contract. All officials or employees of the State of Hawaii shall be bound by Chapter 84, HRS, Standards of Conduct.

The Offeror shall not contract with the State of Hawaii unless safeguards of at least equal to Federal safeguards (41 U.S.C § 423) are in place.

50.800 Employment of Department Personnel

The Offeror shall not knowingly engage any persons who are or have been employed within the past twelve (12) months by the State of Hawaii to assist or represent the Offeror for consideration in matters which he/she participated as an employee or on matters involving official action by the State agency or subdivision, thereof, where the employee had served.

50.900 Fiscal Integrity

The Offeror warrants that it is of sufficient financial solvency to assure the DHS of its ability to perform the requirements of the contract. The Offeror shall comply with the solvency standards established by the State Insurance Commissioner for private health maintenance organizations or Offerors licensed in the State of Hawaii, and shall, upon request by the DHS, provide financial data and information to prove its financial solvency.

51.100 Term of the Contract

This is a multi-term contract solicitation that has been deemed to be in the best interest of the State by the Director of the DHS in accordance with Section 3-149-302(c), HAR. The contract is for the initial term from the date of commencement of services to beneficiaries as specified in Section 20.100 to June 30, 2017. Unless terminated, the contract may be extended without the necessity of re-bidding, for not more than three (3) additional twelve (12) month periods or parts thereof, only upon mutual agreement of the parties in writing. The Offeror shall not contract with the State of Hawaii unless safeguards at least equal to Federal safeguards (41 USC 423, section 27) are in place.

The State of Hawaii operates on a fiscal year basis, which runs from July 1 to June 30 of each year. Funds are available for only the first fiscal period of the contract ending June 30 in the first year of the initial term. The contractual obligation of both parties in each fiscal period succeeding the first fiscal period is subject to the appropriation and availability of funds to DHS.

The contract will be terminated only if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal period succeeding the initial fiscal period of the contract; however this does not affect either the State's rights or the Offeror's rights under any termination clause of the contract. The State shall notify the Offeror, in writing, at least sixty (60) days prior to the expiration of the contract whether funds are available or not available for the continuation of the contract for each succeeding contract extension period. In the event of termination, as provided in

this paragraph, the Offeror shall be reimbursed for the unamortized, reasonably incurred, nonrecurring costs.

The Offeror acknowledges that other unanticipated uncertainties may arise that may require an increase or decrease in the original scope of services to be performed, in which event the Offeror agrees to enter into a supplemental agreement upon request by the State. The supplemental agreement may also include an extension of the period of performance and a respective modification of the compensation.

51.200 Liability Insurance Requirements

The Offeror shall maintain insurance acceptable to the DHS in full force and effect throughout the term of this contract, until the DHS certifies that the Offeror's work has been completed satisfactorily.

Prior to or upon execution of the contract and any supplemental contracts, the Offeror shall provide to the DHS certificate(s) of insurance, including any referenced endorsements, dated within thirty (30) days of the effective date of the contract necessary to satisfy the DHS that the insurance provisions of this contract have been complied with. Upon request by the DHS, Offeror shall furnish a copy of the policy(ies) and/or updated Certificate of Liability Insurance including referenced endorsement(s) necessary for DHS to verify the coverages required by this section.

The policy or policies of insurance maintained by the Offeror shall be written by insurance companies licensed to do business in the State of Hawaii or meet the requirements of Section 431:8-301, et seq., HRS, if utilizing an insurance company not licensed by the State of Hawaii.

The policy(ies) shall provide at least the following limit(s) and coverage:

Coverage		**Limits**
Commercial General Liability		Per occurrence, not claims made • $1 million per occurrence • $2 million in the aggregate
Automobile		May be combined single limit:

		• Bodily Injury: $1 million per person, $1 million per accident • Property Damage: $1 million per accident
Workers Compensation / Employers Liability (E.L.)		• Workers Comp: Statutory Limits • E.L. each accident: $1,000,000 • E.L. disease: $1,000,000 per employee, $1,000,000 policy limit • E.L. $1 million aggregate
Professional Liability, if applicable		May be claims made: • $1 million per claim • $2 million annual aggregate

Each insurance policy required by this contract shall contain the following clauses, which shall also be reflected on the certificate of insurance:

1. "The State of Hawaii is an additional insured with respect to operations performed for the State of Hawaii."

2. "Any insurance maintained by the State of Hawaii shall apply in excess of, and not contribute with, insurance provided by this policy."

Automobile liability insurance shall include excess coverage for the Offeror's employees who use their own vehicles in the course of their employment.

The Offeror shall immediately provide written notice to the DHS should any of the insurance policies required under the Contract be cancelled, limited in scope, or not be renewed upon expiration.

Failure of the Offeror to provide and keep in force the insurance required under this section shall be regarded as a material default under this contract, entitling the DHS to exercise any or all of the remedies provided in this contract for a default of the Offeror.

The procuring of such required policy or policies of insurance shall not be construed to limit Offeror's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Offeror shall be liable for the full and total amount of any

damage, injury, or loss caused by Offeror in connection with this contract.

If the Offeror is authorized by the DHS to subcontract, subcontractors are not excused from the indemnification and/or insurance provisions of this contract. In order to indemnify the State of Hawaii, the Offeror agrees to require its subcontractors to obtain insurance in accordance with this section.

51.300 Modification of Contract

The following is added as General Condition 4.1.4:

All modifications of the contract shall be modified accordingly by a written amendment signed by the Director of the DHS and an authorized representative of the Offeror. If the parties are unable to reach an agreement within thirty (30) days of the Offeror's receipt of a contract change, the MQD Administrator shall make a determination as to the contract modifications and the Offeror shall proceed with the work according to a schedule approved by the DHS, subject to the Offeror's right to appeal the MQD Administrator's determination of the contract modification and price under Section 51.900, Disputes.

51.400 Conformance with Federal Regulations

Any provision of the contract which is in conflict with Federal Medicaid statutes, regulations, or CMS policy guidance is hereby amended to conform to the provisions of those laws, regulations, and federal policy. Such amendment of the contract shall be effective on the effective date of the statutes or regulations necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.

51.500 Termination of the Contract

The contract may terminate or may be terminated by DHS for any or all of the following reasons in addition to the General Conditions in Appendix F:

- Termination for Default;
- Termination for Expiration of the Programs by CMS; or

- Termination for Bankruptcy or Insolvency

51.510 Termination for Default

The failure of the Offeror to comply with any term, condition, or provision of the contract or applicable requirements in Sections 1932, 1903(m) and 1905(t) of the Social Security Act shall constitute default by the Offeror. In the event of default, the DHS shall notify the Offeror by certified or registered mail, with return receipt requested, of the specific act or omission of the Offeror, which constitutes default. The Offeror shall have fifteen (15) days from the date of receipt of such notification to cure such default. In the event of default, and during the above-specified grace period, performance under the contract shall continue as though the default had never occurred. In the event the default is not cured within fifteen (15) days, the DHS may, at its sole option, terminate the contract for default. Such termination shall be accomplished by written notice of termination forwarded to the Offeror by certified or registered mail and shall be effective as of the date specified in the notice. If it is determined, after notice of termination for default, that the Offeror's failure was due to causes beyond the control of and without error or negligence of the Offeror, the termination shall be deemed a termination for convenience under General Condition 4.3 in Appendix F.

The DHS' decision not to declare default shall not be deemed a waiver of such default for the purpose of any other remedy the Offeror may have.

51.520 Termination for Expiration or Modification of the Programs by CMS

The DHS may terminate performance of work under the contract in whole or in part whenever, for any reason, CMS terminates or modifies the programs. In the event that CMS elects to terminate its agreement with the DHS, the DHS shall so notify the Offeror by certified or registered mail, return receipt requested. The termination shall be effective as of the date specified in the notice.

51.530 Termination for Bankruptcy or Insolvency

In the event that the Offeror shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or its assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any State relating to insolvency or the protection of the rights or creditors, the DHS may, at its option, terminate the contract. In the event the DHS elects to terminate the contract under this provision it shall do so by sending notice of termination to the Offeror by registered or certified mail, return receipt requested. The termination shall be effective as of the date specified in the notice.

In the event of insolvency of the Offeror, the Offeror shall cover continuation of services to members for the duration of period for which payment has been made, as well as for inpatient admissions up until discharge. Members shall not be liable for the debts of the Offeror. In addition, in the event of insolvency of the Offeror, members may not be held liable for the covered services provided to the member, for which the State does not pay the Offeror.

51.540 Procedure for Termination

In the event the State decides to terminate the contract, it shall provide the Offeror with a pre-termination hearing. The State shall:

- Give the Offeror written notice of its intent to terminate, the reason(s) for termination, and the time and place of the pre-termination hearing; and
- Give the Offeror's members written notice of the intent to terminate the contract, notify members of the hearing, and allow them to disenroll immediately without cause.

Following the termination hearing, the State shall provide written notice to the Offeror of the termination decision affirming or reversing the proposed termination. If the State decides to terminate the contract, the notice shall include the effective date of termination. In addition, if the contract is to be terminated, the State shall notify the Offeror's members in writing of their

options for receiving Medicaid services following the effective date of termination.

In the event of any termination, the Offeror shall:

- Stop work under the contract on the date and to the extent specified in the notice of termination;
- Complete the performance of such part of the work as shall not have been terminated by the notice of the termination;
- Notify the beneficiaries of the termination and arrange for the orderly transition to the new Offeror(s), including timely provision of any and all records to the DHS that are necessary to transition the Offeror's members to another Offeror;
- Promptly supply all information necessary for the reimbursement of any outstanding claims;
- Place no further orders or enter into subcontracts for materials, services, or facilities, except as may be necessary for completion of the work under the portion of the contract that is not terminated;
- Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination;
- Assign to the DHS in the manner and to the extent directed by the MQD Administrator of the right, title, and interest of the Offeror under the orders or subcontracts so terminated, in which case the DHS shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- With the approval of the MQD Administrator, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable, in whole or in part, in accordance with the provisions of the contract;
- Take such action as may be necessary, or as the MQD Administrator may direct, for the protection and preservation of any and all property or information related to the contract

which is in the possession of the Offeror and in which the DHS has or may acquire an interest; and

- Within thirty (30) business days from the effective date of the termination, deliver to the DHS copies of all current data files, program documentation, and other documentation and procedures used in the performance of the contract at no cost to the DHS. The Offeror agrees that the DHS or its designee shall have a non-exclusive, royalty-free right to the use of any such documentation.

51.550 Termination Claims

After receipt of a notice of termination, the Offeror shall submit to the MQD Administrator any termination claim in the form and with the certification prescribed by the MQD Administrator. Such claim shall be submitted promptly but no later than six (6) months from the effective date of termination. Upon failure of the Offeror to submit its termination claims within the time allowed, the MQD Administrator may, subject to any review required by the State procedures in effect as of the date of execution of the contract, determine, on the basis of information available to him/her, the amount, if any, due to the Offeror by reason of the termination and shall thereupon cause to be paid to the Offeror the amount to be determined.

Upon receipt of notice of termination, the Offeror shall have no entitlement to receive any amount for lost revenues or anticipated profits or for expenditures associated with this or any other contract. The Offeror shall be paid only the following upon termination:

- At the contract price(s) for the number of members enrolled in the Offeror at the time of termination; and

- At a price mutually agreed to by the Offeror and the DHS.

In the event the Offeror and the DHS fail to agree, in whole or in part, on the amount of costs to be paid to the Offeror in connection with the total or partial termination of work pursuant to this section, the MQD Administrator shall determine, on the basis of information available to the DHS, the amount, if any,

due to the Offeror by reason of the termination and shall pay to the Offeror the amount so determined.

The Offeror shall have the right to appeal any such determination made by the MQD Administrator as stated in Section 51.900, Disputes.

51.600 Confidentiality of Information

In addition to the requirements of General Condition 8, the Offeror understands that the use and disclosure of information concerning applicants, beneficiaries or members is restricted to purposes directly connected with the administration of the Hawaii Medicaid program, and agrees to guard the confidentiality of an applicant's, beneficiary's or member's information as required by law. The Offeror shall not disclose confidential information to any individual or entity except in compliance with the following:

- 42 CFR Part 431, Subpart F;
- The Administrative Simplification provisions of HIPAA and the regulations promulgated thereunder, including but not limited to the Security and Privacy requirements set forth in 45 CFR Parts 160, 162 and 164, (if applicable);
- Section 346-10, HRS; and
- All other applicable federal and State statutes and administrative rules, including but not limited to:
    - Section 325-101, HRS, relating to persons with HIV/AIDS;
    - Section 334-5, HRS, relating to persons receiving mental health services;
    - Chapter 577A, HRS relating to emergency and family planning services for minor females;
    - 42 CFR Part 2 relating to persons receiving substance abuse services;

- Chapter 487J, HRS, relating to social security numbers; and

- Chapter 487N, HRS, relating to personal information.

Access to member identifying information shall be limited by the Offeror to persons or agencies that require the information in order to perform their duties in accordance with this contract, including the U.S. Department of Health and Human Services (HHS), the Secretary, the DHS and other individuals or entities as may be required by the DHS. (See 42 CFR Section 431.300, et seq. and 45 CFR Parts 160 and 164.)

Any other party shall be granted access to confidential information only after complying with the requirements of state and federal laws, including but not limited to HIPAA, and regulations pertaining to such access. The Offeror is responsible for knowing and understanding the confidentiality laws listed above as well as any other applicable laws. The Offeror, if it reports services to its members, shall comply with all applicable confidentiality laws. Nothing herein shall prohibit the disclosure of information in summary, statistical or other form that does not identify particular individuals, provided that de-identification of protected health information is performed in compliance with the HIPAA Privacy Rule.

Federal and State Medicaid rules, and some other Federal and State statutes and rules, including but not limited to those listed above, are often more stringent than the HIPAA regulations. Moreover, for purposes of this contract, the Offeror agrees that the confidentiality provisions contained in Chapter 17-1702, HAR, shall apply to the Offeror to the same extent as they apply to MQD.

As part of the contracting process, the Offeror shall sign a Business Associate Agreement (BAA) found in Appendix G to assure compliance with HIPAA regulations.

The Offeror shall implement a secure electronic mail (email) encryption solution to ensure confidentiality, integrity, and authenticity of email communications that contain information relating to members.

All breaches of confidential information relating to Medicaid enrollees, as Offeror members, shall be reported to the MQD. The Offeror shall notify the MQD within two (2) business days following actual knowledge of a breach of confidentiality, including any use or disclosure of confidential information, any breach of unsecured PHI, and any Security Incident (as defined in HIPAA regulations) of which the Offeror becomes aware with respect to PHI in the custody of the Offeror. In addition, the Offeror shall provide the MQD with a written report of the investigation and mitigation efforts within thirty (30) calendar days of the discovery of the breach. The Offeror shall work with MQD to ensure that the breach has been mitigated and reporting requirements, if any, or complied with. The actual requirements found in this section shall be detailed in all provider and subcontractor agreements.

51.700 Audit Requirements

The state and federal standards for audits of the DHS designees, contractors and programs conducted under contract are applicable to this subsection and are incorporated by reference into the contract. The DHS, the HHS, or the Secretary may inspect and audit any records of the Offeror and its subcontractors or providers. There shall be no restrictions on the right of the State or Federal government to conduct whatever inspections and audits are necessary to assure quality, appropriateness or timeliness of services and reasonableness of their costs.

51.710 Accounting Records Requirements

The Offeror shall, in accordance with generally accepted accounting practices, maintain fiscal records and supporting documents and related files, papers and reports that adequately reflect all direct and indirect expenditures and management and fiscal practices related to the Offeror's performance of services under the contract.

The Offeror's accounting procedures and practices shall conform to generally accepted accounting principles and the costs properly applicable to the contract shall be readily ascertainable from the records.

51.720 Inclusion of Audit Requirements in Subcontracts

The provisions of Section 51.700 and its associated subsections shall be incorporated in every subcontract/provider agreement.

51.800 Ongoing Inspection of Work Performed

The DHS, the State Auditor of Hawaii, the Secretary, the U.S. Department of Health and Human Services (HHS), CMS, the General Accounting Office (GAO), the Comptroller General of the United States, the Office of the Inspector General (OIG), Medicaid Fraud Control Unit of the Department of the Attorney General, State of Hawaii, or their authorized representatives shall have the right to enter into the premises of the Offeror, all subcontractors and providers, or such other places where duties under the contract are being performed, to inspect, monitor, or otherwise evaluate the work being performed and have access to all records. All inspections and evaluations shall be performed in such a manner to not unduly delay work. This includes timely and reasonable access to the personnel for the purpose of interview and discussion related to the records. All records and files pertaining to the Offeror shall be located in the State of Hawaii at the Offeror's principal place of business or at a storage facility on Oahu that is accessible to the foregoing identified parties.

51.900 Disputes

The parties shall first attempt to resolve all disputes arising under this contract by informal resolution. Where informal resolution cannot be reached, the Offeror shall submit a written request for dispute resolution (by certified mail, return receipt requested) to the Director of the DHS or the Director's duly authorized representative. The Offeror shall be afforded the opportunity to be heard and to present evidence in support of its position in the dispute. The Director of the DHS or the Director's authorized representative shall issue a written decision within ninety (90) days of the Offeror's written request. The decision of the Director of the DHS or the Director's authorized representative shall be final and binding and may only be set aside by a State court of competent jurisdiction where the decision was fraudulent, capricious, arbitrary, or grossly erroneous as to imply bad faith.

Pending any subsequent legal proceedings regarding the final decision, including all appeals, the Offeror shall proceed diligently in the performance of the contract in accordance with the Director's final decision.

Any legal proceedings against the State of Hawaii regarding this RFP or any resultant contract shall be brought in a State court of competent jurisdiction in the City and County of Honolulu, State of Hawaii.

52.100 Liquidated Damages, Sanctions and Financial Penalties

52.110 Liquidated Damages

In the event of any breach of the terms of the contract by the Offeror, liquidated damages shall be assessed against the Offeror in an amount equal to the costs of obtaining alternative medical benefits for its members. The damages shall include, without limitation, the difference in the administrative fee paid to the Offeror and the fee paid to a replacement Offeror.

Notwithstanding the above, the Offeror shall not be relieved of liability to the State for any damages sustained by the State due to the Offeror's breach of the contract.

The DHS may withhold amounts for liquidated damages from payments to the Offeror until such damages are paid in full.

52.120 Sanctions

The DHS may impose sanctions for non-performance or violations of contract requirements. Sanctions shall be determined by the State and may include:

- Imposing civil monetary penalties (as described below);
- Suspending enrollment of new members with the Offeror;
- Suspending payment;
- Appointment of temporary management (as described in Section 52.130); or

- Terminating the contract (as described in Section 51.100).

The DHS will provide written notice that explains the basis and nature of the sanction. The Offeror my dispute the finding through procedures identified in Section 51.900.

The civil or administrative monetary penalties imposed by the DHS on the Offeror shall not exceed the maximum amount established by federal statutes and regulations.

The civil monetary penalties that may be imposed on the Offeror by the State are as follows:

Number	Activity	Penalty
1	Misrepresentation of actions or falsification of information furnished to the CMS or the State	A maximum of one hundred thousand dollars ($100,000) for each determination
2	Failure to implement requirements stated in the Offeror's proposal, the RFP or the contract, or other material failures in the Offeror's duties	A maximum of fifty thousand dollars ($50,000) for each determination
3	Misrepresentation or false statements to beneficiaries, potential beneficiaries or providers	A maximum of twenty-five thousand dollars ($25,000) for each determination
4	Violation of any of the other applicable requirements of Sections 1903(m), 1905(t)(3) or 1932 of the Social Security Act and any implementing regulations	A maximum of twenty-five thousand dollars ($25,000) for each determination
5	Not enrolling a beneficiary because of a discriminatory practice	A maximum of fifteen thousand dollars ($15,000) for each beneficiary the

Number	Activity	Penalty
		State determines was not enrolled because of a discriminatory practice
6	Failure to comply with the claims processing standard required in Section 41.100	A maximum of five thousand dollars ($5,000) for each determination of failure
7	Failure to report confidentiality breaches relating to Medicaid applicants and recipients to the DHS by the specific deadlines provided in Section 51.600	One hundred dollars ($100) per day per beneficiary. A maximum of twenty-five thousand dollars ($25,000) until the reports are received

Payments provided for under the contract shall be denied for new beneficiaries when, and for so long as, payment for those beneficiaries is denied by CMS.

52.130 Special Rules for Temporary Management

The sanction of temporary management may be imposed by the State if it finds that:

- There is continued egregious behavior by the Offeror, including, but not limited to, behavior that is contrary to any requirements of Sections 1903(m) and 1932 of the Social Security Act;
- There is substantial risk to the beneficiary's health; or
- The sanction is necessary to ensure the health of the Offeror's members while improvements are made or until there is an orderly termination or reorganization of the Offeror.

The State shall impose temporary management if it finds that the Offeror has repeatedly failed to meet the substantive

requirements in Sections 1903(m) and 1932 of the Social Security Act. The State shall not provide the Offeror with a pre-termination hearing before the appointment of temporary management.

The State may not terminate temporary management until it determines that the Offeror can ensure that the sanctioned behavior will not recur.

In the event the State imposes the sanction of temporary management, members shall be allowed to disenroll from the Offeror without cause.

52.200 Compliance with Laws

In addition to the requirements of General Condition 1.3, Compliance with Laws, the Offeror shall comply with the following:

52.210 Wages, Hours and Working Conditions of Employees Providing Services

Pursuant to Section 103-55, HRS, services to be performed by the Offeror and its subcontractors or providers shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work. Additionally, the Offeror shall comply with all applicable Federal and State laws relative to workers compensation, unemployment compensation, payment of wages, prepaid healthcare, and safety standards. Failure to comply with these requirements during the contract period shall result in cancellation of the contract unless such noncompliance is corrected within a reasonable period as determined by the DHS. Final payment under the contract shall not be made unless the DHS has determined that the noncompliance has been corrected. The Offeror shall complete and submit the Wage Certification provided in Appendix C.

52.220 Compliance with other Federal and State Laws

The Offeror shall agree to conform to the following federal and state laws as affect the delivery of services under the Contract including, but not limited to:

- Titles VI, VII, XIX, and XXI of the Social Security Act;
- Title VI of the Civil Rights Act of 1964;
- The Age Discrimination Act of 1975;
- The Rehabilitation Act of 1973;
- The Americans with Disability Act;
- The Patient Protection and Affordable Care Act of 2010;
- Chapter 489, HRS (Discrimination in Public Accommodations);

- Education Amendments of 1972 (regarding education programs and activities);
- Copeland Anti-Kickback Act;
- Davis-Bacon Act;
- Debarment and Suspension;
- All applicable standards, orders or regulations issued under section 306 of the Clean Air Act (42 USC 1857 (h)), section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15) and the Federal Water Pollution Control Act, as amended (33 U.S.C. Section 1251, et seq.);
- The Byrd Anti-Lobbying Amendment (31 U.S.C. Section 1352); and
- E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375 "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor".

The Offeror shall recognize mandatory standards and policies relating to energy efficiency that are contained in any State energy conservation plan developed by the State in accordance with the Energy Policy and Conservation Act (Pub. L. 94-163, Title III, Part A).

The Offeror shall include notice of grantor agency requirements and regulations pertaining to reporting and patient rights under any contracts involving research, developmental, experimental or demonstration work with respect to any discovery or invention which arises or is developed in the course of or under such contract, and of grantor agency requirements and regulations pertaining to copyrights and rights in data.

52.300 Miscellaneous Special Conditions

52.310 Use of Funds

The Offeror shall not use any public funds for purposes of entertainment or perquisites and shall comply with any and all conditions applicable to the public funds to be paid under the contract, including those provisions of appropriate acts of the Hawaii State Legislature or by administrative rules adopted pursuant to law.

52.320 Prohibition of Gratuities

Neither the Offeror nor any person, firm or corporation employed by the Offeror in the performance of the contract shall offer or give, directly or indirectly, to any employee or designee of the State of Hawaii, any gift, money or anything of value, or any promise, obligation, or contract for future reward or compensation at any time during the term of the contract.

52.330 Publicity

General Condition 6.1 is amended to read as follows: Acknowledgment of State Support. The Offeror shall not use the State's, DHS's, MQD's name, logo or other identifying marks on any materials produced or issued without the prior written consent of the DHS. The Offeror also agrees not to represent that it was supported by or affiliated with the State of Hawaii without the prior written consent of the DHS.

52.340 Force Majeure

If the Offeror is prevented from performing any of its obligations hereunder in whole or in part as a result of major epidemic, act of God, war, civil disturbance, court order or any other cause beyond its control, the Offeror shall make a good faith effort to perform such obligations through its then-existing facilities and personnel; and such non-performance shall not be grounds for termination for default.

Neither party to the contract shall be responsible for delays or failures in performance resulting from acts beyond the control of such party.

Nothing in this section shall be construed to prevent the DHS from terminating the contract for reasons other than default

during the period of events set forth above, or for default if such default occurred prior to such event.

52.350 Attorney's Fees

In addition to costs of litigation provided for under General Condition 5.2, in the event that the DHS shall prevail in any legal action arising out of the performance or non-performance of the contract, or in any legal action challenging a final decision under Section 72.100, the Offeror shall pay, in addition to any damages, all of the DHS' expenses of such action including reasonable attorney's fees and costs. The term "legal action" shall be deemed to include administrative proceedings of all kinds, as well as all actions at law or in equity.

52.360 Time is of the Essence

Time is of the essence in the contract. As such, any reference to "days" shall be deemed calendar days unless otherwise specifically stated.

SECTION 60 TECHNICAL PROPOSAL

60.100 Introduction

The following sections describe the required content and format for the technical proposal. These sections are designed to ensure submission of information essential to understanding and evaluating the proposal. There is no intent to limit the content of the proposal, which may include any additional information deemed pertinent.

The mandatory proposal shall include the following sections:

- Proposal Application forms (Appendix C)
- Transmittal letter
- Financial Status

The technical proposal shall include the following sections:

- Executive summary
- Company background and experience
- Organization and staffing
- Provider network
- Case management

60.200 Proposal Letter

The proposal letter (refer to Appendix C) shall be signed by an individual authorized to legally bind an Offeror and be affixed with a corporate seal. Please provide a Corporate Resolution or a certificate of authority to sign on behalf of the company.

60.300 Transmittal Letter

The transmittal letter shall be on official business letterhead and shall be signed by an individual authorized to legally bind the Offeror. It shall include:

- A statement indicating that the Offeror is a corporation or other legal entity. All subcontractors shall be identified and a statement included indicating the percentage of work to be performed by the prime Offeror and each subcontractor, as measured by percentage of total contract price. If subcontractors will not be used for this contract, a statement to this effect shall be included;

- A statement that the Offeror is/will be registered to do business in Hawaii and has or will obtain a State of Hawaii General Excise Tax License by the start of work. Provide the Hawaii Excise Tax number (if applicable);

- A statement identifying all amendments and addenda to this RFP issued by the issuing office and received by the Offeror. If no amendments or addenda have been received, a statement to that effect should be included;

- A statement of affirmative action that the Offeror does not discriminate in its employment practices with regard to race, color, religion, creed, ancestry, marital status, age, sex including gender identity or expression, sexual orientation, national origin, arrest and court records, or mental or physical handicap, except as provided by law;

- A statement that neither cost nor pricing is included in this letter or the technical proposal;

- A statement that no attempt has been made or will be made by the Offeror to induce any other party to submit or refrain from submitting a proposal;

- A statement that the person signing this proposal certifies that he or she is the person in the Offeror's organization responsible for, or authorized to make, decisions as to the prices quoted, that the offer is firm and binding, and that he or she has not participated and will not participate in any action contrary to the above conditions;

- A statement that the Offeror has read, understands and agrees to all provisions of this RFP; and

- A statement that it is understood that if awarded the contract, the offeror's organization will deliver the goods and services meeting or exceeding the specifications in the RFP and amendments.

60.400 Financial Status

The financial status of an Offeror and related entities shall be reviewed in order to determine the financial solvency of the organization. Quality care cannot be provided without adequate resources.

60.410 Financial Statements

Financial statements for the applicable legal entity and any subcontractor that is providing at a minimum of 20% of the work shall be provided for each of the last two years, including at a minimum:

- Balance Sheets
- Statements of Income
- Federal Income Tax returns

If an Offeror seeks confidentiality on a part of a submission, each page of the section of that submission which is sought to be protected must be marked as "Proprietary" and an explanation of how substantial competitive harm would occur if that information was released upon request. If the explanation is sufficient, then, to the extent permitted by the exemptions in Section 92F-13, HRS, 45 CFR Part 5, Office of Information Practices, or a Court, the affected section may be deemed confidential. Blanket labeling of the entire document as "Proprietary," however, is inappropriate.

60.500 Executive Summary

The executive summary should provide DHS with a broad understanding of the entire proposal. The executive summary shall clearly and concisely condense and highlight the contents of the technical proposal.

60.600 Company Background and Experience

The company background and experience section shall include for an Offeror and each subcontractor (if any): details of the background of the company and its size and resources, and details of company experience relevant to this RFP.

60.610 Background of the Company

A description of the history of the company and Offeror including:

- A general description of the primary business of your organization and its beneficiary base
- A brief history and current company ownership including the ultimate parent organization and major shareholders/principals. Include date incorporated or formed and corporate domicile. An out-of-state Offeror must become duly qualified to do business in the State of Hawaii before a contract can be executed
- Ownership of the company, including the officers of the Corporation, and the names and address of its registered agent
- Home office location and all other offices (by city and state)
- Location of office from which any contract would be administered
- Name, address and telephone number of the Offeror's point of contact for a contract resulting from this RFP
- Number of employees both locally and nationally
- The size of organization in assets, revenue and people
- The areas of specialization

60.620 Company Experience

The details of company experience including subcontractor experience, relevant to the proposal shall cover and include but not limited to:

- experience in coordinating services for beneficiaries prior to and after receiving a transplant
- working with transplant facilities
- experience in coordinating travel with beneficiary and/or companion, including meals, lodging and transportation services
- claims processing on a timely basis
- Hawaii Medicaid experience

60.630 Data Processing

The Offeror shall explain the adequacy of their system to collect, maintain and process the required information. This section shall also include explanations as to any modifications or expansions needed in order to meet the specified data requirements.

60.700 Organization and Staffing

The organization and staffing section shall include organization charts of proposed personnel and resumes of all management, supervisory and key personnel. The information should provide the State with a clear understanding of the organization, functions of key personnel and on-site personnel during start-up and on-going operations.

The Offeror shall provide an estimate of the proposed number of staff, hours and resources to be engaged to complete the contracted activities.

60.710 Organization Charts

The organization charts shall show:

- Organization chart which shows the structure of the project team and identifies the proposed project personnel
- Relationships of an Offeror to related entities
- All proposed key personnel, including an indication of their major areas of responsibility and position within the organization
- Geographic location of the Offeror's personnel
- Proposed involvement of MQD personnel
- Estimates of man hours for each individual, including a description of major areas of responsibility for each individual

60.720 Staffing

The resumes of key personnel proposed shall include, if applicable:

- Experience with the Hawaii Medicaid program
- Experience in managed care systems
- Length of time with a Offeror or related organization
- Length of time in the transplant care industry
- Previous relevant experiences
- Relevant education and training
- Names, position titles and phone numbers of references who can provide information on the individuals' experience and competence
- Other relevant experience

Resumes should be provided, at a minimum, for the Transplant Coordinator, Case Manager(s), Administration/Program Director, and financial officer. An Offeror shall identify an individual within the organization who will be the key contact person for MQD. The resume for this individual shall be included with any other relevant resumes.

60.800 Provider Network

This section of the proposal shall provide information on an Offeror's provider network. All components of the network shall be described in sufficient detail to allow DHS to determine whether such a network is sufficient to provide the required services and that adequate resources are available to serve the anticipated population. The descriptions shall include:

- Names of the providers
- Names and locations of the Facilities
- Locations of providers
- Language spoken by providers
- Wheelchair access

Offerors are expected to provide a listing of providers who the Offeror intends to contract with if a contract is received from the State. The Offeror is expected to begin contracting with providers soon after the award date.

In order to demonstrate an adequate provider network, prior to implementation, the Offeror will be required to submit a listing of its provider network with which it has contracts in place. The State will consider signed letters of intent if the Offeror can demonstrate that it will not be able to finalize all contracts prior to implementation. The Offeror must demonstrate that most providers who signed letters of intent are in fact contracting with the Offeror.

60.900 Case Management

The Offeror shall explain how its case management system complies with section 40.300, including but not limited to:

- Assisting the beneficiary's physician with coordinating of services for them;
- Assuring availability on a 24 hour basis and within one-half (1/2) hour after a call is placed;

- Assuring the beneficiary has clear and adequate information on how to obtain services and make informed decisions about their transplant health needs;
- Coordinating and integrating the beneficiary's transplant care and services with the health plan and primary care provider;
- Assisting the member in obtaining transplant care and ensuring that these services are received in a timely manner;
- Ensuring an active system of outreach is in place to provide the flexibility needed to reach those members requiring services, such as the homeless, or others, who might not access services without impairments, lack of transportation, etc;
- Facilitating member compliance with recommended transplant treatment;
- Assure that the beneficiary has adequate caregiver support for post-transplant care; and
- Being responsible for ensuring interpreter services, if applicable.

SECTION 70 BUSINESS PROPOSAL

70.100 Administrative Rate

The Offeror shall submit a monthly administrative rate for which it will provide all of the services required by this RFP. The rates should be based on the volumes listed below. If the volume exceeds 100, the Offeror and DHS shall enter into negotiation for a new rate.

In addition, the Offeror shall submit a price per claim or claim line for transplant and non-transplant related claims (based on 2014 current claim volume). The Offeror shall provide a business proposal (Appendix H) and the offer submitted will be your best and final offer.

Anticipated Transplant Volume:

Up to 60 per year
61 to 80 per year
81 to 100 per year

SECTION 80 EVALUATION AND SELECTION

80.100 Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

80.200 Evaluation Process

The DHS shall establish an evaluation committee that shall evaluate designated sections of the proposal. The committee shall consist of members who are familiar with the program and the minimum standards or criteria for the particular area. Additionally, the DHS may, at its discretion, designate additional representatives to assist in the evaluation process. The committee shall evaluate the proposal and document their comments, concerns and questions.

80.300 Mandatory Proposal Evaluation

Each proposal shall be evaluated to determine whether the requirements as specified in this RFP have been met. The proposal shall first be evaluated against the following criteria:

- Proposal was submitted within the closing date and time for proposals as required in Section 21.200;
- The proper number of separately bound copies are in sealed envelopes as required in Section 21.200;
- All information required in Section 60.100, 60.200, and 60.300 has been submitted;
- Ability for Offeror and their subcontractors, if applicable, to remain solvent for the length of the contract in accordance with information submitted for Section 60.400; and
- Proposal contains the necessary information in the proper order.

A proposal must meet all mandatory requirements prior to the technical evaluation. Any proposal that does not meet all mandatory requirements shall be rejected.

80.400 Proposal Evaluation

The proposals that have met the minimum mandatory requirements shall be evaluated in order to identify those Offerors that meet the minimum technical requirements detailed in this section.

Evaluation Categories	**Available Points**
Transmittal Letter	0 points
Proposal Application	
Executive Summary	10 points
Company Background and Experience	15 points
Organization and Staffing	15 points
Provider Network	20 points
Case Management	20 points
Business Proposal	20 points
TOTAL POSSIBLE POINTS	**100 points**

80.500 Technical Evaluation Criteria

Each evaluated category shall be given a rating score using the following rating system:

The Offeror must receive a rating score of 3 for each Evaluation Category or the proposal will not be considered technically acceptable and shall be rejected. Those proposals that do not meet the minimum points to pass each of the required criteria shall be returned to the Offeror with a letter of explanation.

Rating Score	Description
5	The response has no deficiencies and provides a detailed and comprehensive description that demonstrates the ability to more than minimally meet the contractual requirements.
4	The response has no deficiencies and describes how the requirements will be minimally met.
3	The response has no major deficiencies and only minor deficiencies that are easily correctible.
2	The response has one major deficiency and/or multiple minor deficiencies that do not appear to be easily correctable.
1	The response has multiple major deficiencies that do not appear to be correctable.
0	No response provided.

The rating score (0-5) shall represent the corresponding conversion factor used to calculate the points awarded for each Evaluation Category listed in section 80.400, as follows:

Rating Score	Conversion Factor
0	0
1	25%
2	50%
3	75%
4	88%
5	100%

The total maximum number of points available for each Evaluation Category will be multiplied by the applicable conversion factor, based on the rating score given, to determine the number of points awarded for the Evaluation Category. The points awarded for each Evaluation Category shall by totaled to yield a final score. The Offeror with the highest final score shall be awarded the contract.

Scoring will be based on the entire content of the proposal and the information as communicated to the evaluators. The information contained in any part of the proposal may be evaluated by the DHS with respect to any other scored section of the proposal. Lack of clarity and inconsistency in the proposal will impede effective communication of the content and may result in a lower score.

The broad criteria for each Evaluation Category are listed below and includes consideration of the specific elements identified in Section 60. MQD reserves the right to add, delete or modify any criteria in accordance with applicable procurement rules.
All proposals that meet a minimum score of 75% on the technical proposal evaluation shall be evaluated according to Section 80.600 for its business proposal.

80.510 Transmittal Letter (0 points possible)

- On an official letterhead and signed by an individual authorized to legally bind the Offeror
- Includes all statements as specified in Section 60.300.

If the transmittal letter is incomplete, the proposal will be rejected and not be scored and will be returned to the Offeror since this is part of the mandatory requirements established in Section 80.300.

80.520 Executive Summary (10 points possible)

- Provides a broad understanding of the proposal
- Clearly and concisely condenses the proposal
- Highlights the contents of the proposal
- Identifies how the Offeror will implement the SHOTT program consistent with the RFP requirements if a contract is awarded to them.

80.530 Company Background and Experience (15 points possible)

- Answers all of the questions posed in Section 60.600 for both themselves and each subcontractor
- Company background and experience including experience implementing a program of the nature/size required by this contract
- Each subcontractor's background and experience

- Extent to which the scope of services under this RFP can be completed by the Offeror
- Quality with which scope of services under this RFP can be completed by the Offeror

- Completeness of Offeror's data capabilities

- Offeror's ability to meet the contract requirements

- Other factors identified in section 60.600

80.540 Organization and Staffing (15 points possible)

- Past and current management experience for similar services of like projects in scope

- Ability to provide high-quality transplant services

- Relevant program experience and success in performing projects of similar scope to that described herein

- Competence of proposed key professionals and other employees

- Qualifications of personnel including education, experience with transplant populations, length of time with the organization, and Hawaii Medicaid experience. (Resumes of all key personnel must be provided.)

- Capability of organizational and administrative systems in Hawaii to implement contractual obligations for this RFP

- Sufficient staff and resources identified and allocated to fulfill the requirements of the contract.

- Other factors identified in Section 60.700

80.550 Provider Network (20 points possible)

- Provision of the data required in Section 60.800

- Capability of Offeror's provider network of providing the services set forth in the RFP in all areas statewide

- Sufficiency of provider network to meet the transplant needs of its beneficiaries
- Comprehensiveness of the provider network to provide access to all required services as set forth in the RFP
- Other factors identified in Section 60.800

80.560 Case Management (20 points possible)

- Process for providing case management
- Staff functions, interactions, and internal coordination
- Plan for monitoring and coordinating needed clinical and other services to support the member in the community
- Answer all of the questions from Section 60.900
- Other factors identified in Section 60.900

80.600 Business Proposal Evaluation

Each proposal will be examined to ensure that all required pricing schedules have been included by the Offeror. Proposals will be evaluated to ensure that reasonable firm fixed prices have been assigned. The points shall be given by the chart below:

	Lowest Proposal	2nd Lowest Proposal	3rd Lowest Proposal	4th Lowest or More
Two Offerors	20	15		
Three Offerors	20	15	10	
Four Offerors	20	15	10	0

80.700 Contract Award

The technical and business proposal scores will be combined to determine the winning proposal. The Offeror with the highest score will be awarded the contract.

Upon selection of the Offeror, the DHS shall initiate the contracting process. The Offeror shall be notified in writing that

the contract is awarded and that the DHS intends to contract with them. This letter shall serve as notification that the applicant should begin to develop its programs, materials, policies and procedures for the program.

The contracts shall be awarded no later than the Contract Award date identified in Section 20.100. If an Offeror requests to withdraw its proposal, it must be requested in writing to the MQD before the close of business (4:30 p.m. H.S.T.) on the Contract Award date identified in Section 20.100. After that date, the State expects to enter into a contract with the Offeror.

APPENDIX A- WRITTEN QUESTION FORMAT

Appendix A

Written Questions Format for

State of Hawaii Organ and Tissue Transplant Program (SHOTT)

Applicant Name	Date Submitted	Question #	RFP Section #	RFP Page #	Paragraph #	Question

APPENDIX B- RFP INTEREST FORM

Appendix B

Notification to State Agency of Interest in Responding to an RFP

RFP Number and Title: _____
Organization or Individual: _____

Contact Person Information

First Name : _____ Last Name: _____

Email Address: _____

Telephone: _____

Fax Number: _____

Mailing Address

Street Address or PO Box _____

City _____ State _____ Zip Code _____

Please provide to the agency contact person listed in the Request for Proposals (RFP).

APPENDIX C – PROPOSAL FORMS

SPO-H-200
PROPOSAL LETTER
DISCLOSURE STATEMENT
FINANCIAL REPORTING/PLANNING
CONTROLLING INTEREST
BACKGROUND CHECK INFORMATION
OPERATIONAL CERTIFICATION SUBMISSION
GRIEVANCE SYSTEM
INSURANCE REQUIREMENTS
WAGE CERTIFICATION
PROVIDER STANDARDS OF CONDUCT

STATE OF HAWAII

STATE PROCUREMENT OFFICE

PROPOSAL APPLICATION IDENTIFICATION FORM

STATE AGENCY ISSUING RFP: _____

RFP NUMBER: _____

RFP TITLE: _____

Check one:

☐ Initial Proposal Application

☐ Final Revised Proposal (Completed Items _____ -_____ only)

1. APPLICANT INFORMATION

Legal Name:

Doing Business As:

Street Address:

Mailing Address:

Contact person for matters involving this application:
Name:

Title:

Phone Number:

Fax Number:

e-mail:

2. BUSINESS INFORMATION

Type of Business Entity *(check one)*:

☐ Non-Profit Corporation ☐ Limited Liability Company ☐ Sole Proprietorship

☐ For-Profit Corporation ☐ Partnership

If applicable, state of incorporation and date incorporated:

State: Date:

3. PROPOSAL INFORMATION

Geographic area(s):

Target group(s):

4. FUNDING REQUEST

FY _____ _____ FY _____ _____

FY _____ _____ FY _____ _____

FY _____ _____ FY _____ _____

Grand Total _____

I certify that the information provided above is to the best of my knowledge true and correct.

_____ _____

Authorized Representative Signature *Date Signed*

_____

Name and Title

STATE OF HAWAII

Department of Human Services

PROPOSAL LETTER

We propose to furnish and deliver any and all of the deliverables and services named in the attached Request for Proposals for medical services. The administrative rates offered herein shall apply for the period of time stated in said RFP.

It is understood that this proposal constitutes an offer and when signed by the authorized State of Hawaii official will, with the RFP and any amendments thereto, constitute a valid and legal contract between the undersigned applicant and the State of Hawaii.

It is understood and agreed that we have read the State's specifications described in the RFP and that this proposal is made in accordance with the provisions of such specifications. By signing this proposal, we guarantee and certify that all items included in this proposal meet or exceed any and all such State specifications.

We agree, if awarded the contract, to deliver goods or services which meet or exceed the specifications unless proposal is withdrawn in accordance with Section 100.700.

_____

Authorized Applicant's Signature/Corporate Seal
Date

_____

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS

1. The undersigned certifies, to the best of his or her knowledge and belief, that no Federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence on officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of Federal grant, the making of any Federal loan, the entering into of any cooperative Federal contract, grant, loan or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit "Disclosure Form to Report Lobbying" in accordance with its instructions.

3. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000.00 and not more than $100,000.00 for such failure.

Applicant: _____

Signature: _____

Title: _____

Date: _____

DISCLOSURE STATEMENT (CMS REQUIRED)

DHS may refuse to enter into a contract and may suspend or terminate an existing contract, if the applicant fails to disclose ownership or controlling information and related party transaction as required by this policy.

a) Disclosures in accordance with 42 CFR 455 Subpart B

§ 455.104
Disclosure by Medicaid providers and fiscal agents: Information on ownership and control.
(a) Who must provide disclosures. The Medicaid agency must obtain disclosures from disclosing entities, fiscal agents, and managed care entities.
(b) What disclosures must be provided. The Medicaid agency must require that disclosing entities, fiscal agents, and managed care entities provide the following disclosures:
(1) (i) The name and address of any person (individual or corporation) with an ownership or control interest in the disclosing entity, fiscal agent, or managed care entity. The address for corporate entities must include as applicable primary business address, every business location, and P.O. Box address.
(ii) Date of birth and Social Security Number (in the case of an individual).
(iii) Other tax identification number (in the case of a corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) or in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a 5 percent or more interest.
(2) Whether the person (individual or corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) is related to another person with ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling; or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a 5 percent or more interest is related to another person with ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling.
(3) The name of any other disclosing entity (or fiscal agent or managed care entity) in which an owner of the disclosing entity (or fiscal agent or managed care entity) has an ownership or control interest.
(4) The name, address, date of birth, and Social Security Number of any managing employee of the disclosing entity (or fiscal agent or managed care entity).
(c) When the disclosures must be provided.
(1) Disclosures from providers or disclosing entities. Disclosure from any provider or disclosing entity is due at any of the following times:
(i) Upon the provider or disclosing entity submitting the provider application.
(ii) Upon the provider or disclosing entity executing the provider agreement.
(iii) Upon request of the Medicaid agency during the re-validation of enrollment process under § 455.414.
(iv) Within 35 days after any change in ownership of the disclosing entity.
(2) Disclosures from fiscal agents. Disclosures from fiscal agents are due at any of the following times:
(i) Upon the fiscal agent submitting the proposal in accordance with the State's procurement process.
(ii) Upon the fiscal agent executing the contract with the State.
(iii) Upon renewal or extension of the contract.
(iv) Within 35 days after any change in ownership of the fiscal agent.
(3) Disclosures from managed care entities. Disclosures from managed care entities (MCOs, PIHPs, PAHPs, and HIOs), except PCCMs are due at any of the following times:

(i) Upon the managed care entity submitting the proposal in accordance with the State's procurement process.
(ii) Upon the managed care entity executing the contract with the State.
(iii) Upon renewal or extension of the contract.
(iv) Within 35 days after any change in ownership of the managed care entity.
(d) To whom must the disclosures be provided. All disclosures must be provided to the Medicaid agency.
(e) Consequences for failure to provide required disclosures. Federal financial participation (FFP) is not available in payments made to a disclosing entity that fails to disclose ownership or control information as required by this section.

§ 455.105
Disclosure by providers: Information related to business transactions.
(a) Provider agreements. A Medicaid agency must enter into an agreement with each provider under which the provider agrees to furnish to it or to the Secretary on request, information related to business transactions in accordance with paragraph (b) of this section.
(b) Information that must be submitted. A provider must submit, within 35 days of the date on a request by the Secretary or the Medicaid agency, full and complete information about—
(1) The ownership of any subcontractor with whom the provider has had business transactions totaling more than $25,000 during the 12-month period ending on the date of the request; and
(2) Any significant business transactions between the provider and any wholly owned supplier, or between the provider and any subcontractor, during the 5-year period ending on the date of the request.
(c) Denial of Federal financial participation (FFP). (1) FFP is not available in expenditures for services furnished by providers who fail to comply with a request made by the Secretary or the Medicaid agency under paragraph (b) of this section or under § 420.205 of this chapter (Medicare requirements for disclosure).
(2) FFP will be denied in expenditures for services furnished during the period beginning on the day following the date the information was due to the Secretary or the Medicaid agency and ending on the day before the date on which the information was supplied.

§ 455.106
Disclosure by providers: Information on persons convicted of crimes.
(a) Information that must be disclosed. Before the Medicaid agency enters into or renews a provider agreement, or at any time upon written request by the Medicaid agency, the provider must disclose to the Medicaid agency the identity of any person who:
(1) Has ownership or control interest in the provider, or is an agent or managing employee of the provider; and
(2) Has been convicted of a criminal offense related to that person's involvement in any program under Medicare, Medicaid, or the title XX services program since the inception of those programs.
(b) Notification to Inspector General. (1) The Medicaid agency must notify the Inspector General of the Department of any disclosures made under paragraph (a) of this section within 20 working days from the date it receives the information.
(2) The agency must also promptly notify the Inspector General of the Department of any action it takes on the provider's application for participation in the program.
(c) Denial or termination of provider participation. (1) The Medicaid agency may refuse to enter into or renew an agreement with a provider if any person who has an ownership or control interest in the provider, or who is an agent or managing employee of the provider, has been convicted of a criminal offense related to that person's involvement in any program established under Medicare, Medicaid or the title XX Services Program.

(2) The Medicaid agency may refuse to enter into or may terminate a provider agreement if it determines that the provider did not fully and accurately make any disclosure required under paragraph (a) of this section.

b) Additional information which must be disclosed to DHS is as follows:

1) Names and addresses of the Board of Directors of the disclosing entity.

2) Name, title and amount of compensation paid annually (including bonuses and stock participation) to the ten (10) highest management personnel.

3) Names and addresses of creditors whose loans or mortgages are secured by a five (5) percent or more interest in the assets of the disclosing entity.

c) Additional Related Party Transactions which must be disclosed to DHS is as follows:

1) Describe transactions between the disclosing entity and any related party in which a transaction or series or transactions during any one (1) fiscal year exceeds the lesser of $10,000 or two (2) percent of the total operating expenses of the disclosing entity. List property, goods, services, and facilities involved in detail. Note the dollar amounts or other consideration for each item and the date of the transaction(s). Also include justification of the transaction(s) as to the reasonableness, potential adverse impact on the fiscal soundness of the disclosing entity, and the nature and extent of any conflict of interest. This requirement includes, but is not limited to, the sale or exchange, or leasing of any property; and the furnishing for consideration of goods, services or facilities.

2) Describe all transactions between the disclosing entity and any related party which includes the lending of money, extensions of credit or any investments in a related party. This type of transaction requires advance administrative review by the Director before being made.

3) As used in this section, "related party" means one that has the power to control or significantly influence the applicant, or one that is controlled or significantly influenced by the applicant. "Related parties" include, but are not limited to agents, managing employees, persons with an ownership or controlling interest in the disclosing entity, and their immediate families, subcontractors, wholly-owned subsidiaries or suppliers, parent companies, sister companies, holding companies, and other entities controlled or managed by any of such entities or persons.

§ 455.101
Definitions.
Agent means any person who has been delegated the authority to obligate or act on behalf of a provider.

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

Other disclosing entity means any other Medicaid disclosing entity and any entity that does not participate in Medicaid, but is required to disclose certain ownership and control information because of participation in any of the programs established under title V, XVIII, or XX of the Act. This includes:

(a) Any hospital, skilled nursing facility, home health agency, independent clinical laboratory, renal disease facility, rural health clinic, or health maintenance organization that participates in Medicare (title XVIII);
(b) Any Medicare intermediary or carrier; and
(c) Any entity (other than an individual practitioner or group of practitioners) that furnishes, or arranges for the furnishing of, health-related services for which it claims payment under any plan or program established under title V or title XX of the Act.

Fiscal agent means a contractor that processes or pays vendor claims on behalf of the Medicaid agency.

Group of practitioners means two or more health care practitioners who practice their profession at a common location (whether or not they share common facilities, common supporting staff, or common equipment).

Health insuring organization (HIO) has the meaning specified in § 438.2.

Indirect ownership interest means an ownership interest in an entity that has an ownership interest in the disclosing entity. This term includes an ownership interest in any entity that has an indirect ownership interest in the disclosing entity.

Managed care entity (MCE) means managed care organizations (MCOs), PIHPs, PAHPs, PCCMs, and HIOs.

Managing employee means a general manager, business manager, administrator, director, or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of an institution, organization, or agency.

Ownership interest means the possession of equity in the capital, the stock, or the profits of the disclosing entity.

Person with an ownership or control interest means a person or corporation that—
(a) Has an ownership interest totaling 5 percent or more in a disclosing entity;
(b) Has an indirect ownership interest equal to 5 percent or more in a disclosing entity;
(c) Has a combination of direct and indirect ownership interests equal to 5 percent or more in a disclosing entity;
(d) Owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5 percent of the value of the property or assets of the disclosing entity;
(e) Is an officer or director of a disclosing entity that is organized as a corporation; or
(f) Is a partner in a disclosing entity that is organized as a partnership.

Significant business transaction means any business transaction or series of transactions that, during any one fiscal year, exceed the lesser of $25,000 and 5 percent of a provider's total operating expenses.

Subcontractor means—
(a) An individual, agency, or organization to which a disclosing entity has contracted or delegated some of its management functions or responsibilities of providing medical care to its patients; or
(b) An individual, agency, or organization with which a fiscal agent has entered into a contract, agreement, purchase order, or lease (or leases of real property) to obtain space, supplies, equipment, or services provided under the Medicaid agreeement.

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

Termination means—
(1) For a—
(i) Medicaid or CHIP provider, a State Medicaid program or CHIP has taken an action to revoke the provider's billing privileges, and the provider has exhausted all applicable appeal rights or the timeline for appeal has expired; and
(ii) Medicare provider, supplier or eligible professional, the Medicare program has revoked the provider or supplier's billing privileges, and the provider has exhausted all applicable appeal rights or the timeline for appeal has expired.
(2) (i) In all three programs, there is no expectation on the part of the provider or supplier or the State or Medicare program that the revocation is temporary.
(ii) The provider, supplier, or eligible professional will be required to reenroll with the applicable program if they wish billing privileges to be reinstated.
(3) The requirement for termination applies in cases where providers, suppliers, or eligible professionals were terminated or had their billing privileges revoked for cause which may include, but is not limited to—
(i) Fraud;
(ii) Integrity; or
(iii) Quality.

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

DISCLOSURE STATEMENT

Instructions

DHS is concerned with monitoring the existence of related party transactions in order to determine if any significant conflicts of interest exist in the applicant's ability to meet Behavioral Health objectives. Related party transactions include transactions which are conducted in an arm's length manner or are not reflected *in* the accounting records at all (e.g., the provision of services without charge).

Transactions with related parties maybe in the normal course of business or they may represent something unusual for the applicant. In the normal course of business, there may be numerous routine and recurring transactions with parties that meet the definition of a related party. Although each party may be appropriately pursuing its respective best interests, this is usually not objectively determinable. In addition to transactions in the normal course of business, there may be transactions which are neither routine nor recurring and may be unusual in nature or in financial statement impact.

1) Describe transactions between the applicant and any related party in which a transaction or series of transactions during any one (1) fiscal year exceeds the lesser of $10,000 or two (2) percent of the total operating expenses of the disclosing entity. List property, goods, services and facilities in detail noting the dollar amounts or other consideration for each and the date of the transaction(s) including a justification as to the reasonableness of the transaction(s) and its potential adverse impact on the fiscal soundness of the disclosing entity.

a) The sale or exchange, or leasing of any property:

Description of Transaction(s)	Name of Related Party and Relationship	Dollar Amount for Reporting Period

Justification

_____
_____
_____
_____
_____
_____
_____

2. Describe all transactions between the disclosing entity *and* any related party which includes the lending of money, extensions of credit or any investments in a related party. This type of transaction requires advance administrative review by the Director before being made.

Description of Transaction(s)	Name of Related Party and Relationship	Dollar Amount for Reporting Period

Justification

_____
_____
_____
_____
_____
_____
_____

DISCLOSURE STATEMENT

Provider NAME/NO._____

DISCLOSURE STATEMENT FOR THE YEAR ENDED _____

I hereby attest that the information contained in the Disclosure Statement is current, complete and accurate to the best of my knowledge. I also attest that these reported transactions are reasonable, will not impact on the fiscal soundness of the Provider, and are without conflict of interest. I understand that whoever knowingly and willfully makes or causes to be made a false statement or representation on the statement may be prosecuted under applicable state laws. In addition, knowingly and willfully failing to fully and accurately disclose the information requested may result in denial of a request to participate in Ombudsman Services.

_____	_____
Date Signed	Chief Executive Officer (Name and Title Typewritten)
_____	_____
Notarized	Signature

DISCLOSURE STATEMENT
OWNERSHIP

Provider Name, Provider No.: _____
Address (City, State, Zip): _____
Telephone _____

For the period beginning: _____ and ending _____

Type of Provider:

- Staff — A Provider that delivers services through a group practice established to provide health services to Provider members; doctors are salaried,
- Group — A Provider that contracts with a group practice to provide health services; the group is usually compensated on a capitation basis.
- IPA — A Provider that contracts with an association of doctors from various settings (some solo practitioners, some groups) to provide health services.
- Network — A Provider that contracts with two or more group practices to provide health services.

Type of Entity:

☐	Sole Proprietorship	☐	For-Profit
☐	Partnership	☐	Not-For-Profit
☐	Corporation	☐	Other (specify)
☐	Governmental	☐	_____

Annual Disclosure of Ownership (ADO) Instructions

FIELD	DESCRIPTION
1	Enter name of individual or entity depending on who the ADO is in regards to.
2	Enter current NPI/Medicaid Provider number combination that this ADO is in reference to, if applicable.
3	If there has been a change of ownership or a Federal Tax Identification number, list previous Medicaid provider numbers and effective dates for each, if applicable.
4	Describe relationship or similarities between the provider disclosing information on this form and items "A" through "C". **a. Describe the relationship between the old owner and the new owner. Are they totally different owners or some of the owners the same, etc.?** **b. Describe the relationship between the old board members (under old owner) and the new board members (under the new owner). Are any of the board members under the old ownership also board members under the new ownership structure?** **c. Why is the old owner disenrolling? Essentially, why was there a change in ownership?**
5	Do you plan to have a change in ownership, management company or control within the next year? If so, when?
6	Do you anticipate filing bankruptcy? If so, when?
7	Enter the Federal Tax Identification Number (if there is an affiliation with a chain) along with name, address, city, state and zip code.
8	List name, address, SSN/FEIN of each person or organization having direct or indirect ownership or control interest in the disclosing entity. ***Complete question 9 with the officers' and board members' information of the owning entities. If no one owns 5% or more of provider, check box and completed question 9 with the officers' and board members' information.*** If you are enrolled as an individual and do not own a FEIN, please enter your name and information. Corporate entities disclosed in this question must disclose every business location.

Indirect Ownership Interest - means an ownership interest in an entity that has an ownership interest in the disclosing entity. This term includes an ownership interest in any entity that has an indirect ownership interest in the disclosing entity.
Ownership Interest - means the possession of equity in the capital, the stock, or the profits of the disclosing entity.

Person with an Ownership or Control Interest - means a person or corporation that:

- Has an ownership interest totaling 5% or more in a disclosing entity;
- Has an indirect ownership interest equal to 5% or more in a disclosing entity;
- Has a combination of direct and indirect ownership interests equal to 5% or more in a disclosing entity;
- Owns an interest of 5% or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5% of the value of the property or assets of the disclosing entity;
- Is an officer or director of a disclosing entity that is organized as a corporation; or,
- Is a partner in a disclosing entity that is organized as a partnership?

9	List officers' and board members' information of the owning entities. If no one owns 5% or more and/or the provider is non-profit, the officers' and board members' information must be disclosed.
10	If applicant is related to persons listed in #8 and 9, list the relationship.
11	List name of managing company, if not applicable enter N/A.
12	List names of the disclosing entities in which persons have ownership of other Medicare/Medicaid facilities.

Other Disclosing Entity - means any other Medicaid disclosing entity and any entity that does not participate in Medicaid, but is required to disclose certain ownership and control information because of participation in any of the programs established under Title V, XVIII, or XX of the Act. This includes:

- Any hospital, skilled nursing facility, home health agency, independent clinical laboratory, renal disease facility, rural health clinic, or health maintenance organization that participates in Medicare (Title XVIII).
- Any Medicare intermediary or carrier.
- Any entity (other than an individual practitioner or group of practitioners) that furnishes, or arranges for the furnishing of, health- related services for which it claims payment under any plan or program established under Title V or Title XX or the Act.

13	If entity engages with subcontractors (such as physical therapist, pharmacies, etc.,) which exceeds the lesser of $25,000 or 5% of applicant's operating expense, list subcontractor's name and address.

Significant Business Transaction- means any business transaction or series of transactions that, during any one fiscal year, exceeds the lesser of $25,000 or 5% of applicant's operating expense.

14	List any significant business transactions between this provider and any wholly owned supplier, or between this provider and any subcontractor, during the previous 5-year period.
15	List name, SSN, address of any immediate family member who is authorized to prescribe drugs, medicine, devices or equipment.
16	List anyone disclosed in question #8 who has been convicted of a criminal offense related to the involvement of such persons or organizations in any problem established under Title 19 (Medicaid) or Title 20 (Social Services Block Grants) of the Social Security Act (SSA) or any criminal offense in this state or any other state. Please also indicate any HI Medicaid provider number(s) associated with individual or organization.
17	List any agent and/or managing employee who has been convicted of a criminal offense related to any program established under Title XVIII, XIX or XX of the SSA or any criminal offense in this state or any other state. Indicate any HI Medicaid provider number(s) associated with individuals or organization.

Agent - means any person who has been delegated the authority to obligate or act on behalf of a provider.

Managing Employee - means a general manager, business manager, administrator, director or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of an institution, organization or agency.

18	List the name, title, FEIN/SSN, and business address of all managing employees as defined in 42 CFR 455.101.

19	List name, address and SSN/FEIN of each person with an ownership or control interest in any subcontractor in which the disclosing entity has direct or indirect ownership of 5% or more.
Subcontractor - means an individual, agency, or organization to which a disclosing entity has contracted or delegated some of its management functions or responsibilities of providing medical care to its patients, OR an individual, agency or organization with which a fiscal agent has entered into a contract, agreement, purchase order, or lease (or lease of real property) to obtain space, supplies, equipment or services provided under the Medicaid agreement.	
20	Please indicate which number you will be using for reporting monies to you from Medicaid for 1099 purposes. *Example: If you are an individual completing this question, please input your Social Security Number unless you are own a FEIN 100%. An individual provider can bill under his/her individual provider number even If they are working in a group selling. The individual must complete a Map-347 in order to be linked to the group selling under which they are reporting.* ***IRS verification letter or Social Security Card must be attached verifying FEIN/SSN.*
21	Enter your initials if you maintain electronic medical records and are HIPAA compliant. Check the box if you do not keep electronic medical records.
22	Please enter the contact information for OMS to contact should there be any questions regarding this form.
23	Signature: Enter original signature from the individual provider, owner, or officer/board member if the provider does not have an owner. If you are an individual provider, *your* signature is required. Printed Name: The individual signing this form must enter their printed name. Date: Enter the date this disclosure is signed. Title: Must be title of person signing this form. EXAMPLE: individual provider, owner, etc.
24	For Internal Purposes Only: DMS Authorized Signature

Please return form to:

DHS Med-QUEST
Finance Office – TPL
P.O. Box 700190
Kapolei, HI 96709-0190

Annual Disclosure of Ownership (ADO)

THIS FORM IS REQUIRED BY FEDERAL AND STATE LAW AND REGULATION (42 CFR 455.101, 455.104, 455.105 AND 455.106 and HAR §17-1736-19).

Note: See the instructions of this form for definitions of underlined terms according to 42 CFR 455.101, 455.104, 455.105, and HAR §17-1736-19. ***All attachments must be labeled and reference to the question the attachment pertains.***

1	Entity Name that this ADO pertain to:		
2	Enter current NPI/Medicaid Provider number combination that this ADO is in reference to, if applicable. NPI:_____ Provider number:_____ Provider number (Enter only if you aren't required to have a NPI/Taxonomy Code for billing purposes): _____ ☐ *Check here for N/A*		
3	If there has been a change in ownership, change of tax ID number (FEIN), or change in Medicaid Provider Number for a previously enrolled Hawaii Medicaid provider, enter the previous provider number(s) and their effective date(s): ☐ *Check here/or N/A*		
	Previous Medicaid Prov. #:	Start Date:	End Date:
4	If you completed #3, describe the relationship between the provider disclosing information on this form, and the following: (a) previous Medicaid owner (b) corporate boards of disclosing provider and previous Medicaid owner; i.e. board members and ownership or control interest (c) disenrollment circumstances. (Attach extra page if necessary.)		
a.			
b.			
c.			
5.	If you anticipate any change of ownership, management company or control within the year, state anticipated date of change and nature of the change. ☐ *Check here for N/A*		
	Date	Change	
6.	If you anticipate filing for bankruptcy within the year, enter anticipated date of filing. ☐ *Check here for N/A*		
7.	If this facility is a subsidiary of a parent corporation, enter corporate FEIN#: ☐ *Check here for N/A*		
	Name:		
	Address:		
	City:	State:	Zip Code:

8.	List name, date of birth, SSN#/FEIN#, and address of each person or entity that owns 5% or more direct or indirect ownership or controlling interest in the applicant provider. (Attach extra pages if necessary.) *Complete question 9 with the officer's and board members' information of the owning entities.*		
Name/Business Name:		SSN:	
Business Address:		FEIN:	DOB:
City:		State:	Zip
** If a corporate entity is disclosed in question #8 above, all business location(s) of this corporate entity must be disclosed. Please attach a sheet to disclose this information.			

9.	List officers' and board members' information of owning entities. However, if no one owns 5% or more direct or indirect ownership, please list the officers' and board member's information. (Attach extra sheet if necessary listing same details below.) ☐ *Check here for N/A*		
Name(a)		Title:	
Address:		DOB:	SSN:
City:		State:	Zip:
Name(b)		Title:	
Address:		DOB:	SSN:
City:		State:	Zip:

10.	If any individuals listed in questions 8 and 9 are related to each other as spouse, parent, child, or sibling (including step or adoptive relationships), provide the following information: (Attach extra page if necessary.) ☐ *Check here for N/A*	
Name (a):		SSN:
Relationship:		FEIN:
Name (b):		SSN:
Relationship:		FEIN:

11.	If this facility or organization employs a management company, please provide following information: ☐ *Check here for N/A*		
Name:			
Address:			
City:		State:	Zip:

12.	List the names of any other disclosing entity in which person(s) listed on this application have ownership of other Medicare/Medicaid facilities. ☐ *Check here for N/A*		
Name:		Provider #, if applicable:	
Address:			
City:		State:	Zip:

13.	List the names and addresses of all other Hawaii Medicaid providers with which your health service and/or facility engages in a significant business transaction and/or a series of transactions that during any one (1) fiscal year exceed the lesser of $25,000 or 5% of your total operating expense. (Attach extra page if necessary.) ☐ *Check here for N/A*		
Name:			
Address:			
City:		State:	Zip:

14.	List any significant business transactions between this provider and any wholly owned supplier, or between this provider and any subcontractor, during the previous 5-year period. (Attach extra page if necessary.) ☐ *Check here for N/A*
Name:	
Address:	
City:	State: Zip:

15.	List the name, SSN, and address of any immediate family member who is authorized under Hawaii Law or any other states' professional boards to prescribe drugs, medicine, medical devices, or medical equipment. ☐ *Check here for N/A*	
Name(a)	Title:	
Address:	DOB:	SSN:
City:	State:	Zip:
Name(b)	Title:	
Address:	DOB:	SSN:
City:	State:	Zip:

16.	List the name of any individuals or organizations having direct or indirect ownership or controlling interest of 5% or more, who have been convicted of a criminal offense related to the involvement of such persons, or organizations in any program established under Title XVIII (Medicare), or Title XIX (Medicaid), or Title XX (Social Services Block Grants) of the Social Security Act or any criminal offense in this state or any other state since the inception of those programs. (Attach extra page if necessary.) If individual or organization is associated with a HI Medicaid provider number(s), please indicate below. (Attach extra page if necessary.) ☐ *Check here for N/A*
Name (a)/HI Medicaid Provider Number(s), if applicable:	
Name (b)/HI Medicaid Provider Number(s), if applicable:	

17.	List the name of any agent and/or managing employee of the disclosing entity who has been convicted of a criminal offense related to the involvement in any program established under Title XVIII, XIX, or XX, or XXI of the Social Security Act or any criminal offense in this state or any other state since the inception of those programs. (Attach extra page if necessary.) If individual or organization is associated with a HI Medicaid provider number(s), indicate below. (Attach extra page if necessary.) ☐ *Check here for N/A*
Name (a)/HI Medicaid Provider Number(s), if applicable:	
Name (b)/HI Medicaid Provider Number(s), if applicable:	

18.	List the name, title, FEIN/SSN, and business address of all managing employees below as defined in 42 CFR 455.101. ☐ *Check here for N/A* (Attach extra page if necessary listing same details below.)	
Name(a)	Title:	
Address:	DOB:	SSN:
City:	State:	Zip:
Name(b)	Title:	
Address:	DOB:	SSN:
City:	State:	Zip:

19.	List the name, address, SSN#, FEIN# of each person with an ownership or control interest in any subcontractor in which the provider applicant has direct or indirect ownership of 5% or more. (Attach extra page if necessary.) ☐ *Check here for N/A*		
Name:			SSN:
Address:			FEIN:
City:		State:	Zip:
Name:			SSN:
Address:			FEIN:
City:		State:	Zip:

20.	If you keep medical records on an electronic database, you hereby certify by your initials in the space provided that electronic records are confidential and patient privacy is protected. Every health care provider or organization, regardless of size, who creates or maintains individual protected health information in any form (written, oral, or electronic) for the purpose of treatment, payment, or operation is a covered entity and must comply with HIPAA Privacy and Security Rules. Initials _____	
21.	Contact Information - This information is used only for questions regarding the information on this form.	
	Contact Name:	Contact Telephone:
	E-mail address:	
22.	I certify that all the Information I have provided on this DHS, Med-QUEST Division Annual Disclosure of Ownership Form is accurate. Failure to provide accurate information could result in termination from the Medicaid program.	
	Signature	Date Signed:
	Printed Name:	
	Title:	
23.	**For Internal Use Only:**	
	Signature	Date Signed:
	Printed Name:	
	Title:	

EPLS/SAM:	OIG/HHS:	SSA Death Master File:

b. Names and titles of the ten (10 highest paid management personnel including but not limited to the Chief Executive Officer, the Chief Financial Officer, Board of Chairman, Board of Secretary, and Board of Treasurer:

Name/Title	Address

c. List names and addresses of creditors whose loans or mortgages exceeding five percent (5) and are secured by the assets of the applicant.

Name	Address	Amount of Debt	Description of Security

Financial Reporting Guide Forms
Organization Structure and Financial Planning Form

1) If other than a government agency:
   a. When was your organization formed?

   b. If your organization is a corporation, attach a list of the names and addresses of the Board of Directors.

2) License/Certification
   a. Indicate all licenses and certifications (i.e., Federal HMO status or State certifications) your organization maintains. Use a separate sheet of paper using the following format:

Service Component	License/Requirement	Renewal Date

   b. Have any licenses been denied, revoked, or suspended?

   Yes _____ No _____ If yes, please explain:

3) Civil Rights Compliance Data

   Has any Federal or State agency ever made a finding of noncompliance with any relevant civil rights requirements with respect to your program?

   Yes _____ No _____ If yes, please explain:

4) Handicapped Assurance

   Does your organization provide assurance that no qualified handicapped person will be denied benefits of or excluded from participation in a program or activity because the applicant's facilities (including subcontractors) are inaccessible to or unusable by handicapped persons? (note: check with local zoning ordinances for handicapped requirements)

   Yes _____ If yes, briefly describe how such assurances are provided.

   No _____ If no, briefly describe how your organization is taking affirmative steps to provide assurance.

5) Prior Convictions

   List all felony convictions of any key personnel (i.e., Chief Executive Officer, Applicant's Manager, Financial Officers, major stockholders or those with controlling interest, etc.). Failure to make full and complete disclosure shall result in the rejection of your proposal as unresponsive.

6) Federal Government Suspension/Exclusion

   Has applicant been suspended or excluded from any federal government programs for any reason?

   Yes ____ No _____ If yes, please explain:

Financial Planning Form

1) Is the applicants accounting system based on a cash, accrual, or modified method?
   a. Cash [ ]
   b. Accrual [ ]
   c. Modified [ ]

   Give brief explanation:

2) Does the applicant prepare an annual financial statement?

   Yes ____ No _____ If yes, please explain:

3) Are interim financial statements prepared? Yes _____No _____

   a. If yes, how often are they prepared? _____

   b. If yes, are footnotes and supplementary schedules an integral part of the statements?

      Yes _____ No _____

   c. If yes, are actuals analyzed and compared to budgeted amounts?

      Yes _____ No _____

   d. If yes, provide a copy of the latest statements including all necessary data to support your answers in (a) through (c) above.

4) Is the applicant audited by an independent accounting firm/accountant?

   Yes ____ No _____

   a. If yes, how often are audits conducted? _____

   b. By whom are they conducted? _____

   c. Did this auditor perform that applicant's last audit?

      Yes _____ No _____

   If no, provide the name, address, and telephone number of the firm that performed the applicant's last audit.

   d. Are management letters on internal controls issued by the accounting firm?

Yes _____ No _____

If yes, attach a copy of the management letter from the latest audit. This must be on the auditor's letterhead and the applicant, by its submission, certifies the letter is unaltered.

If no, the applicant shall provide a comprehensive description of internal control systems. The applicant is responsible for instituting adequate procedures against irregularities and improprieties and enforcing adherence to generally accepted accounting principles.

Yes _____ No _____

e. Do you have any uncorrected audit exceptions?

Yes _____ No ___

If yes, provide a copy of the auditor's management letter (see 4(d) of this form for instructions regarding submittal).

5) Does the applicant have an accounting manual?

Yes ____ No _____

If no, the applicant must explain, if it has proper accounting policies and procedures, and how it provides for the dissemination of such accounting policies and procedures within its organization and what controls exist to ensure the integrity of its financial information. The applicant agrees to furnish copies of such written accounting policies and procedures for inspection upon request from the DHS.

6) Does the applicant have a formal basis to allocate indirect costs reflected in your financial statement?

Yes ____ No _____

Explain principal allocation techniques used or to be used. Note the allocation base used for each type of cost allocated.

7) What types of liability insurance does the applicant have?

a. With what company(s)? _____

b. What is the amount of coverage for each type of insurance? _____

8) Provide a complete analysis of revenues and expenses by business segment (lines of business) and by geographic area (by county) for the applicant or its owner(s).

9) Are there any suits, judgments, tax deficiencies, or claims pending against the applicant?

Yes ____ No _____

Briefly describe each item and indicate probable amount.

10) Has the applicant or its owner(s) ever gone through bankruptcy?

Yes ____ No _____

If yes, when? _____

11) Do(es) the applicant's owner(s) intend to provide all necessary funds to make full and timely payments for liabilities (reported or not recognized)?

Yes ____ No _____

If yes, describe the dollar amount(s) and source(s) of all funding.

If no, briefly describe how your organization is taking affirmative steps to provide funding.

12) Does the applicant have a performance bonding mechanism in accordance with DHS rules?

Yes ____ No _____

If yes, provide the following information:

Amount of Bond $_____
Term of Bond _____
Bonding Company _____
Restrictions on Bond _____

If no, describe how the applicant intends to provide a bond and/or security to meet established
DHS rules.

13) Does the applicant have a financial management system to account for incurred, but not reported liabilities?

Yes ____ No _____

If no, the applicant must describe in detail (and attach this description to this form) how it intends to manage, monitor and control IBNR's, the applicant, regardless of response (either yes or no) must complete items "a" through "h" below.

a. Is your system capable of accurately forecasting all significant claims prior to receipt of all billing? Yes _____ No _____

b. How often are IBNRs projected? _____

c. Identify all major data ources most often used.

d. Are data from open referrals and prior notifications used?

Yes _____ No ___ If so, how?

e. Are detailed written procedures maintained? Yes _____ No _____

f. Are IBNR amounts compared with actuals and adjusted when necessary?

Yes _____ No _____

g. Is the basis of periodic IBNR estimates well documented?

Yes _____ No _____

h. The applicant must provide a copy of IBNR procedures and a summary of their IBNR practices. If these procedures do not adequately support any response to this item the applicant is cautioned to provide additional data.

Please identify the developer and name of any computerized IBNR system utilized. Indicate if it is administered by internal or external staff. If administered by external staff, state by whom, define how the applicant will control this function. Specify what other IBNR estimation methods will be used to test the accuracy of IBNR estimates, along with the primary system previously identified. (For the purposes of this item “administered” refers to either performing computer related operations or to providing direct supervision of staff operating a system).

14) Does the applicant have a full-time (100%) controller or chief financial officer?

Yes _____ No _____ If yes, enter name: _____

15) Are the following items reported on the applicant's financial statements?

a. Medicare reimbursement Yes _____ No _____

b. Other third-party recoveries Yes _____ No _____

If no, explain why.

Controlling Interest Form

The applicant must provide the name and address of any individual which owns or controls more than ten percent (10%) of stock or that has a controlling interest (i.e., ability to formulate, determine or veto business policy decisions, etc.). Failure to make full disclosure may result in rejection of the applicant's proposal as unresponsive.

Name	Address	Owner or Controller	Has Controlling Interest? Yes	No

Background Check Information Form

The applicant must provide sufficient information concerning key personnel (i.e. Chief Executive Officer, Medical Director, Financial Officer, Consultants, Accountants, Attorneys, etc.) to enable DHS to conduct background checks. Failure to make full and complete disclosure may result in rejection of your proposal as unresponsive. Attach resumes for all individuals listed below.

Name**	Ever known by another Yes	No	Social Security Account #	Date of Birth (Da/Mo/Yr)	Place of birth City/County/State

* If yes, provide all other names. Use a separate sheet if necessary.

** For each person listed:

a. Give addresses for the last ten years

b. Ever suspended from any Federal program for any reason?

Yes _____ No _____ If yes, please explain.

Operational Certification Submission Form

The applicant must complete the attached certification as documentation that it shall maintain member handbook, appointment procedures, referral procedures and other operating requirements in accordance with either DHS rules or policies and procedures.

By signing below the applicant certifies that it shall at all times during the term of this contract provide and maintain member handbook, appointment procedures, referral procedures, quality assurance program, utilization management program and other operating requirements in accordance with either DHS rule(s) or policies and procedures. The applicant warrants that in the event DHS discovers, through an operational review, that the applicant has failed to maintain these operating procedures, the applicant will be subject to a non-refundable, non-waiveable sanction in accordance with DHS rules.

_____

Signature Date

Grievance System Form

The applicant must complete the form below and submit with this proposal.

I hereby certify that _____
Applicant Name

will have in place on the commencement date of this contract a system for reviewing and adjudicating grievances by recipients and providers arising from this contract in accordance with DHS Rules and as set forth in the Request for Proposal.

I understand such a system must provide for prompt resolution of grievances and assure the participation of individuals with authority to require corrective action.

I further understand the applicant must have a grievance policy for recipients and providers which defines their rights regarding any adverse action by the applicant. The grievance policy shall be in writing and shall meet the minimum standards set forth in this Request for Proposal.

I further understand evaluation of the grievance procedure shall be conducted through documentation submission, monitoring, reporting, and on-site audit, if necessary, by DHS and deficiencies are subject to sanction in accordance with DHS rules.

_____ _____
Authorized Signature Date

_____ _____
Printed Name Title

INSURANCE REQUIREMENTS CERTIFICATION

Proposals submitted in response to the RFP must include a Certificate of Liability Insurance (COLI) that meets the requirements of the RFP, summarized in the Checklist and sample Form Acord 25 attached hereto. The successful bidder will be required to provide an updated COLI upon contract award.

Time is of the essence in the execution and performance of the contract resulting from this RFP. Therefore, the Applicant must ensure that the COLI submitted with the proposal and, if applicable, the resulting contract, fully and timely complies with the insurance requirements of this RFP.

By signing below, the Applicant certifies that it has completed the attached Checklist and:

(Check and complete one)

☐ Applicant has included a current COLI with its proposal that fully meets the insurance coverage requirements contained in the RFP and in the attached Checklist.

☐ Applicant has included a current COLI with its proposal that meets the insurance coverage requirements contained in the RFP and in the attached Checklist and Form, *except for the following* (explain in detail):

_____

_____

_____

_____

_____

_____

If Applicant is awarded a contract, then Applicant certifies that the foregoing deficiencies will be corrected within five (5) business days after contract award.

_____
Name of Applicant

_____ _____
Authorized Representative Signature Date

_____
Print Name and Title

CERTIFICATE OF LIABILITY INSURANCE (COLI) CHECKLIST & SAMPLE FORM (ACORD 25 Form (2010/05) [1])

This Checklist must accompany the completed COLI submitted with the proposal and subsequent contract. In the event of a conflict between this Checklist and the terms of the contract, the latter shall prevail.

If a requirement noted below is reflected in a current policy endorsement, a copy of the endorsement may be submitted in lieu of the statement on the COLI. Insurance requirements are subject to oversight by the State of Hawaii Department of Accounting and General Services, Risk Management Office.

NO. CERTIFICATE OF INSURANCE LIABILITY REQUIRED ELEMENTS ☐

(1) THE DATE THE COLI ISSUED SHOULD NOT BE MORE THAN 15 DAYS FROM THE DATE OF ITS REQUEST. THE COLI SHOULD NOT BE ISSUED OVER 30 DAYS FROM THE DATE OF SUBMISSION.

(2) THE NAME OF THE "INSURED" MUST MATCH THE NAME OF THE CONTRACTOR/PROVIDER.

(3) THE INSURER MUST BE LICENSED TO DO BUSINESS IN THE STATE OF HAWAII OR MEET THE REQUIREMENTS OF SECTION 431:8-301, HAWAII REVISED STATUTES.

(4) THE "COMMERCIAL GENERAL LIABILITY" COVERAGE SHOULD INDICATE COVERAGE ON A "PER OCCURRENCE" BASIS.

(5) A "POLICY NUMBER" OR BINDER NUMBER SHOULD BE INDICATED.

(6) THE "EFFECTIVE DATE" SHOULD BE NO LATER THAN THE CONTRACT DATE OR THE FIRST DATE THAT THE CONTRACTOR COMMENCES WORK FOR THE STATE.

(7) THE "EXPIRATION DATE" SHOULD BE AFTER THE EFFECTIVE DATE OF THE AGREEMENT OR SUPPLEMENTAL AGREEMENT, AS APPLICABLE, AND BE MONITORED TO ENSURE THAT RENEWAL COLI ARE RECEIVED ON A TIMELY BASIS.

(8) THE LIMITS OF LIABILITY FOR THE FOLLOWING TYPES OF COVERAGE SHOULD BE FOR AT LEAST AS MUCH AS REQUIRED BY THE CONTRACT, NORMALLY IN THE FOLLOWING AMOUNTS (CHECK CONTRACT LANGUAGE FOR SPECIFICS):

A. COMMERCIAL GENERAL LIABILITY
$1 MILLION PER OCCURRENCE, AND
$2 MILLION IN THE AGGREGATE

B. AUTOMOBILE – MAY BE COMBINED SINGLE LIMIT:
BODILY INJURY: $1 MILLION PER PERSON, $1 MILLION PER ACCIDENT
PROPERTY DAMAGE: $1 MILLION PER ACCIDENT

C. WORKERS COMPENSATION/EMPLOYERS LIABILITY
(E.L.) E.L. EACH ACCIDENT: $1 MILLION
E.L. DISEASE: $1 MILLION PER EMPLOYEE, $1 MILLION POLICY LIMIT
E.L. $1 MILLION AGGREGATE

---

[1] The Contractor should use the Acord form currently in use at the time of submission with the contract.

NO. CERTIFICATE OF INSURANCE LIABILITY REQUIRED ELEMENTS ☐

D. PROFESSIONAL LIABILITY
$1 MILLION PER CLAIM, AND
$2 MILLION ANNUAL AGGREGATE

(9) "ANY AUTO" COVERAGE IS REQUIRED, OR IF NOT MARKED, "HIRED AUTOS" AND "NON-OWNED AUTOS" SHOULD BE INDICATED. IF THERE ARE NO CORPORATE-OWNED AUTOS, THEN THE "HIRED & NON-OWNED AUTO" MAY BE ENDORSED TO THE COMMERCIAL GENERAL LIABILITY TO SATISFY THIS REQUIREMENT.

(10) IF THE LIMITS OF LIABILITY SHOWN FOR GENERAL LIABILITY OR AUTOMOBILE LIABILITY ARE LESS THAN REQUIRED BY CONTRACT, THEN UMBRELLA LIABILITY WITH COMBINED LIMIT MAY SATISFY THE MINIMUM REQUIREMENT AND THE STATE LISTED AS "ADDITIONAL INSURED" ON THE UMBRELLA POLICY OR THE UMBRELLA POLICY IS NOTED AS "FOLLOW FORM" ON THE CERTIFICATE.

(11) NOTE: THE STATE REQUIRES HIGHER LIMITS OF $1 MILLION, AS COMPARED TO THE BASIC LIMITS REQUIRED BY STATE LAW REGARDING WORKERS COMPENSATION COVERAGE.

(12) THE REQUIRED "PROFESSIONAL LIABILITY" COVERAGE SHOULD BE INDICATED IN THIS SECTION.

(13) THE "ADDL INSR" BOX SHOULD BE CHECKED TO INDICATE THAT THE STATE IS AN ADDITIONAL INSURED UNDER THE POLICY(IES), OR NOTED IN THE DESCRIPTION OF OPERATION BOX AT THE BOTTOM OF THE FORM.

(14) THE "CERTIFICATE HOLDER" SHOULD BE THE NAME AND ADDRESS OF THE DEPARTMENT OF HUMAN SERVICES/MED-QUEST DIVISION, 1001 KAMOKILA BOULEVARD, SUITE 317, KAPOLEI, HAWAII 96707

(15) THE COLI SHOULD BE SIGNED BY THE INSURANCE AGENT OR AN INSURANCE COMPANY REPRESENTATIVE.

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES BOX: THIS SECTION SHOULD CONTAIN THE FOLLOWING LANGUAGE:

THE STATE OF HAWAII IS AN ADDITIONAL INSURED WITH RESPECT TO OPERATIONS PERFORMED FOR THE STATE OF HAWAII. ANY INSURANCE MAINTAINED BY THE STATE OF HAWAII SHALL APPLY IN EXCESS OF, AND NOT CONTRIBUTE WITH, INSURANCE PROVIDED BY THIS POLICY.

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
INSURED	INSURER A :	
	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY						EACH OCCURRENCE	$
	COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
	CLAIMS-MADE OCCUR						MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
							GENERAL AGGREGATE	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$
	POLICY PRO-JECT LOC							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						WC STATU-TORY LIMITS OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2010 ACORD CORPORATION. All rights reserved.

The ACORD name and logo are registered marks of ACORD

Wage Certification

Pursuant to Section 103-55, Hawaii Revised Statutes, I hereby certify that if awarded the contract In excess of $25,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid as wages or salaries not less than wages paid to the public officers and employees for similar work, if similar positions are listed in the classification plan of the public sector.

2. All applicable laws of the Federal and State governments relating to worker's compensation, unemployment insurance, payment of wages, and safety will be fully complied with.

I understand that all payments required *by* Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wages required by Section 103-55, HRS.

Applicant: _____

Signature: _____

Title: _____

Date: _____

CONTRACT NO. _____

PROVIDER'S
STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of:

_____

(Name of PROVIDER)

PROVIDER, the undersigned does declare as follows:

1. PROVIDER ☐ is• ☐ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).

2. PROVIDER has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).

3. PROVIDER has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).

• Reminder to agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of $10,000, the Contract may not be awarded unless the agency posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

4. PROVIDER has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

PROVIDER understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawai'i Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

PROVIDER

By _____
(Signature)

Print Name _____

Print Title _____

_____

Date _____

APPENDIX D – ORGAN AND TISSUE TRANSPLANT GUIDELINES

General Guidelines

1. Covered transplants must be non-experimental, non-investigational for the specific organ/tissue and specific medical condition.

    a. There must be conclusive evidence from published peer-review literature that the specific transplant has a definite positive effect on health outcomes. This evidence must include well-designed investigations that have been reproduced by non-affiliated authoritative sources, with measurable results and with positive endorsements of national medical bodies or panels regarding scientific efficacy and rationale.

    b. Published peer-review medical literature must demonstrate that over time the transplant leads to improvement in health outcomes and that beneficial effects outweigh any harmful effects.

    c. Published peer-review medical literature must demonstrate that the transplant must, in the least, be as effective in improving health outcomes as other established treatments.

    d. Published peer-review medical literature must exist that shows improvement in health outcomes is possible in standard conditions of medical practice, outside clinical investigatory settings.

    e. For adult bone marrow/stem cell transplant, Phase III clinical trials may be considered if the trial protocols have been reviewed and approved by the National Cancer Institute (NCI) or similar national cooperative body and conform to the rigorous independent oversight criteria as defined by the NCI for the performance of clinical trials.

    f. For pediatric bone marrow/stem cell transplants (defined as under 21 years of age for EPSDT), since clinical trials are considered the standard of care in most cases when there is no reasonable alternative, Phase II or III clinical trials may be considered if the trial protocols have been reviewed and approved by the NCI or similar national cooperative body (e.g. Pediatric Oncology Group) and conform to the rigorous independent oversight criteria as defined by the NCI for the performance of clinical trials.

g. For both adults and children, the clinical trial must not be a single institution or investigator study (NCI designated Comprehensive Cancer Center trials are exempt from this requirement).

2. Transplants must be performed in facilities certified by Medicare for the specific transplant involved and by physicians knowledgeable in the specific transplantation.

3. Based upon a comprehensive evaluation of the patient and sound medical judgment, the transplant is expected to improve the patient's quality of life and chances for long term survival and:

   a. There is no significant involvement of other organ systems (malignancies in other organ systems or tissues, chronic progressive conditions, etc.)

   b. There are no significant impairments or conditions that would affect negatively the transplant surgery or supportive medical services and the post-transplantation (outpatient and inpatient) management of the patient. In cases where the patient has a history of current or past alcohol or drug abuse, the patient shall be monitored with random and repeated alcohol and/or drug screening during the assessment process up to the time of transplant.

   c. There is strong clinical indication that the patient can survive the transplantation procedure and related medical therapy (chemotherapy, immunosuppression).

   d. The patient's condition has failed to improve with other conventional medical/surgical therapies; or based upon peer-review medical literature, transplantation affords the best chance of long term survival for the specific condition.

   e. The patient has sufficient social support to assure the patient's adherence to pre-transplant requirements by the transplant facility, immunosuppressive therapy and other post-transplant requirements.

   f. The patient and/or their social support system is able and willing to comply with a lifelong disciplined medical regime (requiring multiple drugs several times a day and close supervision by physicians with the likelihood of serious consequences in the event of non-compliance).

Organ Transplant Guidelines

The transplant insurer has contracted with the State of Hawaii to cover organ/tissue transplants specifically cited below. Coverage of transplants for adults will only be made for those recipients who meet the applicable Medicare criteria, are diagnosed as having a Medicare approved clinical condition for transplantation and transplanted in a CMS/Medicare approved facility for the specific transplant.

LIVER

Conditions for which liver transplantation can be considered but are not limited to include:

1. Alcoholic Cirrhosis
2. Chronic Hepatitis including Hepatitis B and/or C
3. Auto immune Hepatitis which can be due to a variety of etiologies including SLE, RA, sjogrens, scleroderma among others
4. Bile Duct Disorders including primary biliary cirrhosis and primary sclerosing cholangitis
5. Post neurotic cirrhosis
6. Inherited Metabolic Liver disease including hereditary hemochromatosis, Wilson;s disease and alpha-1 antitrypsin disease
7. Toxic Reactions
8. Trauma
9. Other medical conditions leading to cirrhosis or liver failure
10. Pediatric liver transplant reviewed on case by case basis

Potential contraindications include:

1. Other end stage disease not attributable to liver disease.

2. Known current malignancy or recent malignancy with high risk recurrence.

3. Evidence of medical non-compliance

4. Contraindications to immunosuppression

5. A history of behavior pattern or psychiatric illness considered likely to interfere significantly with a disciplined medical regimen.

Coverage of liver transplants in adults will only be made for those beneficiaries who meet the applicable Medicare criteria. Guidelines for patient selections are:

1. The criteria must be based upon both a critical medical need for a transplantation and a maximum likelihood of successful clinical outcome.

2. The patient must have end-stage liver disease with a limited life expectancy due to liver dysfunction.

3. In the case of alcoholic cirrhosis, the selection of a patient who needs a liver transplant should include evidence of sufficient social support to assure assistance in alcohol rehabilitation and in immunosuppressive therapy following the operation. Although the center should require abstinence at the time of the operation, Medicare does not specify how long the patient should be abstinent prior to the operation. The hospital and the transplant team should establish such guidelines. Facilities will be required to submit the period of time they require for abstinence in a patient with end-stage liver disease due to alcoholic cirrhosis.

Other Considerations:

Plans for long-term adherence to a disciplined medical regime must be feasible and realistic for the individual patient.

HEART

Conditions for which heart transplantation can be considered but are not limited to include:

1. Ischemic myocardial disease. Cardiomyopathy (Non ischemic, Ischemic, Idiopathic)

2. Idiopathic cardiomyopathy

3. Severe Valvular heart disease.

4. Congenital cardiac disease.

5. Severe Myocardial disease (e.g. sarcoidosis and amyloidosis).

6. Other conditions leading to severe hemodynamic compromise due to heart failure or severe ischemia consistently limiting routine activity not amenable to bypass surgery, or recurrent symptomatic ventricular arrhythmias refractory to accepted therapeutic modalities.

7. Drug inducted myocardial destruction.

8. Pediatric cardiac transplants reviewed on case by case basis.

Potential contraindications include:

1. Severe pulmonary hypertension.

2. Severe renal or hepatic dysfunction not explained by the underlying heart failure and not deemed reversible (because of the nephrotoxicity and hepatotoxicity of cyclosporine).

3. Severe peripheral or cerebral vascular disease (because of accelerated progression in some patients after cardiac transplantation and on chronic corticosteroid treatment).

4. Severe lung disease including COPD.

5. Active systemic infection (because of the likelihood of exacerbation with initiation of immunosuppression).

6. Recent and unresolved pulmonary infarction, pulmonary roentgenographic evidence of infection, or other signs of active pulmonary infection. Presence of other non cardiac medical conditions likely to limit or preclude survival and rehabilitation after transplantation.

7. The use of a donor heart, that may have had its effectiveness compromised by such factors as the use of substantial vasopressors prior to its removal from the donor, its prolonged or compromised maintenance between the time of its removal from the donor and its implantation into the patient, or preexisting disease.
8. Other end stage disease not attributable to heart disease.

9. Known current malignancy or recent malignancy with high risk recurrence.

10. Evidence of medical non-compliance

11. Contraindications to immunosuppression

12. A history of behavior pattern or psychiatric illness considered likely to interfere significantly with a disciplined medical regimen.

Other considerations:

Plans for a long-term adherence to a disciplined medical regimen must be feasible and realistic for the individual patient.

LUNG

Lung transplantation may be considered medical necessary for carefully selected patients with irreversible, progressively disabling, end-stage pulmonary disease unresponsive to maximum medical therapy, including but not limited to one of the conditions below.

Conditions for which lung transplantation can be considered but are not limited to include:

1. Alpha-1 antitrypsin deficiency.

2. Primary pulmonary hypertension.

3. Pulmonary fibrosis Idiopathic/interstitial pulmonary fibrosis, post inflammatory pulmonary fibrosis).

4. Bilaterial bronchiectasis
5. Cystic fibrosis

6. Bronchopulmonary dysphagia

7. Eisenmenger's syndrome.

8. Sarcoidosis lung involvement

9. Scleroderma

10. Lymphangiomyomatosis

11. Emphysema.

12. Eosinophililc granuloma

13. Chronic obstructive pulmonary disease

14. Pulmonary hypertension due to cardiac disease

15. Idiopathic fibrosing alveolitis

16. Respiratory failure

17. Recurrent pulmonary emboli

Selection Criteria is based on CMS' National Policy and criteria for the NHLBI of the National Institutes of Health:

a. A patient is selected based upon both a critical medical need for transplantation and a strong likelihood of successful clinical outcome.

b. A patient who is selected has irreversible, progressively disabling, end-state pulmonary disease (or, in some instances, end-state cardiopulmonary disease).

c. The facility has tried or considered all other medically appropriate medical and surgical therapies that might be expected to yield both short and long term survival comparable to that of transplantation.

d. Plans for long term adherence to a disciplined medical regimen are feasible and realistic for the individual patient.

Potential contraindications include:

1. Other end stage disease not attributable to lung disease.

2, Known current malignancy or recent malignancy with high risk recurrence.

3. Evidence of medical non-compliance.

4. Contraindications to immunosuppression.

5. A history of behavior pattern or psychiatric illness considered likely to interfere significantly with a disciplined medical regimen.

Each of the criteria should be addressed with consideration of these procedures, although rational argument may be presented to override single criteria exclusions (e.g., age limitations).

Other adverse factors that should be considered in lung transplant evaluation:

1. Continued cigarette smoking or failure to have abstained for long enough to indicate low likelihood of recidivism.

2. Coronary artery disease not amenable to percutaneous intervention or bypass grafting, or associated with significant impairment of left ventricular function

3. Colonization with highly resistant or highly vivulent bacteria, fungi, or mycobacteria.

HEART-LUNG

The heart-lung transplantation is highly complex and involves a coordinated triple operative procedure consisting of procurement of donor heart-lung block, excision of the heart and lungs of the recipient, and implantation of the heart and lung(s) from a single cadaver donor. Heart-lung transplants are rare procedures with 23 individuals undergoing procedure in the United States in 2013. If a heart-lung transplant is needed, patient will require transport to a medicare approved facility for further evaluation and management.

Conditions for which heart-lung transplantation can be considered but are not limited to include:

1. Idiopathic pulmonary artery hypertension with heart failure.

2. Non-specific severe pulmonary fibrosis, with severe heart failure

3. Eisenmenger syndrome.

4. Cystic fibrosis with severe heart failure.

5. Emphysema with severe heart failure.

6. COPD with severe heart failure.

7. Pulmonary fibrosis with uncontrollable pulmonary hypertension or heart failure.

Candidates for heart-lung transplant must meet criteria under both heart transplant and lung transplant.

Potential contraindications include

1. Other end stage disease not attributable to heart or lung disease.

2. Known current malignancy or recent malignancy with high risk recurrence.

3. Evidence of medical non-compliance

4. Contraindications to immunosuppression

5. A history of behavior pattern or psychiatric illness considered likely to interfere significantly with a disciplined medical regimen.

Other Considerations :

Plans for long-term adherence to a disciplined medical regime must be feasible and realistic for the individual patient. Potential contraindications include contraindications listed under the heart transplant and lung transplant sections.

SMALL BOWEL WITH OR WITHOUT LIVER

Generally, small bowel and combined small bowel and liver transplants have been done in children and not adults. Patients may be covered through the month of their 21st birthday. A small bowel transplant may be considered medically necessary in patients with intestinal failure who have developed a long-term dependency on total parenteral nutrition (TPN) and are established developing or have developed severe complications due to TPN.
Intestinal failure results from surgical resections, congenital defect, or disease-associated loss of absorption and is characterized by the inability to maintain protein-energy, fluid electrolyte, or micronutrient balance.

Potential contraindications include

1. Other end stage disease not attributable to small bowel disease.

2. Known current malignancy or recent malignancy with high risk recurrence.

3. Evidence of medical non-compliance.

4. Contraindications to immunosuppression.

5. A history of behavior pattern or psychiatric illness considered likely to interfere significantly with a disciplined medical regimen.

KIDNEY

Kidney transplantation, as a therapy for end stage renal disease (ESRD), can improve both patient survival and quality of life as compared to dialysis. In addition, preemptive transplantation prior to dialysis is considered optimal treatment, particularly for children and adolescents. Patients with advanced chronic kidney disease (CKD) or ESRD may be good candidates for renal transplantation.

Medicaid recipients who have medicaid as the primary coverage for renal transplant may apply for SHOTT. Medicaid recipients who do not have medicaid as the primary coverage for renal transplant will remain on the managed care plan. However, patients under the age of 21 who have medicaid secondary may apply for SHOTT, and considered on a case by case basis.

There are a multitude of diagnosis and medical conditions that can result in CKD. Patients with advanced CKD or ESRD may be candidates for SHOTT regardless of the underlying etiology. There is no inclusion list of diagnosis other than advanced CKD or ESRD.

Potential contraindications for renal transplant include but are not limited to:

1. Other irreversible end-stage diease not attributable to advanced CKD or ESRD

2. Known current malignancy or recent malignancy with high risk of recurrence

3. Evidence of medical non-compliance

4. Contraindications to immunosuppression

5. A history of behavior pattern or psychiatric illness considered likely to interfere significantly with a disciplined medical regimen.

STEM CELL TRANSPLANTS (Autologous and Allogeneic Bone Marrow Transplant)

Stem cell transplantation (SCT) is a process in which stem cells are harvested from either a patients (autologous) or donor's (allogeneic) bone marrow or peripheral blood for intravenous infusion. Hematopoietic stem cells are multi-potent stem cells that give rise all the blood cell types including blood and immune cells. SCT can be used to restore function in recipients who having an inherited or acquired deficiency or defect. For malignancies, SCT can be utilized to effect hematopoietic reconstitution following severely myelotoxic doses of chemotherapy and /or radiation therapy used to treat a variety of malignancies. SCT may also be considered for the treatment of selected severe immunodeficiencies such has severe combined immunodeficiency (SCID).

ALLOGENEIC STEM CELL TRANSPLANTATION

Conditions for which allogeneic SCT can be considered but are not limite to include:

1. Leukemia, leukemia in remission, or aplastic anemia when reasonable and medically necessary. Conditions would include but not limited to acute myelocytic leukemia (AML), chronic myelocytic leukemia (CML), acute lymphocytic leukemia (ALL), chronic lymphocytic leukemia (CLL), Fanconi's anemia, a type of aplastic anemia. Requires sufficient medical evidence that SCT prolongs survival and decreases mortality in patients who have received SCT for the type of leukemia in question.

2. Severe combined immunodeficiency disease (SCID)

3. Homozygous beta-thalassemia (Thalassemia major)

4. Wiskott-Aldrich syndrome

5. Myelodysplastic syndromes on selected basis

6. Non-Hodgkin's lymphoma

7. Other rare medical conditions can be considered for SCT based on medical evidence and medical necessity.

AUTOLOGUS STEM CELL TRANSPLANT

Conditions for which autologous SCT can be considered but are not limited to include:

1. Neuroblastoma, State III or Stage IV, in patients over 12 months of age.

2. Testicular Germ Cell tumors at initial or subsequent relapse or that is refractory to standard dose chemotherapy with an FDA approved platinum compound. Retractory cases include:

    a. Patients with advanced disease who fail to achieve a complete response to second-line therapy; or

    b. Patients with moderate or minimal extent disease who fail to achieve a complete response to third-line therapy for Testicular Germ Cell tumors that meet the above criteria. Standard protocol involves tandem transplant. Germ cell tumor stage is to be determined using the Indiana University/Einhorn classification or Follicular Non-Hodgkin's lymphoma in patients who have failed primary therapy without histologic transformation.

3. Acute leukemia in remission in patients with a high probability or relapse and who have no HLA matched donor. The leukemia type must meet the general conditions (sensitive to chemotherapy/radiation and incurable with conventional chemotherapy/radiation), and be in one of the following categories:

    - ICD-9-CM 204.01 lymphoid.
    - ICD-9-CM 205.01 myeloid.
    - ICD-9-CM 206.01 monocytic.
    - ICD-9-CM 207.01 acute erythema and erythroleukemia, and
    - ICD-9-CM 208.01 unspecified cell type.

4. Resistant non-Hodgkin's lymphomas or those presenting with poor prognostic features following an initial response *ICD-9-CM codes 200.00 – 200.08, 200.10 – 200.18, 200.20 – 200.28, 200.80 – 200.88, and 202.90 – 202.98.

5. Non-Hodgkin's lymphoma, follicular, in patients who have failed primary therapy without histologic transformation.

6. Hodgkin's Lymphoma, relapse or refractory disease* advanced Hodgkin's disease ICD-9-CM 201.00 – 201.98 who have failed conventional therapy and have no HLA-matched donor.

7. Multiple myeloma ONLY after receipt of a high dose chemotherapy regime. Coverage of autologous stem cell transplantation for multiple myeloma is effective for services provided on or after July 1, 2000.

The above strict conditions are approved for autologous bone marrow transplantation under Medicare.

The following conditions are not covered under Medicare:

- ❑ Breast cancer
- ❑ Acute leukemia not in remission *ICD-9-CM codes 204.00, 206.00, 207.00, 208.00 except for primary resistant acute myelogenous leukemia.
- ❑ Chronic granulocytic leukemia * ICD-9-CM codes 205.10 and 205.11
- ❑ Solid tumors (other than neuroblastoma) *ICD-9-CM codes 140.00 – 199.1

This is not an all-inclusive list. Other conditions may apply based on the discretion of the MQD.

Organ transplant guidelines as outlined in Appendix D for both solid organ and stem cell transplant are subject to further updates and changes as needed.

APPENDIX E – TRANSPLANT EVALUATION FORMS

APPENDIX E – TRANSPLANT EVALUATION FORM

INFORMATION NEEDED FOR TRANSPLANT EVALUATION

Patient information			
Medicaid ID Number	Name (Last, First, M.I) *(please print)*	Phone#	Address (Number, Street, Apt, Zip Code)

Primary Care Giver (PGC) Contact			
PCG Name *(please print)*	Relationship to patient	Phone # of PCG *Home* *Cell* *Work*	Address of PCG if different from above

Request Physician Information		QUEST/QExA Plan) Information		
Physician Name *(please print)*	Phone#	Plan Name	Contact Name *(please print)*	Phone#

Transplant requested (check one)				List an pertinent diagnoses	List current medications
	Kidney		Lung		
	Kidney/Pancreas		Small Bowel without Liver		
	Liver		Small Bowel with Liver		
	Heart-Lung		Allogenic Stem Cell/Bone Marrow		
	Heart		Autologous Stem Cell/Bone Marrow		

The following are required to be submitted with the completed 1144 Request for Medical Authorization. Check Y if included and N if not included. Explain if N checked.

SOLID ORGAN TRANSPLANTS AND STEM CELL/BONE MARROW TRANSPLANTS			
Y	N	Requirement included	Explanation of N
		Laboratory studies for 6 months before request for transplant	
		If diabetic, Hemoglobin A1C level	
		Reports of diagnostic testing (imaging—ultrasounds, x-rays, MRIs, PET scans, biopsies, catheterizations, etc.)	
		Physician clinic/office notes for the last 6 months	
		If patient is a smoker or has a history of smoking the past 6 months, attach results of 3 nicotine/cotinine screens	
		Results of HIV testing done in the last 12 months	
		If patient has a history of substance abuse, submit detailed account of treatment	
		Patient does NOT have a history of incarceration	
		Results of any psychosocial evaluations—include identified PCG	

ADDITIONAL REQUIREMENTS FOR STEM CELL/BONE MARROW TRANSPLANT			
Y	N	Requirement included	Explanation of N
		Results of genetic testing and flow cytometry if done	
		For allogenic transplants, HLA typing with results of donor match tests of relatives	
		If no relative match, results of preliminary National Donor Search that identify at least one non-related potential donor	
		Summary (list or letter) that delineates patient's full treatment history for cancer, genetic disorder, acquired condition for which transplant is being requested, etc. and any other condition can may affect transplant outcome	

APPENDIX F – GENERAL TERMS AND CONDITIONS

GENERAL CONDITIONS FOR HEALTH & HUMAN SERVICES CONTRACTS

1. Representations and Conditions Precedent

1.1 Contract Subject to the Availability of State and Federal Funds.

1.1.1 State Funds. This Contract is, at all times, subject to the appropriation and allotment of state funds, and may be terminated without liability to either the PROVIDER or the STATE in the event that state funds are not appropriated or available.

1.1.2 Federal Funds. To the extent that this Contract is funded partly or wholly by federal funds, this Contract is subject to the availability of such federal funds. The portion of this Contract that is to be funded federally shall be deemed severable, and such federally funded portion may be terminated without liability to either the PROVIDER or the STATE in the event that federal funds are not available. In any case, this Contract shall not be construed to obligate the STATE to expend state funds to cover any shortfall created by the unavailability of anticipated federal funds.

1.2 Representations of the PROVIDER. As a necessary condition to the formation of this Contract, the PROVIDER makes the representations contained in this paragraph, and the STATE relies upon such representations as a material inducement to entering into this Contract.

1.2.1 Compliance with Laws. As of the date of this Contract, the PROVIDER complies with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the PROVIDER's performance of this Contract.

1.2.2 Licensing and Accreditation. As of the date of this Contract, the PROVIDER holds all licenses and accreditations required under applicable federal, state, and county laws, ordinances, codes, rules, and regulations to provide the Required Services under this Contract.

1.3 Compliance with Laws. The PROVIDER shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the PROVIDER's performance of this Contract, including but not limited to the laws specifically enumerated in this paragraph:

1.3.1 Smoking Policy. The PROVIDER shall implement and maintain a written smoking policy as required by Chapter 328K, Hawaii Revised Statutes (HRS), or its successor provision.

1.3.2 Drug Free Workplace. The PROVIDER shall implement and maintain a drug free workplace as required by the Drug Free Workplace Act of 1988.

1.3.3 Persons with Disabilities. The PROVIDER shall implement and maintain all practices, policies, and procedures required by federal, state, or county law, including but not limited to the Americans with Disabilities Act (42 U.S.C. §12101, et seq.), and the Rehabilitation Act (29 U.S.C.§701, et seq.).

1.3.4 Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the PROVIDER, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

1.4 Insurance Requirements. The PROVIDER shall obtain from a company authorized by law to issue such insurance in the State of Hawai‘i commercial general liability insurance ("liability insurance") in an amount of at least TWO MILLION AND NO/100 DOLLARS ($2,000,000.00) coverage for bodily injury and property damage resulting from the PROVIDER's performance under this Contract. The PROVIDER shall maintain in effect this liability insurance until the STATE certifies that the PROVIDER's work under the Contract has been completed satisfactorily.

The liability insurance shall be primary and shall cover the insured for all work to be performed under the Contract, including changes, and all work performed incidental thereto or directly or indirectly connected therewith.

A certificate of the liability insurance shall be given to the STATE by the PROVIDER. The certificate shall provide that the STATE and its officers and employees are Additional Insureds. The certificate shall provide that the coverages being certified will not be cancelled or materially changed without giving the STATE at least 30 days prior written notice by registered mail.

Should the "liability insurance" coverages be cancelled before the PROVIDER's work under the Contract is certified by the STATE to have been completed satisfactorily, the PROVIDER shall immediately procure replacement insurance that complies in all respects with the requirements of this section.

Nothing in the insurance requirements of this Contract shall be construed as limiting the extent of PROVIDER's responsibility for payment of damages resulting from its operations under this Contract, including the PROVIDER's separate and independent duty to defend, indemnify, and hold the STATE and its officers and employees harmless pursuant to other provisions of this Contract.

1.5 Notice to Clients. Provided that the term of this Contract is at least one year in duration, within 180 days after the effective date of this Contract, the PROVIDER shall create written procedures for the orderly termination of services to any clients receiving the Required Services under this Contract, and for the transition to services supplied by another provider upon termination of this

Contract, regardless of the circumstances of such termination. These procedures shall include, at the minimum, timely notice to such clients of the termination of this Contract, and appropriate counseling.

1.6 Reporting Requirements. The PROVIDER shall submit a Final Project Report to the STATE containing the information specified in this Contract if applicable, or otherwise satisfactory to the STATE, documenting the PROVIDER's overall efforts toward meeting the requirements of this Contract, and listing expenditures actually incurred in the performance of this Contract. The PROVIDER shall return any unexpended funds to the STATE.

1.7 Conflicts of Interest. In addition to the Certification provided in the Standards of Conduct Declaration to this Contract, the PROVIDER represents that neither the PROVIDER nor any employee or agent of the PROVIDER, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the PROVIDER's performance under this Contract.

2. Documents and Files

2.1 Confidentiality of Material.

2.1.1 Proprietary or Confidential Information. All material given to or made available to the PROVIDER by virtue of this Contract that is identified as proprietary or confidential information shall be safeguarded by the PROVIDER and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

2.1.2 Uniform Information Practices Act. All information, data, or other material provided by the PROVIDER to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, HRS, and any other applicable law concerning information practices or confidentiality.

2.2 Ownership Rights and Copyright. The STATE shall have complete ownership of all material, both finished and unfinished that is developed, prepared, assembled, or conceived by the PROVIDER pursuant to this Contract, and all such material shall be considered "works made for hire." All such material shall be delivered to the STATE upon expiration or termination of this Contract. The STATE, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the PROVIDER pursuant to this Contract.

2.3 Records Retention. The PROVIDER and any subcontractors shall maintain the books and records that relate to the Contract, and any cost or pricing data for three (3) years from the date of final payment under the Contract. In the event that any litigation, claim, investigation, audit, or other action involving the records retained under this provision arises, then such records shall be retained for three (3) years from the date of final payment, or the date of the resolution of the

action, whichever occurs later. During the period that records are retained under this section, the PROVIDER and any subcontractors shall allow the STATE free and unrestricted access to such records.

3. Relationship between Parties

3.1 Coordination of Services by the STATE. The STATE shall coordinate the services to be provided by the PROVIDER in order to complete the performance required in the Contract. The PROVIDER shall maintain communications with the STATE at all stages of the PROVIDER's work, and submit to the STATE for resolution any questions which may arise as to the performance of this Contract.

3.2 Subcontracts and Assignments. The PROVIDER may assign or subcontract any of the PROVIDER's duties, obligations, or interests under this Contract, but only if (i) the PROVIDER obtains the prior written consent of the STATE and (ii) the PROVIDER's assignee or subcontractor submits to the STATE a tax clearance certificate from the Director of Taxation, State of Hawai‘i, and the Internal Revenue Service showing that all delinquent taxes, if any, levied or accrued under state law against the PROVIDER's assignee or subcontractor have been paid. Additionally, no assignment by the PROVIDER of the PROVIDER's right to compensation under this Contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawai‘i, as provided in section 40-58, HRS.

3.3 Change of Name. When the PROVIDER asks to change the name in which it holds this Contract, the STATE, shall, upon receipt of a document acceptable or satisfactory to the STATE indicating such change of name such as an amendment to the PROVIDER's articles of incorporation, enter into an amendment to this Contract with the PROVIDER to effect the change of name. Such amendment to this Contract changing the PROVIDER's name shall specifically indicate that no other terms and conditions of this Contract are thereby changed, unless the change of name amendment is incorporated with a modification or amendment to the Contract under paragraph 4.1 of these General Conditions.

3.4 Independent Contractor Status and Responsibilities, Including Tax Responsibilities.

3.4.1 Independent Contractor. In the performance of services required under this Contract, the PROVIDER is an "independent contractor," with the authority and responsibility to control and direct the performance and details of the work and services required under this Contract; however, the STATE shall have a general right to inspect work in progress to determine whether, in the STATE's opinion, the services are being performed by the PROVIDER in compliance with this Contract.

3.4.2 Contracts with Other Individuals and Entities. Unless otherwise provided by special condition, the STATE shall be free to contract with other individuals and entities to provide services similar to those performed by the Provider under this Contract, and the

PROVIDER shall be free to contract to provide services to other individuals or entities while under contract with the STATE.

3.4.3 PROVIDER's Employees and Agents. The PROVIDER and the PROVIDER's employees and agents are not by reason of this Contract, agents or employees of the State for any purpose. The PROVIDER and the PROVIDER's employees and agents shall not be entitled to claim or receive from the STATE any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees. Unless specifically authorized in writing by the STATE, the PROVIDER and the PROVIDER's employees and agents are not authorized to speak on behalf and no statement or admission made by the PROVIDER or the PROVIDER's employees or agents shall be attributed to the STATE, unless specifically adopted by the STATE in writing.

3.4.4 PROVIDER's Responsibilites. The PROVIDER shall be responsible for the accuracy, completeness, and adequacy of the PROVIDER's performance under this Contract.

Furthermore, the PROVIDER intentionally, voluntarily, and knowingly assumes the sole and entire liability to the PROVIDER's employees and agents, and to any individual not a party to this Contract, for all loss, damage, or injury caused by the PROVIDER, or the PROVIDER's employees or agents in the course of their employment.

The PROVIDER shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the PROVIDER by reason of this Contract, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The PROVIDER also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Contract.

The PROVIDER shall obtain a general excise tax license from the Department of Taxation, State of Hawai‘i, in accordance with section 237-9, HRS, and shall comply with all requirements thereof. The PROVIDER shall obtain a tax clearance certificate from the Director of Taxation, State of Hawai‘i, and the Internal Revenue Service showing that all delinquent taxes, if any, levied or accrued under state law against the PROVIDER have been paid and submit the same to the STATE prior to commencing any performance under this Contract. The PROVIDER shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under section 103-53, HRS, and these General Conditions.

The PROVIDER is responsible for securing all employee-related insurance coverage for the PROVIDER and the PROVIDER's employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

3.5 Personnel Requirements.

3.5.1 Personnel. The PROVIDER shall secure, at the PROVIDER's own expense, all personnel required to perform this Contract, unless otherwise provided in this Contract.

3.5.2 Requirements. The PROVIDER shall ensure that the PROVIDER's employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Contract, and that all applicable licensing and operating requirements imposed or required under federal, state, or county law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

4. Modification and Termination of Contract

4.1 Modification of Contract.

4.1.1 In Writing. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract permitted by this Contract shall be made by written amendment to this Contract, signed by the PROVIDER and the STATE.

4.1.2 No Oral Modification. No oral modification, alteration, amendment, change, or extension of any term, provision or condition of this Contract shall be permitted.

4.1.3 Tax Clearance. The STATE may, at its discretion, require the PROVIDER to submit to the STATE, prior to the STATE's approval of any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract, a tax clearance from the Director of Taxation, State of Hawai‘i, and the Internal Revenue Service showing that all delinquent taxes, if any, levied or accrued under state and federal law against the PROVIDER have been paid.

4.2 Termination in General. This Contract may be terminated in whole or in part because of a reduction of funds available to pay the PROVIDER, or when, in its sole discretion, the STATE determines (i) that there has been a change in the conditions upon which the need for the Required Services was based, or (ii) that the PROVIDER has failed to provide the Required Services adequately or satisfactorily, or (iii) that other good cause for the whole or partial termination of this Contract exists. Termination under this section shall be made by a written notice sent to the PROVIDER ten (10) working days prior to the termination date that includes a brief statement of the reason for the termination. If the Contract is terminated under this paragraph, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.

4.3 Termination for Necessity or Convenience. If the STATE determines, in its sole discretion, that it is necessary or convenient, this Contract may be terminated in whole or in part at the option of the STATE upon ten (10) working days' written notice to the PROVIDER. If the STATE elects to terminate under this paragraph, the PROVIDER shall be entitled to reasonable payment as determined by the STATE for satisfactory services rendered under this Contract up to the time of termination. If the STATE elects to terminate under this section, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.

4.4 Termination by PROVIDER. The PROVIDER may withdraw from this Contract after obtaining the written consent of the STATE. The STATE, upon the PROVIDER's withdrawal, shall determine whether payment is due to the PROVIDER, and the amount that is due. If the STATE consents to a termination under this paragraph, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.

4.5 STATE's Right of Offset. The STATE may offset against any monies or other obligations that STATE owes to the PROVIDER under this Contract, any amounts owed to the State of Hawai'i by the PROVIDER under this Contract, or any other contract, or pursuant to any law or other obligation owed to the State of Hawai'i by the PROVIDER, including but not limited to the payment of any taxes or levies of any kind or nature. The STATE shall notify the PROVIDER in writing of any exercise of its right of offset and the nature and amount of such offset. For purposes of this paragraph, amounts owed to the State of Hawai'i shall not include debts or obligations which have been liquidated by contract with the PROVIDER, and that are covered by an installment payment or other settlement plan approved by the State of Hawai'i, provided, however, that the PROVIDER shall be entitled to such exclusion only to the extent that the PROVIDER is current, and in compliance with, and not delinquent on, any payments, obligations, or duties owed to the State of Hawai'i under such payment or other settlement plan.

5. Indemnification

5.1 Indemnification and Defense. The PROVIDER shall defend, indemnify, and hold harmless the State of Hawai'i, the contracting agency, and their officers, employees, and agents from and against any and all liability, loss, damage, cost, expense, including all attorneys' fees, claims, suits, and demands arising out of or in connection with the acts or omissions of the PROVIDER or the PROVIDER's employees, officers, agents, or subcontractors under this Contract. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Contract.

5.2 Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the PROVIDER in connection with this Contract, the PROVIDER shall pay any cost and expense incurred by or imposed on the STATE, including attorneys' fees.

6. Publicity

6.1 Acknowledgment of State Support. The PROVIDER shall, in all news releases, public statements, announcements, broadcasts, posters, programs, computer postings, and other printed, published, or electronically disseminated materials relating to the PROVIDER's performance under this Contract, acknowledge the support by the State of Hawai‘i and the purchasing agency.

6.2 PROVIDER's Publicity Not Related to Contract. The PROVIDER shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, or to the services or goods, or both provided under this Contract, in any of the PROVIDER's publicity not related to the PROVIDER's performance under this Contract, including but not limited to commercial advertisements, recruiting materials, and solicitations for charitable donations.

7. Miscellaneous Provisions

7.1 Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the PROVIDER, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

7.2 Paragraph Headings. The paragraph headings appearing in this Contract have been inserted for the purpose of convenience and ready reference. They shall not be used to define, limit, or extend the scope or intent of the sections to which they pertain.

7.3 Antitrust Claims. The STATE and the PROVIDER recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the purchaser. Therefore, the PROVIDER hereby assigns to the STATE any and all claims for overcharges as to goods and materials purchased in connection with this Contract, except as to overcharges which result from violations commencing after the price is established under this Contract and which are not passed on to the STATE under an escalation clause.

7.4 Governing Law. The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, shall be governed by the laws of the State of Hawai‘i. Any action at law or in equity to enforce or interpret the provisions of this Contract shall be brought in a state court of competent jurisdiction in Honolulu, Hawai‘i.

7.5 Conflict between General Conditions and Procurement Rules. In the event of a conflict between the General Conditions and the Procurement Rules or a Procurement Directive, the Procurement Rules or any Procurement Directive in effect on the date this Contract became effective shall control and are hereby incorporated by reference.

7.6 Entire Contract. This Contract sets forth all of the contracts, conditions, understandings, promises, warranties, and representations between the STATE and the PROVIDER relative to this Contract. This Contract supersedes all prior agreements, conditions, understandings,

promises, warranties, and representations, which shall have no further force or effect. There are no contracts, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the PROVIDER other than as set forth or as referred to herein.

7.7 Severability. In the event that any provision of this Contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Contract.

7.8 Waiver. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Contract shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE's right to enforce the same in accordance with this Contract. The fact that the STATE specifically refers to one provision of the Procurement Rules or one section of the Hawai'i Revised Statutes, and does not include other provisions or statutory sections in this Contract shall not constitute a waiver or relinquishment of the STATE's rights or the PROVIDER's obligations under the Procurement Rules or statutes.

7.9 Execution in Counterparts. This Contract may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one instrument.

8. Confidentiality of Personal Information

8.1 Definitions.

8.1.1 Personal Information. "Personal Information" means an individual's first name or first initial and last name in combination with any one or more of the following data elements, when either name or data elements are not encrypted:

1) Social Security number;

2) Driver's license number or Hawaii identification card number; or

3) Account number, credit or debit card number, access code, or password that would permit access to an individual's financial information.

Personal information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

8.1.2 Technological Safeguards. "Technological safeguards" means the technology and the policy and procedures for use of the technology to protect and control access to personal information.

8.2 Confidentiality of Material.

8.2.1 Safeguarding of Material. All material given to or made available to the PROVIDER by the STATE by virtue of this Contract which is identified as personal information, shall be safeguarded by the PROVIDER and shall not be disclosed without the prior written approval of the STATE.

8.2.2 Retention, Use, or Disclosure. PROVIDER agrees not to retain, use, or disclose personal information for any purpose other than as permitted or required by this Contract.

8.2.3 Implementation of Technological Safeguards. PROVIDER agrees to implement appropriate "technological safeguards" that are acceptable to the STATE to reduce the risk of unauthorized access to personal information.

8.2.4 Reporting of Security Breaches. PROVIDER shall report to the STATE in a prompt and complete manner any security breaches involving personal information.

8.2.5 Mitigation of Harmful Effect. PROVIDER agrees to mitigate, to the extent practicable, any harmful effect that is known to PROVIDER because of a use or disclosure of personal information by PROVIDER in violation of the requirements of this paragraph.

8.2.6 Log of Disclosures. PROVIDER shall complete and retain a log of all disclosures made of personal information received from the STATE, or personal information created or received by PROVIDER on behalf of the STATE.

8.3 Security Awareness Training and Confidentiality Agreements.

8.3.1 Certification of Completed Training. PROVIDER certifies that all of its employees who will have access to the personal information have completed training on security awareness topics related to protecting personal information.

8.3.2 Certification of Confidentiality Agreements. PROVIDER certifies that confidentiality agreements have been signed by all of its employees who will have access to the personal information acknowledging that:

1) The personal information collected, used, or maintained by the PROVIDER will be treated as confidential;

2) Access to the personal information will be allowed only as necessary to perform the Contract; and

3) Use of the personal information will be restricted to uses consistent with the services subject to this Contract.

8.4 Termination for Cause. In addition to any other remedies provided for by this Contract, if the STATE learns of a material breach by PROVIDER of this paragraph by PROVIDER, the STATE may at its sole discretion:

1) Provide an opportunity for the PROVIDER to cure the breach or end the violation; or

2) Immediately terminate this Contract.

In either instance, the PROVIDER and the STATE shall follow chapter 487N, HRS, with respect to notification of a security breach of personal information.

8.5 Records Retention.

8.5.1 Destruction of Personal Information. Upon any termination of this Contract, PROVIDER shall, pursuant to chapter 487R, HRS, destroy all copies (paper or electronic form) of personal information received from the STATE.

8.5.2 Maintenance of Files, Books, Records. The PROVIDER and any subcontractors shall maintain the files, books, and records, that relate to the Contract, including any personal information created or received by the PROVIDER on behalf of the STATE, and any cost or pricing data, for three (3) years after the date of final payment under the Contract. The personal information shall continue to be confidential and shall not be disclosed without the prior written approval of the STATE. After the three (3) year retention period has ended, the files, books, and records that contain personal information shall be destroyed pursuant to chapter 487R, HRS.

CONTRACT NO. _____

GENERAL CONDITIONS FOR HEALTH & HUMAN SERVICES CONTRACTS
TABLE OF CONTENTS

Page(s)

1. Representations and Conditions Precedent 1

1.1 Contract Subject to the Availability of State and Federal Funds 1

1.1.1 State Funds 1

1.1.2 Federal Funds 1

1.2 Representations of the PROVIDER 1

1.2.1 Compliance with Laws 1

1.2.2 Licensing and Accreditation 1

1.3 Compliance with Laws 1

1.3.1 Smoking Policy 1

1.3.2 Drug Free Workplace 1

1.3.3 Persons with Disabilities 2

1.3.4 Nondiscrimination 2

1.4 Insurance Requirements 2

1.5 Notice to Clients 2

1.6 Reporting Requirements 3

1.7 Conflicts of Interest 3

Documents and Files 3

Confidentiality of Material 3

Proprietary or Confidential Information 3

Uniform Information Practices Act 3

2.2 Ownership Rights and Copyright 3

2.3 Records Retention 3

3. Relationship between Parties 4

3.1 Coordination of Services by the STATE 4

3.2 Subcontracts and Assignments 4

3.3 Change of Name 4

Independent Contractor Status and Responsibilities, Including Tax Responsibilities 4

Independent Contractor 4

Contracts with other individuals and entities 4
PROVIDER's employees and agents 5
PROVIDER's Responsibilites 5
Personnel Requirements 6
Personnel. 6
Requirements 6
4. Modification and Termination of Contract 6
4.1 Modifications of Contract 6
4.1.1 In writing 6
4.1.2 No oral modification 6
4.1.3 Tax clearance 6
4.2 Termination in General 6
4.3 Termination for Necessity or Convenience 7
4.4 Termination by PROVIDER 7
4.5 STATE's Right of Offset 7
Indemnification 7
5.1 Indemnification and Defense 7
5.2 Cost of Litigation 7
6. Publicity 8
6.1 Acknowledgment of State Support 8
6.2 PROVIDER's publicity not related to contract 8
7. Miscellaneous Provisions 8
7.1 Nondiscrimination 8
7.2 Paragraph Headings 8
7.3 Antitrust Claims 8
7.4 Governing Law 8
7.5 Conflict between General Conditions and Procurement Rules 8
7.6 Entire Contract 8
7.7 Severability 9
7.8 Waiver 9

7.9 Execution in Counterparts 9
8. Confidentiality of Personal Information 9
8.1 Definitions 9
8.1.1 Personal Information 9
8.1.2 Technological Safeguards 9
8.2 Confidentiality of Material 10
8.2.1 Safeguarding of Material 10
8.2.2 Retention, Use, or Disclosure 10
8.2.3 Implementation of Technological Safeguards 10
8.2.4 Reporting of Security Breaches 10
8.2.5 Mitigation of Harmful Effect 10
8.2.6 Log of Disclosures 10
8.3 Security Awareness Training and Confidentiality Agreements 10
8.3.1 Certification of Completed Training 10
8.3.2 Certification of Confidentiality Agreements 10
8.4 Termination for Cause 11
8.5 Records Retention 11
8.5.1 Destruction of Personal Information 11
8.5.2 Maintenance of Files, Books, Records 11

APPENDIX G – BUSINESS ASSOCIATE AGREEMENT

The STATE has determined that it is a Covered Entity or a Health Care Component of a Covered Entity under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), as amended, and its implementing regulations at 45 CFR parts 160 and 164 (the HIPAA Rules).

CONTRACTOR will provide to STATE certain services described in the Contract to which this Exhibit A is attached (the Contract), and may have access to Protected Health Information (as defined below) in fulfilling its responsibilities under the Contract. To the extent CONTRACTOR needs to create, receive, maintain or transmit Protected Health Information to perform services under the Contract, it will be acting as a Business Associate[1] of STATE and will be subject to the HIPAA Rules and the terms of this Business Associate Agreement (this Agreement). CONTRACTOR is, therefore, referred to as "BUSINESS ASSOCIATE" in this Agreement.

In consideration of STATE's and BUSINESS ASSOCIATE's continuing obligations under the Contract, and the mutual agreements below, the parties agree as follows:

1. DEFINITIONS.

Except for terms otherwise defined herein, and unless the context indicates otherwise, any other capitalized terms used in this Agreement and the terms "person," "use," and "disclosure" are defined by the HIPAA Rules. A change to the HIPAA Rules that modifies any defined term, or which alters the regulatory citation for the definition, shall be deemed incorporated into this Agreement.

Breach[2] means the acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule or as provided for by this Agreement, which compromises the security or privacy of the PHI.

An acquisition, access, use, or disclosure of PHI in a manner not permitted by the Privacy Rule is presumed to be a breach unless the BUSINESS ASSOCIATE demonstrates to the STATE's satisfaction that there is a low probability that the PHI has been compromised based on a risk assessment that identifies at least the following: (i) the nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification; (ii) the unauthorized person who used the PHI or to whom the disclosure was made; (iii) whether the PHI was actually acquired or viewed; and (iv) the extent to which the risk to the PHI has been mitigated.

---

[1] Business Associate is defined at 45 CFR §160.103

[2] Breach: 45 CFR §164.402.

Breach excludes:

A. Any unintentional acquisition, access or use of PHI by a Workforce member or person acting under the authority of the BUSINESS ASSOCIATE if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under the Privacy Rule.

B. Any inadvertent disclosure by a person who is authorized to access PHI at the BUSINESS ASSOCIATE to another person authorized to access PHI at the same BUSINESS ASSOCIATE, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the Privacy Rule.

C. A disclosure of PHI where the BUSINESS ASSOCIATE has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

Designated Record Set means records, including but not limited to PHI maintained, collected, used, or disseminated by or for the STATE relating to (i) medical and billing records about Individuals maintained by or for a covered Health Care Provider, (ii) enrollment, Payment, claims adjudication, and case or medical management records systems maintained by or for a Health Plan, or (iii) that are used in whole or in part by the STATE to make decisions about Individuals.[3]

Electronic Protected Health Information (EPHI) means PHI that is transmitted by Electronic Media or maintained in Electronic Media.[4]

HIPAA Rules shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Parts 160 and Part 164.

Individual means the person who is the subject of Protected Health Information, and shall include a person who qualifies as a personal representative under 45 CFR §164.502(g) of the HIPAA Rules.[5]

Privacy Rule means the HIPAA Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160, and part 164, subparts A and E.

Protected Health Information (PHI) means any oral, paper or electronic information, data, documentation, and materials, including, but not limited to, demographic, medical, genetic and financial information that is created or received by a Health Care Provider, Health Plan, Employer, or Health Care

---

[3] Designated Record Set: 45 CFR §164.501.
[4] Electronic Protected Health Information: 45 CFR §160.103
[5] Individual: 45 CFR §160.103; 164.502(g)

Clearinghouse, and relates to the past, present, or future physical or mental health or 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 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. For purposes of this Agreement, the term Protected Health Information is limited to the information created, maintained, received, or transmitted by BUSINESS ASSOCIATE on behalf of or from the STATE under the Contract. Protected Health Information includes without limitation EPHI, and excludes education records under 20 U.S.C. §1232(g), employment records held by the STATE as an employer, and records regarding an Individual who has been deceased for more than 50 years.[6]

Security Rule means the HIPAA Security Standards for the Protection of Electronic Protected Health Information at 45 CFR part 160, and part 164, subpart C.

Unsecured Protected Health Information or Unsecured PHI means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of technology or methodology specified by the Secretary under section 13402(h)(2) of Public Law 111-5.[7]

2. BUSINESS ASSOCIATE'S OBLIGATIONS.

BUSINESS ASSOCIATE agrees to:

a. Not use or disclose PHI other than as permitted or required by this Agreement or as Required By Law. In no event may BUSINESS ASSOCIATE use or further disclose PHI in a manner that would violate the Privacy Rule if done by the STATE, except as expressly provided in this Agreement. [8]

b. Implement appropriate safeguards, and comply, where applicable, with the Security Rule to ensure the confidentiality, integrity, and availability of all EPHI the BUSINESS ASSOCIATE creates, receives, maintains, or transmits on behalf of the STATE; protect against any reasonably anticipated threats or hazards to the security or integrity of EPHI; prevent use or disclosure of PHI other than as provided for by this Agreement or as Required by Law; and ensure compliance with the HIPAA Rules by BUSINESS ASSOCIATE's Workforce. [9] These safeguards include, but are not limited to:

(i) Administrative Safeguards. BUSINESS ASSOCIATE shall implement policies and procedures to prevent, detect, contain, and correct security violations, and reasonably preserve and protect the confidentiality, integrity and availability of EPHI, as required by 45 CFR

---

[6] Protected Health Information: 45 CFR §160.103
[7] Unsecured Protected Health Information: 45 CFR §164.402
[8] 45 CFR §§164.502(a)(3), 164.504(e)(2)(ii)(A)
[9] 45 CFR §164.306(a)

§164.308, and enforcing those policies and procedures, including sanctions for anyone not found in compliance;[10]

(ii) Technical and Physical Safeguards. BUSINESS ASSOCIATE shall implement appropriate technical safeguards to protect PHI, including access controls, authentication, and transmission security, as well as implement appropriate physical safeguards to protect PHI, including workstation security and device and media controls;[11] and

(iii) Training. BUSINESS ASSOCIATE shall provide training to relevant Workforce members, including management, on how to prevent the improper access, use or disclosure of PHI; and update and repeat training on a regular basis.[12]

c. In accordance with 45 CFR §164.316, document the required policies and procedures and keep them current, and shall cooperate in good faith in response to any reasonable requests from STATE to discuss, review, inspect, and/or audit BUSINESS ASSOCIATE's safeguards. BUSINESS ASSOCIATE shall retain the documentation required for six (6) years from the date of its creation or the date when it last was in effect, whichever is later.[13]

d. Ensure that any subcontractor of BUSINESS ASSOCIATE that creates, receives, maintains, or transmits PHI on behalf of BUSINESS ASSOCIATE agrees in writing to the same restrictions, conditions and requirements that apply to BUSINESS ASSOCIATE through this Agreement with respect to such PHI.[14]

e. Notify the STATE following discovery of any use or disclosure of PHI not permitted by this Agreement of which it becomes aware, or any Breach of Unsecured PHI.[15]

(i) BUSINESS ASSOCIATE shall immediately notify the STATE verbally.

(ii) BUSINESS ASSOCIATE shall subsequently notify the STATE in writing, without unreasonable delay, and in no case later than two (2) business days following discovery of the impermissible use or disclosure of PHI, or Breach of Unsecured PHI.

(iii) A Breach of Unsecured PHI shall be treated as discovered by the BUSINESS ASSOCIATE as of the first day on which such breach is known to the BUSINESS ASSOCIATE or, by exercising reasonable diligence, would have been known to the BUSINESS ASSOCIATE. BUSINESS ASSOCIATE shall be deemed to have knowledge of a

---

[10] 45 CFR §164.308
[11] 45 CFR §§ 164.310, 164.312
[12] 45 CFR §164.308(a)(5)
[13] 45 CFR §§164.306 – 164.316; 164.504(e)(2)(ii)(B)
[14] 45 CFR §§164.308(b), 164.314(a)(2), 164.502(e), 164.504(e)(2)(ii)(D)
[15] 45 CFR §§164.314(a)(2), 164.410(a), 164.504(e)(2)(ii)(C)

Breach if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of the BUSINESS ASSOCIATE.[16]

f. Take prompt corrective action to mitigate, to the extent practicable, any harmful effect that is known to BUSINESS ASSOCIATE of a Security Incident or a misuse or unauthorized disclosure of PHI by BUSINESS ASSOCIATE in violation of this Agreement, and any other action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations. BUSINESS ASSOCIATE shall reasonably cooperate with the STATE's efforts to seek appropriate injunctive relief or otherwise prevent or curtail potential or actual Breaches, or to recover its PHI, including complying with a reasonable corrective action plan.[17]

g. Investigate such Breach and provide a written report of the investigation and resultant mitigation to STATE within thirty (30) calendar days of the discovery of the Breach.

h. Provide the following information with respect to a Breach of Unsecured PHI, to the extent possible, as the information becomes available, to the STATE's DHS Information Security / HIPAA Compliance Manager:

(i) The identification of each Individual whose Unsecured PHI has been, or is reasonably believed by BUSINESS ASSOCIATE to have been accessed, acquired, used, or disclosed during the breach; and

(ii) Any other available information that the STATE is required to include in notification to the Individual under the HIPAA Rules, including, but not limited to the following:[18]

A. Contact information for Individuals who were or who may have been impacted by the HIPAA Breach (e.g., first and last name, mailing address, street address, phone number, and email address);

B. A brief description of the circumstances of the Breach, including the date of the Breach and date of discovery, if known;

C. A description of the types of Unsecured PHI involved in the Breach (such as whether the full name, social security number, date of birth, address, account number, diagnosis, diagnostic, disability and/or billing codes, or similar information was involved);

D. A brief description of what the BUSINESS ASSOCIATE has done or is doing to investigate the Breach, mitigate harm to the

[16] 45 CFR §164.410(a)(2)
[17] 45 CFR §§164.308(a)(6); 164.530(f)
[18] 45 CFR §§164.404(c)(1), 164.408, 164.410(c)(1) and (2)

Individual(s) impacted by the Breach, and protect against future Breaches; and

E. Contact information for BUSINESS ASSOCIATE's liaison responsible for investigating the Breach and communicating information relating to the Breach to the STATE.

i. Promptly report to STATE any Security Incident of which BUSINESS ASSOCIATE becomes aware with respect to EPHI that is in the custody of BUSINESS ASSOCIATE, including breaches of Unsecured PHI as required by §164.410, by contacting the DHS Information Security / HIPAA Compliance manager.[19]

j. Implement reasonable and appropriate measures to ensure compliance with the requirements of this Agreement by Workforce members who assist in the performance of functions or activities on behalf of the STATE under this Agreement and use or disclose PHI, and discipline such Workforce members who intentionally violate any provisions of these special conditions, which may include termination of employment.[20]

k. Make its internal policies, procedures, books and records relating to the use and disclosure of PHI received from, or created or received by BUSINESS ASSOCIATE on behalf of, the STATE available to the Secretary or to STATE if necessary or required to assess BUSINESS ASSOCIATE's or the STATE's compliance with the HIPAA Rules. BUSINESS ASSOCIATE shall promptly notify STATE of communications with the U.S. Department of Health and Human Services (HHS) regarding PHI provided by or created by STATE and shall provide STATE with copies of any information BUSINESS ASSOCIATE has made available to HHS under this paragraph.[21]

l. Upon notice from STATE, accommodate any restriction to the use or disclosure of PHI and any request for confidential communications to which STATE has agreed in accordance with the Privacy Rule.[22]

m. Make available PHI held by BUSINESS ASSOCIATE, which the STATE has determined to be part of its Designated Record Set, to the STATE as necessary to satisfy the STATE's obligations to provide an Individual with access to PHI under 45 CFR §164.524, in the time and manner designated by the STATE.[23]

n. Make available PHI held by BUSINESS ASSOCIATE, which the STATE has determined to be part of its Designated Record Set, for amendment and incorporate any amendments to PHI that the STATE directs or agrees to in

---

[19] 45 CFR §§164.314(a)(2), 164,410
[20] 45 CFR §§164.308(a), 164.530(b) and (e)
[21] 45 CFR §504(e)(2)(ii)(I)
[22] 45 CFR §164.522
[23] 45 CFR §§164.504(e)(2)(ii)(E), 164.524

accordance with 45 CFR §164.526, upon request of the STATE or an Individual.

o. Document disclosures of PHI made by BUSINESS ASSOCIATE, which are required to be accounted for under 45 CFR §164.528(a)(1), and make this information available as necessary to satisfy the STATE's obligation to provide an accounting of disclosures to an Individual within two (2) business days notice by the STATE of a request by an Individual of a request for an accounting of disclosures of PHI. If an Individual directly requests an accounting of disclosures of PHI from BUSINESS ASSOCIATE, BUSINESS ASSOCIATE shall notify STATE of the request within two (2) business days, and STATE shall either direct BUSINESS associate to provide the information directly to the Individual, or it shall direct that the information required for the accounting be forwarded to STATE for compilation and distribution to the Individual.[24]

p. Comply with any other requirements of the HIPAA Rules not expressly specified in this Agreement, as and to the extent that such requirements apply to Business Associates under the HIPAA Rules, as the same may be amended from time to time.

3. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE.

BUSINESS ASSOCIATE may, except as otherwise limited in this Agreement:

a. General Use and Disclosure. Create, receive, maintain or transmit PHI only for the purposes listed in the Contract and this Agreement, provided that the use or disclosure would not violate the HIPAA Rules if done by the STATE or violate the Minimum Necessary requirements applicable to the STATE.[25]

b. Limited Use of PHI for BUSINESS ASSOCIATE's Benefit. Use PHI received by the BUSINESS ASSOCIATE in its capacity as the STATE's BUSINESS ASSOCIATE, if necessary, for the proper management and administration of the BUSINESS ASSOCIATE or to carry out the legal responsibilities of the BUSINESS ASSOCIATE. BUSINESS ASSOCIATE's proper management and administration does not include the use or disclosure of PHI by BUSINESS ASSOCIATE for marketing purposes or for sale of PHI. [26]

c. Limited Disclosure of PHI for BUSINESS ASSOCIATE's Benefit. Disclose PHI for BUSINESS ASSOCIATE's proper management and administration or to carry out its legal responsibilities only if the disclosure is Required By Law, or BUSINESS ASSOCIATE obtains reasonable assurances from the person to whom PHI is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies BUSINESS ASSOCIATE of

---

[24] 45 CFR §§164.504(e)(2)(ii)(G) and (H), 164.528; HAR ch. 2-71, subch. 2.
[25] 45 CFR §§164.502(a) & (b), 154.504(e)(2)(i)
[26] 45 CFR §§164.502(a)(5)(ii), 164.504(e)(2)(i)(A), 164.504(e)(4)(i), 164.508(a)(3) and (a)(4)

any instances of which it is aware in which the confidentiality of PHI has been breached. [27]

d. Minimum Necessary. BUSINESS ASSOCIATE shall only request, use, and disclose the minimum amount of PHI necessary to accomplish the purpose of the request, use, or disclosure.[28]

e. Data Aggregation. Use PHI to provide Data Aggregation services relating to the STATE's Health Care Operations as permitted by 45 CFR §164.504(e)(2)(i)(B).

f. Disclosures by Whistleblowers. Use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR §164.502(j)(1).

4. STATE'S OBLIGATIONS.

a. STATE shall not request BUSINESS ASSOCIATE to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by STATE.

b. STATE shall not provide BUSINESS ASSOCIATE with more PHI than is minimally necessary for BUSINESS ASSOCIATE to provide the services under the Contract and STATE shall provide any PHI needed by BUSINESS ASSOCIATE to perform under the Contract only in accordance with the HIPAA Rules.

5. TERM AND TERMINATION.

a. This Agreement shall be effective as of the date of the Contract or Contract amendment to which this Agreement is attached, and shall terminate on the date the STATE terminates this Agreement or when all PHI is destroyed or returned to the STATE.

b. In addition to any other remedies provided for by this Agreement or the Contract, upon the STATE's knowledge of a material Breach by BUSINESS ASSOCIATE of this Agreement, the BUSINESS ASSOCIATE authorizes the STATE to do any one or more of the following, upon written notice to BUSINESS ASSOCIATE describing the violation and the action it intends to take:

(i) Exercise any of its rights to reports, access and inspection under this Agreement or the Contract;

---

[27] 45 CFR §164.504(e)(4)(ii)
[28] 45 CFR §164.502(b)

(ii) Require BUSINESS ASSOCIATE to submit a plan of monitoring and reporting, as STATE may determine necessary to maintain compliance with this Agreement;

(iii) Provide BUSINESS ASSOCIATE with a reasonable period of time to cure the Breach, given the nature and impact of the Breach; or

(iv) Immediately terminate this Agreement if BUSINESS ASSOCIATE has breached a material term of this Agreement and sufficient mitigation is not possible.[29]

c. Effect of Termination.[30]

(i) Upon any termination of this Agreement, until notified otherwise by the STATE, BUSINESS ASSOCIATE shall extend all protections, limitations, requirements and other provisions of this Agreement to all PHI received from or on behalf of STATE or created or received by BUSINESS ASSOCIATE on behalf of the State, and all EPHI created, received, maintained or transmitted by BUSINESS ASSOCIATE on behalf of the STATE.

(ii) Except as otherwise provided in subsection 5(c)(iii) below, upon termination of this Agreement for any reason, BUSINESS ASSOCIATE shall, at the STATE's option, return or destroy all PHI received from the STATE, or created or received by the BUSINESS ASSOCIATE on behalf of, the STATE that the BUSINESS ASSOCIATE still maintains in any form, and BUSINESS ASSOCIATE shall retain no copies of the information. This provision shall also apply to PHI that is in the possession of subcontractors or agents of BUSINESS ASSOCIATE. BUSINESS ASSOCIATE shall notify the STATE in writing of any and all conditions that make return or destruction of such information not feasible and shall provide STATE with any requested information related to the STATE's determination as to whether the return or destruction of such information is feasible.

(iii) If the STATE determines that returning or destroying any or all PHI is not feasible or opts not to require the return or destruction of such information, the protections of this Agreement shall continue to apply to such PHI, and BUSINESS ASSOCIATE shall limit further uses and disclosures of PHI to those purposes that make the return or destruction infeasible, for so long as BUSINESS ASSOCIATE maintains such PHI. STATE hereby acknowledges and agrees that infeasibility includes BUSINESS ASSOCIATE's need to retain PHI for purposes of complying with its work product documentation standards.

---

[29] 45 CFR §164.504(e)(2)(iii)
[30] 45 CFR §164.504(e)(2)(ii)(J)

6. MISCELLANEOUS.

a. Amendment. BUSINESS ASSOCIATE and the STATE agree to take such action as is necessary to amend this Agreement from time to time for compliance with the requirements of the HIPAA Rules and any other applicable law.

b. Interpretation. In the event that any terms of this Agreement are inconsistent with the terms of the Contract, then the terms of this Agreement shall control. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Rules, as amended, the HIPAA Rules shall control. Where provisions of this Agreement are different than those mandated in the HIPAA Rules, but are nonetheless permitted by the HIPAA Rules, the provisions of this Agreement shall control. Any ambiguity in this Agreement shall be resolved to permit STATE to comply with the HIPAA Rules. Notwithstanding the foregoing, nothing in this Agreement shall be interpreted to supercede any federal or State law or regulation related to confidentiality of health information that is More Stringent than the HIPAA Rules.

c. Indemnification. BUSINESS ASSOCIATE shall defend, indemnify, and hold harmless the STATE and STATE's officers, employees, agents, contractors and subcontractors to the extent required under the Contract for incidents that are caused by or arise out of a Breach or failure to comply with any provision of this Agreement or the HIPAA Rules by BUSINESS ASSOCIATE or any of BUSINESS ASSOCIATE's officers, employees, agents, contractors or subcontractors.

d. Costs Related to Breach. BUSINESS ASSOCIATE shall be responsible for any and all costs incurred by the STATE as a result of any Breach of PHI by BUSINESS ASSOCIATE, its officers, directors, employees, contractors or agents, or by a third party to which BUSINESS ASSOCIATE disclosed PHI under this Agreement, including but not limited to notification of individuals or their representatives of a Breach of Unsecured PHI,[31] and the cost of mitigating any harmful effect of the Breach.[32]

e. Response to Subpoenas. In the event BUSINESS ASSOCIATE receives a subpoena or similar notice or request from any judicial, administrative or other party which would require the production of PHI received from, or created for, the STATE, BUSINESS ASSOCIATE shall promptly forward a copy of such subpoena, notice or request to the STATE to afford the STATE the opportunity to timely respond to the demand for its PHI as the STATE determines appropriate according to its state and federal obligations.

f. Survival. The respective rights and obligations of STATE and BUSINESS ASSOCIATE under sections 5.c, Term and Termination, 6.c., Indemnification,

---

[31] 45 CFR Part 164, Subpart D

[32] 45 CFR §164.530(f)

and 6.d, Costs Related to Breach, shall survive the termination of this Agreement.

g. Notices. Whenever written notice is required by one party to the other under this Agreement, it should be mailed, faxed and/or e-mailed to the appropriate address noted below. If notice is sent by e-mail, then a confirming written notice should be sent by mail and/or fax within two (2) business days after the date of the e-mail. The sender of any written notice required under this Agreement is responsible for confirming receipt by the recipient.

STATE:	**BUSINESS ASSOCIATE:**
DHS Information Security / HIPAA Compliance Manager	_____
P.O. Box 700190	_____
Kapolei, Hawaii 96709-0190	_____
Fax: (808) 692-8173	Fax: (_____) _____
Email: LYong@dhs.hawaii.gov	Email: _____

APPENDIX H – BUSINESS PROPOSAL

I, (Name of Official authorized to commit Firm, copy attached) hereby enter the official proposal prices indicated below on behalf of (Name of Firm entering proposal), and warrant that all terms and conditions of the RFP for the Care Coordination/Case Management Services for the State of Hawaii Organ and Tissue Transplant Program are met.

Potential Transplant Volume	Monthly Administrative Fee
0-60	
61-80	
81-100	

Claims Processed per month	Claims Processing Fee
HCFA-1500/1835 claims or 4216 claim lines	
UB-92/311 claims or 4981 claim lines	
Pharmacy/57 claims or 146 claim lines	
Others/475 claims or 786 claim lines	

All fees listed shall be inclusive of all fees and taxes

BUDGET

(Period _____ to _____)

Applicant/Provider: _____

RFP No.: _____

Contract No. (As Applicable): _____

BUDGET CATEGORIES	Budget Request (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Airfare, Out-of-State				
3. Audit Services				
4. Contractual Services - Administrative				
5. Contractual Services - Subcontracts				
6. Insurance				
7. Lease/Rental of Equipment				
8. Lease/Rental of Motor Vehicle				
9. Lease/Rental of Space				
10. Mileage				
11. Postage, Freight & Delivery				
12. Publication & Printing				
13. Repair & Maintenance				
14. Staff Training				
15. Substance/Per Diem				
16. Supplies				
17. Telecommunication				
18. Transportation				
19. Utilities				
20				
21.				
22.				
23.				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
TOTAL (A+B+C+D)				

SOURCES OF FUNDING		
(a) Budget Request		Budget Prepared By:
(b)		Name (Please type or print) Phone
(c)		Signature of Authorized Official Date
(d)		Name and Title (Please type or print)
TOTAL REVENUE		For State Agency Use Only Signature of Reviewer Date

Form SPO-H-205 (Effective10/01/98)

ORGANIZATION - WIDE BUDGET BY SOURCE OF FUNDS

(Period _____ to _____)

Applicant/Provider: _____

RFP No.: _____

Contract No. (As Applicable): _____

BUDGET CATEGORIES	Total Funds (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Airfare, Out-of-State				
3. Audit Services				
4. Contractual Services - Administrative				
5. Contractual Services - Subcontracts				
6. Insurance				
7. Lease/Rental of Equipment				
8. Lease/Rental of Motor Vehicle				
9. Lease/Rental of Space				
10. Mileage				
11. Postage, Freight & Delivery				
12. Publication & Printing				
13. Repair & Maintenance				
14. Staff Training				
15. Substance/Per Diem				
16. Supplies				
17. Telecommunication				
18. Transportation				
19. Utilities				
20				
21.				
22.				
23.				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
TOTAL (A+B+C+D)				

SOURCES OF FUNDING		Budget Prepared By:
(a) Total Funds		Name (Please type or print) Phone
(b)		
(c)		Signature of Authorized Official Date
(d)		Name and Title (Please type or print)
TOTAL REVENUE		For State Agency Use Only
		Signature of Reviewer Date

Form SPO-H-205A (Effective 10/01/98)

ORGANIZATION - WIDE BUDGET BY PROGRAMS

(Period _____ to _____)

Applicant/Provider _____

RFP No. : _____

Contract No. (As Applicable): _____

BUDGET CATEGORIES	(a) Contract/RFP#: Program:	(b) Contract/RFP#: Program:	(c) Contract/RFP#: Program:	(d) Contract/RFP#: Program:
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Airfare, Out-of-State				
3. Audit Services				
4. Contractual Services - Administrative				
5. Contractual Services - Subcontracts				
6. Insurance				
7. Lease/Rental of Equipment				
8. Lease/Rental of Motor Vehicle				
9. Lease/Rental of Space				
10. Mileage				
11. Postage, Freight & Delivery				
12. Publication & Printing				
13. Repair & Maintenance				
14. Staff Training				
15. Substance/Per Diem				
16. Supplies				
17. Telecommunication				
18. Transportation				
19. Utilities				
20				
21.				
22.				
23.				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
TOTAL (A+B+C+D)				
SOURCES OF FUNDING				
(a) Budget Request				
(b)				
(c)				
(d)				
TOTAL REVENUE				

For State Agency Use Only	Budget Prepared By:
Signature of Reviewer Date	Name (Please type or print) Phone Signature of Authorized Official Date

Form SPO-H-205B (Effective 10/01/98)

BUDGET JUSTIFICATION
PERSONNEL - SALARIES AND WAGES

Applicant/Provider: _____
RFP No.: _____ Period: _____ to _____ Date Prepared: _____
Contract No. (As Applicable): _____

POSITION NO.	POSITION TITLE	FULL TIME EQUIVALENT TO ORGANIZATION	ANNUAL SALARY INCLUDING BUDGETED SALARY INCREASE A	% OF TIME BUDGETED TO THE CONTRACT B	TOTAL SALARY BUDGETED TO THE CONTRACT A x B
TOTAL:					

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION
PERSONNEL - SALARIES AND WAGES

BUDGET JUSTIFICATION
PERSONNEL: PAYROLL TAXES, ASSESSMENTS, AND FRINGE BENEFITS

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No.: _____
(As Applicable)

TYPE	BASIS OF ASSESSMENTS OR FRINGE BENEFITS	% OF SALARY	TOTAL
PAYROLL TAXES & ASSESSMENTS:			
Social Security	As required by law	As required by law	
Unemployment Insurance (Federal)	As required by law	As required by law	
Unemployment Insurance (State)	As required by law	As required by law	
Worker's Compensation	As required by law	As required by law	
Temporary Disability Insurance	As required by law	As required by law	
SUBTOTAL:			
FRINGE BENEFITS:			
Health Insurance			
Retirement			
SUBTOTAL:			
TOTAL:			

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION
TRAVEL - INTER-ISLAND

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No. _____
(As Applicable)

NAME OF EMPLOYEE & TITLE	DESTINATION	NO. DAYS	PER DIEM OR SUBSISTENCE A	AIR FARE B	TRANSPORTATION C	TOTAL A+B+C
TOTAL:						

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION
TRAVEL - OUT OF STATE

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No. _____
(As Applicable)

NAME OF EMPLOYEE & TITLE	DESTINATION	NO. DAYS	PER DIEM OR SUBSISTENCE A	AIR FARE B	TRANSPORTATION C	TOTAL A+B+C
TOTAL:						

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION
CONTRACTUAL SERVICES - ADMINISTRATIVE

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No. _____
(As Applicable)

NAME OF BUSINESS OR INDIVIDUAL	TOTAL BUDGETED	SERVICES PROVIDED	JUSTIFICATION/COMMENTS
TOTAL:			

Form SPO-H-206E (Effective 10/01/98)

BUDGET JUSTIFICATION
CONTRACTUAL SERVICES - SUBCONTRACTS

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No. _____
(As Applicable)

NAME OF BUSINESS OR INDIVIDUAL	TOTAL BUDGETED	SERVICES PROVIDED	JUSTIFICATION/COMMENTS
TOTAL:			

Form SPO-H-206F (Effective 10/01/98)

BUDGET JUSTIFICATION
DEPRECIATION

Applicant/Provider: _____

RFP No.: _____

Contract No. (As Applicable): _____ Period: _____ to _____ Date Prepared: _____

ITEM PLEASE IDENTIFY EACH ASSET. DO NOT GROUP BY ASSET TITLE.	ACQUISITION DATE	ACQUISITION COST	USEFUL LIFE	METHOD OF DEPRECIATION	PREVIOUS DEPRECIATION TAKEN	DEPRECIATION EXPENSE	% ALLOCATED	DEPRECIATION ALLOCATED
Total:								

JUSTIFICATION/COMMENTS:

Form SPO-H-206G (Effective 10/01/98)

BUDGET JUSTIFICATION
PROGRAM ACTIVITIES

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No. : _____
(As Applicable)

DESCRIPTION	AMOUNT	JUSTIFICATION/COMMENTS
Total:		

Form SPO-H-206H (Effective 10/01/98)

BUDGET JUSTIFICATION
EQUIPMENT PURCHASES

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No.: _____
(As Applicable)

DESCRIPTION OF EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION
MOTOR VEHICLE

Applicant/Provider: _____

RFP No.: _____ Period: _____ to _____ Date Prepared: _____

Contract No.: _____
(As Applicable)

DESCRIPTION OF MOTOR VEHICLE	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED

JUSTIFICATION/COMMENTS: