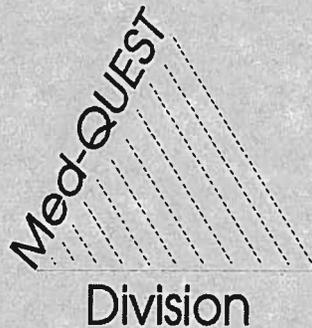




STATE OF HAWAII
Department of Human Services
Med-QUEST Division
Policy and Program Development Office

REQUEST FOR PROPOSAL

RFP-MQD-2012-004
Educational and Outreach Services



Med-QUEST Division
Issued August 5, 2011

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
MED-QUEST DIVISION
KAPOLEI, HAWAII

Legal Ad Date: August 5, 2011

REQUEST FOR PROPOSALS

No. RFP-MQD-2012-004

Competitive Sealed Proposals:

To Provide Educational and Outreach Services

**will be received up to 2:00 p.m. Hawaii Standard Time (H.S.T.)
on September 6, 2011
in the Department of Human Services
Med-QUEST Division
1001 Kamokila Boulevard, Room 317
Kapolei, Hawaii 96707**

Note: If this RFP was downloaded from the State Procurement Office RFP Website each applicant must provide contact information to the RFP contact person for this RFP to be notified of any changes. For your convenience, you may download the RFP Interest form, complete and e-mail or mail to the RFP contact person. The State shall not be responsible for any missing addenda, attachments or other information regarding the RFP if a proposal is submitted from an incomplete RFP.

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SECTION 10 ADMINISTRATIVE OVERVIEW

10.100 Purpose of the Request for Proposal

As a part of welfare reform, Congress repealed the Aid to Families with Dependent Children (AFDC) program and replaced it with a time limited welfare program entitled Temporary Assistance to Needy Families (TANF). When TANF was created under section 1931, the cash assistance program was "delinked" from Medicaid.

For many years, the cash program was the vehicle for obtaining medical coverage for many families. As the number of TANF cases declined nationwide, Congress became concerned that many low-income families were losing medical coverage as they transitioned from welfare to self-sufficiency. To assist the states in addressing this challenge, Congress established a \$500 million 1931 fund to help states improve Medicaid program enrollment and eligibility determination processes as they relate to the "delinking" of financial assistance and medical assistance.

For a variety of reasons, even though the TANF rolls have decreased, Hawaii has not experienced a corollary significant drop in the Medicaid coverage (QUEST) program. The state continues to provide medical coverage for TANF recipients and has implemented procedures and system modifications to enable families to retain medical coverage even as TANF benefits have been terminated. Still, the state seeks to fully utilize the available 1931 delinking funding opportunity and is seeking qualified organizations to provide educational, outreach and local community activities targeting families with dependent children who are potentially or currently eligible for medical coverage.

The purpose of this Request for Proposal (RFP), is to solicit proposals for a qualified Contractor to:

- Identify persons who are not eligible for or not interested in applying for TANF, but eligible for medical coverage under the section 1931 eligibility category.
- Educate families that Medicaid eligibility is not tied to the receipt of TANF.

- Educate families losing TANF benefits that they may qualify for transitional medical coverage.
- Assist potentially eligible individuals with applying for medical assistance.

The organizations responding to this RFP must be able to provide the required services on a statewide basis. Proposals limited to a specific island or county will not be accepted.

The successful Offeror shall be responsible for all costs of providing the required services as described in this RFP. These include but are not limited to all staffing, office space, office equipment, travel expenses, computer hardware and software procedures required to perform the services described herein.

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 and in the documentation library to serve the best interest of the State. If significant amendments are made to the RFP, the State will consider allowing Offerors additional 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 provisions of the Hawaii Revised Statutes (HRS), Chapter 103F and its administrative rules. All prospective Offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any Offerors 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. 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 Contracting Office

This RFP is issued by the State of Hawaii, Department of Human Services. The Contracting Office is responsible for overseeing the contract resulting from this RFP. The Contracting Office is:

Ms. Kookie Moon-Ng, Policy and Program Development Office
DHS/Med-QUEST Division
601 Kamokila Boulevard, Room 518
Kapolei, HI 96707
Telephone: (808) 692-8134
Fax: (808) 692-8173

10.400 Use of Subcontractors

In the event of a proposal submitted jointly by more than one organization, one organization shall be designated as the primary Offeror and shall have responsibility for not less than forty percent (40%) of the work to be performed. 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 that the Subcontractor(s) will provide health services that meet the criteria of this RFP. Subcontractors must be responsive and responsible to meet the expectations of the Primary Offeror and MQD.

10.500 Organization of the RFP

This RFP is composed of eight 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 educational and outreach services.

- Section 30 – Background – Describes the current medical assistance programs.
- Section 40 – Scope of Services- Provides information on the educational and outreach 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 – Defines the evaluation criteria and explains 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. Contract start dates may be subject to the issuance of a notice to proceed. The proposed schedule is as follows:

Issue RFP	August 5, 2011
Orientation	August 12, 2011
Submission of written questions	August 17, 2011
Written responses to questions	August 19, 2011
Notice of Intent to Propose	August 22, 2011
Receipt of proposals	September 6, 2011
Contract Award	September 19, 2011
Implementation	October 1, 2011

20.200 Orientation Conference

An orientation for offerors in reference to this RFP will be held on the date specified in Section 20.100 at 1:00 p.m. (H.S.T.) at the Med-QUEST Office, Kakuhihewa Building at 601 Kamokila Boulevard, #577A, Kapolei, Hawaii.

Offerors are encouraged to submit written questions prior to the orientation conference. Impromptu questions will be permitted at the orientation and spontaneous answers provided at the state purchasing agency's discretion. However, responses provided at the orientation conference are only intended as general direction and may not represent the state purchasing agency's position. Formal official 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, Submission of Written Questions.

20.300 Written Questions

Offerors may submit questions in writing and/or on diskette in Word 2003 format, or lower to the following address:

Ms. Kookie Moon-Ng, PPDO Administrator
c/o Dona Jean Watanabe
Department of Human Services
Med-QUEST Division
1001 Kamokila Boulevard, Suite 317
Kapolei, Hawaii 96707
Fax: (808) 692-7989
email: dwatanabe@medicaid.dhs.state.hi.us

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

20.400 Notice of Intent

Potential Offerors shall submit a Notice of Intent to Propose to the Issuing Officer no later than the date set forth in Section 20.100 at 2:00 p.m. (HST). Submission of a Notice of Intent to Propose is not a prerequisite for the submission of a proposal, but it is necessary that the Issuing Officer 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. Kookie Moon-Ng, PPDO Administrator
c/o Dona Jean Watanabe
Department of Human Services
Med-QUEST Division
1001 Kamokila Boulevard, Suite 317
Kapolei, Hawaii 96707
Fax: (808) 692-7989
Cc: dwatanabe@medicaid.dhs.state.hi.us

20.500 Tax Clearance

Pursuant to HRS Section 103-53, as a prerequisite to entering into contracts of \$25,000 or more, providers shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate. Tax clearance applications may be obtained from the Department of Taxation website at <http://hawaii.gov/tax/> (click on "forms").

Offeror is also required to submit an original current tax clearance certificate for final payment on the contact.

20.600 Certificate of Good Standing

All providers shall comply with all laws governing entities doing business in the State. Prior to contracting, owners of all forms of business doing business in the state except sole proprietorships, charitable organizations unincorporated associations and foreign insurance companies be registered and in good standing with the Department of Commerce and Consumer Affairs (DCCA), Business Registration Division. Foreign insurance companies must register with DCCA, Insurance Division. More information is on the DCCA website at <http://hawaii.gov/dcca> click on "Business Registration".

20.610 Hawaii Compliance Express (HCE)

Providers may register with HCE for online proof of DOTAX and IRS tax clearance Department of Labor and Industrial Relations (DLIR) labor law compliance, and DCCA good standing compliance. There is a nominal annual fee for the service. The "Certificate of Vendor Compliance" issued online through HCE provides the registered provider's current compliance status as of the issuance date, and is accepted for both contracting and final payment purposes. See website: <https://vendors.ehawaii.gov/hce/splash/welcome.html>

20.700 Documentation

Offerors may review information describing Hawaii's Medicaid programs (QUEST, QExA, or fee-for-service (FFS) by visiting the DHS MQD website: <http://www.med-QUEST.us>.

All possible efforts shall be made to ensure that the information contained in the website is complete and current. However, DHS does not warrant that the information in the website is indeed 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 Discussion with Applicants

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 §3-143-403, Hawaii Administrative Rules.

- 20.830 *RFP Amendments*
DHS reserves the right to amend the RFP any time prior to the closing date for the final revised proposal.
- 20.840 *Costs of Preparing Proposal*
Any costs incurred by the Offerors 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 an 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 HAR Sections 3-142-202 and 3-142-203.
- 20.860 *Disposition of Proposals*
All proposals become the property of the State of Hawaii. The successful proposal shall be incorporated into the resulting contract and shall be public record. 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. Written requests for an explanation of rejection shall be responded to in writing within five (5) working days of receipt.
- Offerors who submit technical proposals which do not meet mandatory requirements or which do not meet all the threshold requirements during the technical evaluation phase, shall have their technical and business proposals returned. The business proposal shall be returned unopened.
- 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 deadline for receipt of proposals 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 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.

20.880 *Independent Price Determination*

State law requires that a bid shall not be considered for award if the price in the bid was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to such prices with any other Offeror or with any competitor.

An Offeror shall include a certified statement in the proposal certifying that the bid was arrived at without any conflict of interest, as described above. Should a conflict of interest be detected at any time during the term of the contract, the contract shall be null and void and the Offeror shall assume all costs of this project until such time that a new Offeror is selected.

20.900 **Confidentiality of Information**

If an applicant believes any portion of a proposal contains information that should be withheld as confidential, the applicant shall request in writing nondisclosure of designated confidentiality. 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 will maintain the confidentiality of the information to the extent allowed by law.

Note that price is not considered confidential and will not be withheld. Blanket labeling of the entire document as "proprietary", however, will result in none of the document being considered proprietary.

20.910 *Confidentiality of Personal Information*

Act 10 relating to personal information was enacted in the 2008 special legislative session. As a result, the Attorney General's General Conditions of Form AG Form 103F, *Confidentiality of Personal Information*, has been amended to include Section 8 regarding protection of the use and disclosure of personal information administered by the agencies and given to third parties.

21.100 Acceptance of Proposals

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

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

Where 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 a contract.

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

Proposals shall be submitted in two parts: technical and business proposals. The format and content of each are specified in Sections 60 and 70 respectively.

The technical proposal shall be submitted in a separate envelope or box from the business proposal. Submission of the technical proposal shall include three (3) bound copies, of which one is the original, and one (1) electronic version on a CD in either pdf or Word 2010 or lower of the technical proposal; and in a separate envelope or box, submission of the business proposal shall include one (1) bound original and one (1) electronic version on a CD. Both sets shall be received no later than 2:00 p.m. (H.S.T.) on the date set forth in Section 20.100.

Proposals shall be mailed or delivered to:

Ms. Kookie Moon-Ng, PPDO Administrator
c/o Dona Jean Watanabe
Department of Human Services
Med-QUEST Division
1001 Kamokila Boulevard, Suite 317
Kapolei, Hawaii 96707-2005

All mail-in proposals must be postmarked by the United States Postal Service (USPS) no later than the submittal deadline and received by the DHS within ten (10) days from the submittal deadline. All hand deliveries shall be received by DHS by the date specified in Section 20.100. Deliveries by private mail services, such as FedEx, shall be considered hand deliveries and shall be rejected if received after the submittal deadline. Dated USPS shipping labels are not considered postmarks. Proposals shall be rejected when:

- Postmarked after the designated date; or
- Postmarked by the designated date but not received within 10 days from the submittal deadline; or
- If hand delivered, received after the designated date and time.

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

Hawaii DHS/RFP-MQD-2012-004
Educational and Outreach Services
Technical Proposal
(Name of Offeror)

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

Hawaii DHS/RFP-MQD-2012-004
Educational and Outreach Services
Business Proposal
(Name of Offeror)

21.300 Disqualification of Offerors

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

- Proof of collusion among Offerors, in which case all bids involved in the collusive action shall be rejected and any participant to 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's lack of provider network and/or sufficient experience to perform the work contemplated, if required.
- An Offeror's lack of a proper license to cover the type of work contemplated, if required to perform the required services.
- An Offeror shows any noncompliance with applicable laws.
- An Offeror's delivery of proposal after the proposal due date.
- 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.

21.400 Irregular Proposals

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

- If either the transmittal letter is unsigned by an Offeror or does not include notarized evidence of authority of the officer submitting the proposal to submit such proposal.
- If 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.
- If an Offeror adds any provisions reserving the right to accept or reject an award, or enters 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 problems involved and comply with the service specifications. 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 (§ 3-141-201, HAR)
- (2) Rejection for inadequate accounting system (§3-141-202, HAR)
- (3) Late proposals (§3-143-603, HAR)
- (4) Inadequate response to request for proposals (§3-143-609, HAR)
- (5) Proposal not responsive (§3-143-610(a)(1), HAR)
- (6) Applicant not responsible (§3-143-610(a)(2), HAR)

21.600 Multiple or Alternate Proposals

Multiple or alternate proposals shall not be accepted unless specifically provided for in Section 40 of this RFP. In the event alternate proposal are not accepted and an offeror submits alternate proposals, but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the offeror.

21.700 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.

21.800 Opening of Proposals

Upon receipt of proposal by a state purchasing agency at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped and, when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

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

21.900 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.

22.100 Final Revised Proposal

If requested, final revised proposals shall be submitted in the manner, and by the date and time specified by the state purchasing agency. If a final revised proposal is not submitted, the previous submittal shall be construed as the offerors best and final offer/proposal. After final revised proposals are received, final evaluations will be conducted for an award.

22.200 Notice of Award

A statement of findings and decision shall be provided to all applicants by mail upon completion of the evaluation of competitive purchase of service proposals.

Any agreement 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, regulations, rule, order, or other directive.

No work is to be undertaken by the awardee prior to the contract commencement date. The State of Hawaii is not liable for any costs incurred prior to the official starting date.

22.300 Protests

Any offeror may file a protest against the awarding of the contract. The Notice of Protest form, SPO-H-801, is available on the SPO website <http://www.spo.hawaii.gov/>. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103F of the Hawaii Revised Statutes;
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103F of the Hawaii Revised Statutes; and
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

A Notice of Protest shall be postmarked by 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 Decision sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the state purchasing agency.

Head of State Purchasing Agency	Procurement Officer
Name: Patricia McManaman.	Name: Kenneth Fink, MD
Title: Director of Human Services	Title: Administrator, Med-QUEST Division, DHS
Mailing Address: P.O. Box 339 Honolulu, HI 96809-0339	Mailing Address: P.O. Box 700190 Kapolei, HI 96709-0190
Business Address: 1390 Miller Street Honolulu, HI 96813	Business Address: 1001 Kamokila Blvd, Ste 317 Kapolei, HI 96707

SECTION 30 BACKGROUND

30.100 Medical Assistance in Hawaii

In Hawaii, the majority of the working population and their families receive health care coverage through employer based plans, a result of the Prepaid Health Care Act of 1974. The Act mandates that employers provide medical benefits to their employees whom work 20 or more hours a week. The Act is limited to medical and psychiatric benefits and does not mandate employers to provide prescription drugs, vision or dental coverage.

Medical assistance to qualified indigent, uninsured and underinsured individuals is provided through the State administered Medicaid Fee-For-Service, QUEST, QUEST-ACE, QUEST-Net, and QExA programs.

30.200 Hawaii QUEST (QUEST)

QUEST is a statewide Medicaid demonstration project (Section 1115 waiver) that provides primary, acute and behavioral health services through competitive managed care delivery systems.

QUEST includes individuals who are eligible for medical assistance, but who are not aged, blind or disabled (ABD). Generally these individuals include:

- Temporary Assistance For Needy Families (TANF) and TANF related programs
- Foster Care
- General Assistance (GA) Program
- Former State Health Insurance Program (SHIP)

QUEST incorporates separate plans for the provision of medical services, specialized behavioral health services, and certain transplants for children and adults.

30.300 QUEST Expanded Access (QExA)

The State's Medicaid QExA program provides medical assistance to eligible individuals 65 years or older and disabled of all ages under Title XIX of the Social Security Act. The QExA program is a state administered program, which receives federal funding for approximately 51% of its expenditures.

Hawaii's QExA program covers all mandatory Medicaid groups as well as several optional eligibility groups. The QExA currently provides health services to approximately 43,000 individuals.

30.400 QUEST-Net

QUEST-Net is a program implemented on April 1, 1996, providing limited medical, dental and behavioral health services to eligible clients. This program was developed primarily to serve as a safety net for persons who become ineligible for QUEST because their assets exceed the allowable retention limitations. Applicants with any type of medical coverage including Medicare, VA, or Tricare, are not eligible for QUEST-Net.

Participants must meet basic eligibility criteria, have income below 300% of the federal poverty level, and not be eligible for employer-sponsored health coverage.

QUEST-Net children receive the same benefit package as QUEST children. For purposes of QUEST-Net, children include any child up to the age of 21. Individuals 21 and over in QUEST-Net are subject to limited medical and behavioral health benefits and are not eligible for enrollment into the Behavioral Health Managed Care (BHMC) plan, or other services such as case management, outreach services, and transportation.

30.500 QUEST-Adult Coverage Expansion (QUEST-ACE)

QUEST-ACE is health coverage for a gap group of adults, over the age of 19. QUEST-ACE serves adult clients 65 years or older or with a disability who are not eligible for QExA. QUEST-ACE clients have incomes up to 200% of federal poverty level who are uninsured or

unable to enroll in QUEST due to the enrollment cap and unable to enroll in QUEST-Net.

Benefits mirror the limited QUEST-Net health package.

30.600 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, QUEST-Net, QUEST-ACE, QExA programs. For purposes related to this RFP, the basic functions or responsibilities of MQD include:

- Developing and defining the medical, dental, and behavioral health benefits to be provided by the managed care plans
- Developing the rules, policies, regulations and procedures to be followed under the QUEST, QUEST-Net, QUEST-ACE, and QExA
- Negotiating and contracting with selected medical, dental, case management organizations, behavioral health plans, and carve-out plans
- Determining initial and continued eligibility of members
- Enrolling and disenrolling members
- Monitoring the quality assurance/improvement programs of plans and providers
- Reviewing utilization of services provided by the plans and care coordination organizations.
- Handling unresolved patient grievances with the plans and providers
- Billing and collecting premium share
- Monitoring the financial status of the programs
- Analyzing the effectiveness of the programs to ensure they are meeting its objectives
- Managing the Hawaii Prepaid Medical Management Information System (HPMMIS) and the Premium Share Billing System
- Providing client information to the health plans

SECTION 40 SCOPE OF SERVICES

40.100 Offeror's Role

The Offeror shall provide services in the community to identify potential beneficiaries, and assist them in applying for DHS services. The Offeror shall also provide assistance to families in the redetermination process, as necessary and appropriate.

40.200 Statewide Organization

Proposals shall be for services statewide. Only one organization shall be awarded a contract.

40.300 Reimbursement

The method of reimbursement from DHS to the Offeror shall be a monthly invoice itemizing the services provided. The invoice shall be based on documented actual expenditures to include all travel and expenses.

The Offeror will provide invoices for the allocation to Sub-Offeror's to establish or update automated data systems.

40.400 Educational and Outreach Activities

The Offeror shall engage in activities to educate the community about the Department's available financial and medical programs for families with children. Through its educational and outreach efforts, the Offeror shall also identify potential recipients and assist them in completing and submitting applications as appropriate.

The Offeror shall identify the target at-risk families geographically (i.e., by island or major portions of the island such as East or West Hawaii). The Offeror shall select and implement educational and outreach activities to reach the target population. The Offeror shall employ non-traditional work hours, culturally and linguistically appropriate approaches to educate families about the DHS programs and to encourage families to submit applications.

Educational and outreach activities may be performed in a variety and combination of ways including, but not limited to the following:

- Meeting individually with community leaders, Medicaid providers and others who may be in contact with potential recipients
- Participating in local community activities including health fairs
- Attending and participating in community meetings and town meetings
- Develop community linkages and referral processes
- Participating in activities with and within schools
- Public service announcements on television, radio and print
- Paying for television, radio and/or print coverage
- Mailing of publications
- Printing and mailing postcards to households in the area
- Printing and posting flyers
- Operating a walk-in service
- Establishing and maintaining a web-site

All printed materials, video presentations, and any other information prepared by the Offeror that pertain to or reference a State program shall be reviewed and approved by the MQD before use or distribution.

If awarded a contract, the Offeror shall produce a pamphlet or brochure to be distributed to Medicaid providers and the communities-at-large that will describe information on the following:

- The services available from the organization including interpretation;
- The location and work hours of the office(s);
- Contact information (mailing address, telephone, fax, e-mail, website, etc.); and
- Any limitations or restrictions (e.g., no guarantee of eligibility).

The brochure or pamphlet shall provide information in at least the following languages:

- English
- Ilocano

- Vietnamese
- Chinese
- Korean

The Offeror shall certify that the transcription of the information to the different languages has been reviewed by a qualified individual for accuracy.

40.500 Application and Benefit Re-Determination Assistance

40.510 Assistance with Applications

If requested, the Offeror shall explain the various DHS programs for which the family could potentially qualify and shall assist families in completing the necessary applications for program eligibility for TANF, TAONF, and/or Medicaid. The Offeror's employees or Sub-Offerors shall use the process outlined for outstationed eligibility workers when assisting applicants. The Offeror's employees or subcontractors shall verify information and ask necessary appropriate questions to assure the accuracy of the application. The Offeror may follow-up with the applicant and may follow up with the DHS office in a manner specified by the DHS until final determination or disposition is made. Note that the determination by DHS will be sent to the applicant and not the Offeror.

The Offeror shall not create its own eligibility related forms or modify any of the DHS forms. Additionally, the Offeror shall abide by department rules for the submission of an application. The Offeror does not have authority for eligibility determination so the Offeror shall not state or imply that eligibility is assured.

40.520 Assistance with Re-Determination

The department is required by its various programs to re-determine continued eligibility. The TANF and TAONF programs review eligibility on a monthly basis and Medicaid programs review eligibility on an annual basis. On June 1, 2004, the MQD began a "passive renewal" process for QUEST families with children. If there is no change in information, the family does not have to return the form, and continued eligibility will be based on existing information that was previously reported. Families with members in the QExA program will be required to complete and return the renewal form. The Offeror may provide health plan information to enable the recipient to make an informed decision between plans, but shall not in any way make a recommendation of preference for a specific plan.

40.600 Administrative Oversight

The Offeror is responsible for securing resources either through the hiring of employees or subcontracting services to develop an effective educational and outreach program. The Offeror shall implement a process for evaluating the effectiveness of its various educational and outreach efforts. The Offeror shall have office locations on all of the islands throughout the state, and shall be responsible for providing an adequate staffing level to ensure both telephone and in-person coverage. The Offeror shall provide the outreach staff with the necessary resources to meet the requirements of this RFP.

The Offeror is responsible for providing the necessary training and administrative oversight of the outreach workers (employees or contract) to ensure that the information disseminated related to the DHS programs is current and accurate. The Offeror shall have a method in place for screening and qualifying language translators to ensure the accuracy of the translation. The Offeror shall be able to offer Braille, large print and sign language to those who require it. The Offeror shall make available interpreter services to those who require or request them. The Offeror may use the Out-stationed Eligibility Handbook to train its workers on the application process. This handbook is available from Med-QUEST via disk or on the DHS Med-QUEST website.

The Offeror will establish Policies and Procedures for the outreach worker and education position. Where needed, coordination with other DHS divisions and community agencies may be needed.

The Offeror shall monitor its employees' and subcontractors' performance and take corrective action as appropriate. At a minimum, the Offeror shall have a process for receiving and evaluating complaints and conducting regular staff performance reviews.

40.700 Documentation of Citizenship and Identity

The Deficit Reduction Act (DRA) of 2005 and other Federal laws now require that the DHS obtain proof of citizenship or alien status and identity from all Medicaid applicants, effective July 1, 2006.

The Offeror shall advise and assist Medicaid applicants with the collection of Citizenship/Alienage and Identity documents, consistent with the DRA and implementing rules and regulations, including but not limited to:

- Notifying applicants that they will be required to provide the necessary documentation to the DHS before the DHS can make an eligibility determination
- Providing advice about the types of documents that an applicant should be obtaining
- Duplicating copies of documents and submitted copies to DHS for eligibility review
- Remuneration of Birth Certificate fees paid to the Offeror when the expense is incurred
- Outreach to potential Med-QUEST recipients such as health fairs, hospitals, community health center, physician's offices, pharmacies and other appropriate venues
- Establish a 24/7, toll-free center to field client inquiries and provide referral as needed
- Establish a minimum of 10 satellite document sites where Med-QUEST clients can go to get further, in-person assistance, including a picture ID

Except as otherwise provided, the Offeror shall be reimbursed for the following additional documented costs that are directly related to the Citizenship/Alienage and Identity services described above:

- Postage for mailing of materials prepared or approved by the DHS
- Interisland Travel and Intraisland Mileage for a minimum of 6 Neighbor Island sessions and 5 Oahu sessions to meet with outstationed eligibility and outreach workers.

All forms of media communication shall be required to be approved by the DHS.

40.800 Reporting Requirements

The Offeror shall prepare and submit reports specified in this Section to the MQD as required. The Offeror should be clear to report only the activities associated with the funding of this contract. As an example, MQD provides funding for outstationed eligibility workers at the Federally Qualified Health Centers, and certain DSH hospitals. If the Offeror chooses to subcontract portions of work of this contract to the FQHCs, the Offeror shall be responsible to assure the reporting of information and application outreach for this contract be separate from the any current FQHC outstationed worker contract. The subcontracted FQHC must choose to report the applications either under the outstationed worker contract or this contract.

The Offerer shall track and maintain a listing of all applications submitted to the DHS, and this listed shall be made available to DHS upon request.

40.810 *Quarterly Reports on Educational and Outreach Activities*

The Offeror is responsible to submit a quarterly report (based on the State fiscal year of July 1, – June 30) to the State. The report must be submitted within 45 days after the end of the quarter, and quarterly for the term of the contract. The Offeror shall establish a data collection system to provide the following data for each site as well as a master data collection summary:

- A listing of the various activities engaged in for the quarter (meeting with Medicaid providers, maintaining a hotline, town meetings, etc.) and the number of contacts per activity. The MQD recognizes that certain activities such as placing posters in stores, community halls, etc. may not result in any contacts.
- The number of non-application or non-renewal contacts made in the quarter. The Offeror shall break down the contacts by contact type (e.g., face-to-face, telephone, mail, faxes, website, etc.)
- Number and nature of complaints received from recipients and non-recipients, and the nature of the complaints
- Number of applications completed by island with submission date.
- Number of renewal forms completed by island and program type with submission date.

- Number of system coordination meetings or develop of Memoranda of Understanding created between the outreach workers and other community or State partners in an effort to build community linkages and referral processes.
- If applicants are denied coverage, indicate what alternative resources were provided or course of action taken to support the individual or family,

40.820 *Annual Financial Reports*

The Contractor shall provide financial reports on the expenditures of the contract for the first year (October 1 through June 30), thereafter, on a fiscal year basis (July 1 through June 30). Reports must be submitted within 6 months after the close of the fiscal year.

40.830 *Penalties for Reporting Non-Compliance*

Reports that are incomplete or submitted after the required date may be subject to a penalty of \$100 for each day a complete report is delayed.

40.900 **Administrative Requirements**

The Offeror shall have in place adequate organizational and administrative systems that are capable of implementing contractual requirements on a statewide basis.

The Offeror shall provide the following infrastructure for the implementation of business in Hawaii:

- Office location, in-state;
- Office hours during Hawaii business hours of 8:00 am – 4:30 pm or 5:00 pm;
- Office telephone number that is staffed and staff made available to speak directly with participants and/or participant parents; and,
- Office resources needed to meet the requirements of the RFP.

Offeror staff shall be designated within the organization to perform the following functions:

- Serve as the Offeror's key contact for the contract

- Oversee the business systems, to ensure timely processing of applications and reporting requirements;
- Information system staff capable of ensuring timely and accurate submission of encounter data and other required information and reports
- Training of staff/providers to ensure consistent applications/implementation of program requirements (i.e. eligibility determinations/enrollment; primary care services provision; complaints, grievances, appeals process; data processing requirements; generation of required reports)
- Confidentiality/Privacy Compliance

Outreach staff at each site shall perform the functions as outlined in Section 40.400.

SECTION 50 TERMS AND CONDITIONS

50.100 General

This RFP, appendices, any amendments to the RFP and/or appendices, and the Offeror's proposal submitted in response to this RFP form an integral part of the contract between an Offeror and DHS. In exchange for payment from DHS for Educational and Outreach Services, the Offeror shall perform all of the services and shall develop, produce and deliver to DHS all of the data requirements described in this RFP.

In the event of a conflict between the language of the contract, and applicable statutes and regulations, the latter shall prevail. In the event of a conflict among the contract documents, the order of precedence shall be as follows: (1) Agreement (form AG Form 103F-Comp (10/08)) including all general conditions, special conditions, attachments, and addenda; (2) the RFP, including all attachments and addenda; and (3) offeror's proposal. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. 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 website 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.

The Contractor shall comply with all applicable laws, ordinances, codes, rules and regulations of the federal, state and local governments that in any way affect its performance under the contract. The standard State general terms and conditions found in Appendix C shall become part of the contract between the Contractor and the State.

The Contractor shall pay all taxes lawfully imposed upon it with respect to the contract or any product delivered in accordance herewith. DHS makes no representations whatsoever as to the liability or exemption from liability of an Offeror to any tax imposed by any governmental entity.

The contractor shall be executed by the Hawaii Department of Human Services in accordance with the Chapter 103F, HRS.

The head of the purchasing agency (which includes the designee of the head of the purchasing agency), shall coordinate the services to be provided by the Contractor in order to complete the performance required in this RFP. The Contractor shall maintain communications with the head of the purchasing agency for resolution to any questions which may arise as to the performance of the contract.

50.200 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 Human Services. The contract term shall begin on October 1, 2011 and shall continue through June 30, 2012, subject to the appropriation and availability of funds.

Unless terminated, the contract may be extended without the necessity of re-bidding, for not more than three (3) additional twelve-month periods or parts thereof, upon mutual agreement in writing. Any renewal or extension of the contract will be subject to the appropriation and availability of funds and acceptable performance by the Contractor (to be determined by the State).

The Contractor acknowledges that other unanticipated uncertainties may arise that may require an increase or decrease in the original scope of services from the Contractor awarded this contract. In the event that increase or decrease of services may be required, the Contractor agrees to enter into a supplemental agreement upon request by the State for the additional work. The supplemental agreement may also include an extension of the period of performance and a respective increase or decrease in the compensation.

50.210 *Availability of Funds*

The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability of State and/or Federal funds.

50.300 General and Special Conditions of Contract

The general conditions found in Appendix C will become part of the contract between the contractor and the State. Special conditions may also be imposed contractually by the state purchasing agency, as deemed necessary.

50.400 Cost Principles

In order to promote uniform purchasing practices among state purchasing agencies procuring health and human services under HRS Chapter 103F, state purchasing agencies will utilize standard cost principles outlined in Form SPO-H-201, found in Appendix I. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

50.500 Inspection of Work Performed

DHS, CMS, the State Auditor of Hawaii, the U.S. Department of Health and Human Services (DHHS), 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 Attorney General or their authorized representatives shall, during normal business hours, have the right to enter into the premises of the offeror and/or 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. All inspections and evaluations shall be performed in such a manner to not unduly delay work.

The Contractor, subcontractor and providers shall provide information and data, upon demand, to the DHS, any of the above named agencies, and their authorized representatives. The requested information or data shall be provided to the requesting agency(s) within a reasonable timeframe that will be determined by DHS.

50.600 Subcontracts/Provider Agreements

The contractor may negotiate and enter into contracts or agreements with providers and other subcontractors (with prior written consent of the State) to the benefit of the offeror as long as the providers and subcontractors meet all established criteria and provide the services in a manner consistent with the minimum standards specified. All such agreements shall be in writing and shall specify the activities

and responsibilities delegated to the subcontractor. The contracts must also include provisions for revoking delegation or imposing other sanctions if the subcontractor's performance is inadequate. Certain subcontracts, including but not limited to Quality Assurance activities, must be approved by DHS prior to implementation. DHS reserves the right to inspect all subcontract and provider agreements at any time during the contract period. Any subcontract may be subject to the DHS's prior review and approval. The contractor's subcontractor shall submit to the contractor a tax clearance certificate from the Director of the Department of Taxation, State of Hawaii, showing that all delinquent taxes, if any, levied or accrued under State law against the subcontractor/provider have been paid.

No subcontract or agreement that an offeror enters into with respect to the performance under this contract shall in any way relieve an offeror of any responsibility for any performance required of it by this contract. The contractor shall provide DHS immediate notice in writing by registered or certified mail of any action or suit filed against it by any subcontractor or provider, and prompt notice of any claim made against an offeror by any subcontractor or provider which in the opinion of the offeror may result in litigation related in any way to the contract with the State of Hawaii. The contractor shall designate itself as the sole point of recovery for any subcontractor or provider.

The contractor shall notify DHS at least fifteen days prior to adding or deleting provider or subcontractor agreements or making any change to any provider or subcontractor agreements which may materially affect the offeror's ability to fulfill the terms of this contract.

All agreements or contracts with the subcontractors or providers shall be finalized and fully executed within 30 days of the contract award. DHS reserves the right to review any subcontractor or provider contracts or agreements prior to the notification of award of the contract.

All subcontracts shall require that the subcontractors/providers agree to comply with the confidentiality requirements imposed by this RFP, to the extent subcontractors or providers render services or perform functions that make such provisions applicable to such agreements.

50.700 *Applicability of Hawaii Revised Statutes*

50.710 Wages, Hours and Working Conditions of Employees Providing Services

Before an offeror enters into a contract in excess of \$25,000, the offeror shall certify that it complies with section 103-55, HRS, Wages, hours and working conditions of employees of contractors performing services. The contractor shall complete and submit the Wage Certification as provided in Appendix G pursuant to Section 103-55, HRS.

50.720 Standards of Conduct

The contractor shall execute the Provider’s Standards of Conduct Declaration, a copy of which is found in Appendix E, and which shall become part of the contract between the contractor and the State.

50.730 Campaign Contributions by State and County Contractors

Contractors are hereby notified of the applicability of HRS § 11-205.5, which states that 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, FAQs are available at the Campaign Spending Commission webpage. See www.hawaii.gov/campaign.

50.800 *Confidentiality of Information*

The Contractor understands that the use and disclosure of information concerning applicants, enrollees 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, enrollee’s or member’s information as required by law. The Contractor 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);
- HRS Section 346-10; and

- All other applicable federal and State statutes and administrative rules, including but not limited to:
 - HRS § 325-101 relating to persons with HIV/AIDS;
 - HRS § 334-5 relating to persons receiving mental health services;
 - HRS § 577A relating to emergency and family planning services for minor females;
 - 42 CFR Part 2 relating to persons receiving substance abuse services.

Access to member identifying information shall be limited by the Contractor to persons or agencies that require the information in order to perform their duties in accordance with this contract, including the DHHS, the DHS and other individuals or entities as may be required by the DHS. (See 42 CFR § 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 HIPAA, and regulations pertaining to such access. The Contractor is responsible for knowing and understanding the confidentiality laws listed above as well as any other applicable laws.

The Contractor is a "business associate" of the DHS, as that term is defined under the HIPAA regulations, 45 CFR §160.103. Therefore, Contractor agrees to comply with the terms of the Business Associate Agreement found in Appendix D.

The Contractor is cautioned that State and Federal Medicaid rules, and some other State and Federal 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 Contractor agrees that the confidentiality provisions contained in HAR Chapter 17-1702 shall apply to the Contractor to the same extent as they apply to MQD.

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

50.900 Use of Funds

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

51.100 Liquidated Damages

DHS acknowledges that in the event of breach of this contract, it would be difficult to measure damages. Therefore, in the event of any breach of the terms of the contract by the Contractor, liquidated damages shall be assessed against the Contractor in an amount equal to the costs of obtaining alternative services for the members. The damages shall include the difference in the administrative rates paid to the Contractor and the rates paid to a replacement Contractor.

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

DHS may withhold from payments to a Contractor, amounts for liquidated damages until such damages are paid in full.

51.200 Monthly Invoice

The Contractor shall submit an original and one copy of the monthly invoice for reimbursements to the following address.

Department of Human Services
Med-QUEST Division/Finance Office
1001 Kamokila Boulevard, Suite 317
Kapolei, Hawaii 96707

51.300 Acceptance

The Offeror shall comply with all of the requirements of the contract.

51.400 Disputes

Any dispute concerning a question of fact arising under the contract, which is not disposed of by an agreement, shall be decided by the

Director of DHS or his/her duly authorized representative who shall reduce his/her decision in writing and mail or otherwise furnish a copy to the contractor within ninety (90) days after written request for a final decision by certified mail, return receipt requested. The decision shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessary to imply bad faith. In connection with any dispute proceeding under this clause, the contractor shall be afforded an opportunity to be heard and to offer evidence in support of his/her dispute. The contractor shall proceed diligently with the performance of the contract in accordance with the disputed decision pending final resolution by a circuit court of this State.

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

51.500 Warranty of Fiscal Integrity

An Offeror warrants that it is of sufficient financial solvency to assure DHS of its ability to perform the requirements of this contract. An Offeror shall provide sufficient financial data and information to prove its financial solvency.

51.600 Full Disclosure

An 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 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.

An Offeror shall not, without DHS' prior approval, lend money or extend credit to any related party. An Offeror shall fully disclose such proposed transactions and submit a formal written request for review and approval.

An Offeror shall include such provisions in any contract or agreement made with subcontractors or providers.

The Offeror shall complete and provide all information required in the Disclosure Statement in Appendix G and include the forms in the Technical Proposal. The Offeror shall ensure that each form is completed and that full disclosure is made.

51.610 *Litigation*

The offeror shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

Notification of lawsuits against the Offeror, license suspensions or other actions brought against the Offeror or a provider within seven (7) working days after the Offeror is aware of any such actions.

51.700 **Payment to Subcontractors and Providers**

A contractor shall be responsible for paying its subcontractors and providers in a timely and accurate manner for benefits provided to clients. In no event shall the subcontractors and providers look directly to the State for payment. The State shall bear no liability for a contractor's failure or refusal to pay valid claims of subcontractors or providers. A contractor shall indemnify and hold the State harmless from any and all liability arising from such claims and shall bear all costs in defense of any action over such liability, including attorney's fees.

51.800 **Force Majeure**

If a Contractor 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 Contractor 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 this 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 DHS from terminating this 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.

51.900 Prohibition of Gratuities

Neither an Offeror nor any person, firm or corporation employed by an Offeror in the performance of this contract shall offer or give, directly or indirectly to any employee or agent 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 this contract.

52.100 Authority

Each party has full power and authority to enter into and perform this contract, and the person signing this contract on behalf of each party certifies that such person has been properly authorized and empowered to enter into this contract. Each party further acknowledges that it has read this contract, understands it, and agrees to be bound by it.

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 technical proposal shall include the following sections:

- Proposal Letter (appendix F)
- Transmittal letter
- Company background and experience
- Organization and staffing
- Data collection and reporting
- Educational and outreach programs
- Timeline for implementation
- Federal and State tax clearance certificates
- Appendix A, E, G

The Offeror must state specifically where each requirement noted above is met within the RFP.

60.200 Proposal Letter

The proposal letter (refer to Appendix F) shall be signed by an individual authorized to legally bind an Offeror and be affixed with the 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 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, age, sex, national origin 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.
- 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 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, its size and resources, and details of company experience relevant to this RFP.

60.410 *Background of the Company*

A description of the history of the company to include but not limited to:

- a general description of the primary business of your organization and its client 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 Contractor 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 name 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

60.420 *Company Experience*

The details of company experience relevant to the RFP include but not limited to:

- Experience in providing the required services

- Experience working with healthcare providers and persons in the community
- Experience working with educational and outreach services and programs
- Other relevant experience

60.500 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 a formula used to estimate the proposed number of staff to be engaged to complete the contracted activities. The proposed staff to workload ratio should include but not be limited to the number of hours estimated to complete an application or eligibility re-determination, the number of projected home visits, follow-up contacts, number of community activities/meetings, or development of Public Service media announcements.

60.510 Organization Charts

The organization charts shall show:

- The structure of the organization and identification of the proposed staff positions to be utilized in this project, including full-time equivalents (FTE).
- 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.
- Estimates of man hours for each individual, including a description of major areas of responsibility for each individual.

60.520 *Staffing*

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

- Experience with the Medicaid program;
- Experience in educational/outreach programs;
- Relevant education and training;
- Previous relevant experiences;
- Names, position titles and phone numbers of references who can provide information on the individuals' experience and competence; and
- Other relevant experience.

Resumes should be provided, at a minimum, for the Program Director, Fiscal Director, and any supervisors. The 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.

60.600 **Financial Statements**

Financial statements for the applicable legal entity or each partner if a joint venture shall be provided for each of the last two years, including at a minimum:

- Balance Sheets
- Statements of Income
- Auditor's reports
- Amounts associated with related party transactions
- Management letters

60.700 Data Collection and Reporting Capabilities

This section shall explain the Offeror’s system to collect, maintain and process the required information and reports to MQD. This section shall also include explanations as to any modifications or expansions needed in order to meet the specified data requirements.

60.800 Educational and Outreach Programs

The Offeror shall describe in this section, the target populations on each island and the proposed educational and outreach programs. The Offeror shall identify the process or methodology used to identify the target population(s), and describe how the proposed educational and outreach programs will reach those population(s). The proposed educational and outreach programs may be different for each island and for each specific target population. To the extent possible, the Offeror shall provide demographic data on each of the target populations. The Offeror shall identify the objectives of each educational and outreach program and the desired outcome.

If the Offeror intends to use employees and subcontractor resources within the various island offices, the Offeror shall identify which FTEs will perform the work in the staffing portion of the proposal. The resumes of these FTEs should reflect qualifications to perform the outreach and educational work. The Offeror shall include the number and qualifications of workers participating in the events/activities proposed by the Offeror.

60.900 Work plan and Timeline for Implementation

The Offeror shall provide a work plan and timeline for implementation identifying the required actions and the timeline for completing each of the actions. The timeline should specify whether the action will be completed by the Offeror’s staff or subcontractor.

SECTION 70 OFFEROR'S BUSINESS PROPOSAL SUMMARY STATEMENT

70.100 Business Proposal

The Offeror shall provide a cost per service for the scope of work specified in the RFP. The offer submitted will be the Offeror's best and final offer. The business proposal shall include the schedule in Appendix I.

Funding available is not to exceed \$800,000, including administrative costs, for Fiscal Year (SFY) 2012.

State procurement office budget and expenditure reports shall be used, see forms on website below:
http://www4.hawaii.gov/spoh/Forms_Instructions/forms_instructions_prov.htm). The Offeror shall develop a common template for scope of service reports.

SECTION 80 EVALUATION AND SELECTION

80.100 Introduction

DHS shall conduct a comprehensive, fair and impartial evaluation of proposals received in response to this RFP. DHS shall be the sole judge in the selection of the Offeror(s). The evaluation of the proposals shall be conducted as follows:

- Review of the proposals to ensure that all mandatory requirements are met
- Review of the technical proposals to determine whether the Offeror meets the minimum criteria and requirements

Once the technical proposals have been evaluated and the qualifying Offeror(s) identified, the process shall continue with the following steps:

- Review of the business proposal
- Award of the contract to the selected

80.200 Evaluation Committee

DHS shall establish an evaluation committee that will evaluate the proposals. The committee shall consist of persons familiar with the Hawaii Medicaid programs and the minimum standards or criteria for this RFP. Additionally, DHS, may, at its discretion, designate additional representatives to assist in the evaluation process. The committee shall evaluate the assigned section(s) of each qualifying proposal and document their comments, concerns and questions.

Additionally, the evaluation committee may engage in follow-up telephone calls to others to clarify any Offeror comment or information in its proposal; contact any current users of an Offeror's services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process.

Upon completion of the evaluation and review of business proposals, MQD shall forward its recommendation to the Director of Human Services or designate for approval of award.

80.300 Mandatory Requirements

Proposals shall first be reviewed to ensure that all mandatory requirements have been met. Only proposals which have satisfied the mandatory requirements as set forth in Section 60 shall be reviewed further. Proposals shall comply with the instructions to Offerors contained throughout this RFP.

The minimum requirements for a proposal to be given consideration are:

- Proposal was submitted within the closing date and time for proposals.
- Technical and business proposals are in separate envelopes (refer to section 21.200)
- The proper number of separately bound copies are in sealed envelopes (refer to section 21.200)
- Proposal contains the necessary information in the proper order (refer to Section 60.100)

Failure of the Offeror to comply with the instructions of this RFP or failure to submit a complete proposal, shall be grounds for deeming the proposal nonresponsive to the RFP. However, DHS reserves the right to waive minor irregularities in proposals provided such action is in the best interest of the State. Where DHS may waive minor irregularities such waiver shall in no way modify the RFP requirements or excuse the Offeror from full compliance with the RFP specifications and other contract requirements if the Offeror is awarded the contract.

Proposals deemed by the evaluation team to be incomplete or not in accordance with the specified requirements shall be disqualified and the proposal returned to the Offeror with a letter of explanation.

80.400 Technical Proposal Evaluation and Scoring

Following the determination that the proposal meets the mandatory requirements, the Evaluation Committee will complete its evaluation of the Technical Proposal. Proposals shall comply with the instructions to Offerors contained throughout this RFP and provide the requested information in the order in which it is prescribed. The Offeror should address

each topic as fully as possible yet be concise and succinct. Each Offeror must obtain a minimum of seventy five percent (75%) of the total points.

- Merits of the Offeror and the Offeror's Proposal
- Business Proposal

80.410 *Step I - Merits of the Offeror and the Offeror's Technical Proposal (100 possible points)*

The Offeror shall be assigned a score based on the Offeror's experience, personnel assigned to the project, proposed outreach and educational activities, data collection and reporting capabilities and implementation timeline. DHS reserves the right to add, change or delete any of the criteria.

Proposals shall be evaluated by Med-QUEST Division using but not limited to the following criteria:

- Offeror's approach to identifying target populations and educating providers, community groups, and others to maximize outreach efforts to families who could qualify for medical assistance.
- Innovation and experience of the Offeror in implementing and administering educational, providing outreach programs, developing community linkages and other services required in the RFP in the Medicaid and other similar environments.
- Demonstration in the written proposal of the Offeror's ability, facilities, and capacity to provide all required services in a timely, efficient and professional manner.
- Staffing described in Section 60.500 and appropriateness of staff experience and expertise to assigned functions and responsibilities.
- Work plans described in Section 60.900

The scoring will be based on the following points:

- Transmittal letter (5 points)
- Background and experience of the organization (25 points)
- Project Staffing (20 points)
- Data collection and reporting capabilities (15 points)
- Proposed educational and outreach activities (25 points)
- Timeline for implementation (10 points)

80.420 *Step II-Business Proposal*

The Offeror with the lowest business proposal shall be awarded 20 points. The next lowest bidder shall be awarded 15 points. And the next lowest bidder shall be awarded 10 points.

80.500 **Step I - Merits of the Offeror and Offeror's Proposal**

The listing of the criteria is not all-inclusive and DHS reserves the right to add, delete or modify any criteria.

- Transmittal Letter (5 points possible)

Transmittal letter must be on an official letterhead and signed by an individual authorized to legally bind the Offeror. Letter shall include all statements as specified in Section 60.300. If transmittal letter is incomplete, no points will be awarded.

- Company Background and Experience (25 points)

Does the proposal describe the company background and experience? Has the company demonstrated that the scope of services under this RFP can be completed by the Offeror? Does the proposal provide references who clearly address the nature and satisfaction of prior work performed by the Offeror?

- Project staffing (20 points)

Proposals will be evaluated in part on the basis of relevant experience and client references. MQD reserves the right to contact previous and current clients. The experience of the subcontractors, if applicable, will be evaluated as well. Included in the evaluation will be an assessment of past and current

management experience for similar services of like projects in scope.

Proposals must demonstrate that Offeror has sufficient relevant program experience and has been successful in performing projects of similar scope to that described herein.

The competence of proposed key professionals and other employees in the project will account for all of the points. Qualifications of personnel will be evaluated according to education and Education and Outreach experience. Resumes of all key personnel must be provided.

- Data Collection and Reporting (15 points)

Does the proposal explain the adequacy of the Offeror’s system to collect, track, maintain and process the required information from clients?

- Proposed Educational and Outreach activities (25 points)

Does the proposal describe the Offeror’s approach to identify target populations and educating providers, community groups, and others to maximize outreach efforts to individuals who could qualify for Med-QUEST assistance? Does the Offeror develop important community linkages and integrations of community services?

- Timeline for Implementation (10 points)

Does the timeline meet the requirements of this RFP?

80.600 Step II Business Proposal Review

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 reimbursement fee and administrative costs have been assigned. The points shall be given by the chart below:

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

80.700 Step III - Contract Award

The technical and business proposal scores will be combined to determine the winning proposal.

Upon receipt and acceptance of the winning bids, DHS shall initiate the contracting process. This RFP and the Offeror's technical proposal shall become part of the contract.

The Offeror shall be notified in writing that DHS intends to contract with the Offeror. This letter shall serve as notification that the Offeror should begin to develop its program, materials, policies and procedures.

Each notice of award shall contain a statement of findings and decisions for the award or non-award of the contract to each offeror.

APPENDICES

APPENDIX A – PROPOSAL APPLICATION FORM (SPO-H-200)

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 _____ **\$0**

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

APPENDIX B – WRITTEN QUESTIONS FORMAT

Appendix B
Written Questions Format
Educational and Outreach Services
RFP-MQD-2012-004

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

APPENDIX C – GENERAL CONDITIONS

**GENERAL CONDITIONS FOR HEALTH & HUMAN SERVICES CONTRACTS
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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 Responsibilities. 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.

APPENDIX D – BUSINESS ASSOCIATE LANGUAGE

APPENDIX D

Exhibit

Special Conditions

Applicable to CONTRACTORS or PROVIDERS that are Business Associates of STATE under 45 CFR § 160.103

1. Introduction: This Agreement has been determined to be a business associate relationship under the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191 (“HIPAA”) and its implementing privacy and security regulations at 45 CFR Part 160 and 164 (“the HIPAA regulations”). The STATE wishes to disclose to Business Associate certain information pursuant to the terms of this Agreement, some of which may constitute Protected Health Information (PHI). Under this Agreement, CONTRACTOR or PROVIDER is the Business Associate of STATE and provides services, arranges, performs, or assists in the performance of functions or activities on behalf of the STATE, and uses or discloses PHI. STATE and Business Associate desire to protect the privacy and provide for the security of PHI disclosed pursuant to this Agreement, in compliance with HIPAA, and the HIPAA regulations.
2. Definitions:
 - a. The terms used in these special conditions, but not otherwise defined, shall have the same meanings as those terms in the HIPAA regulations.
 - b. “Agreement” shall mean the agreement between STATE and Business Associate to which these special conditions are attached, and all attachments, exhibits and any special conditions.
 - c. "Individual" means the person who is the subject of Protected Health Information, and shall include a person who qualifies as a personal representative under § 164.502(g) of the HIPAA regulations.
 - d. "Protected Health Information" means any information, whether oral or recorded in any form or medium, that 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 or received by Business Associate from or on behalf of STATE.
 - e. "Secretary" shall mean the Secretary of the U.S. Department of Health and Human Services or designee.
 - f. “Security incident” means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an Information System.

APPENDIX D

3. Obligations and Activities of Business Associate. Business Associate agrees:
- a. To not use or disclose PHI other than as permitted or required by this Agreement or as required by law.
 - b. To use appropriate safeguards to prevent use or disclosure of PHI consistent with the requirements of this Agreement.
 - c. To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of the STATE, and to prevent use or disclosure of PHI other than as provided for by this Agreement. This includes adoption of the e-mail encryption solution as defined by the STATE if deemed necessary by the STATE.
 - d. To ensure that any agent, including a subcontractor, to whom Business Associate provides PHI, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such Protected Health Information, and to incorporate, when applicable, the relevant provisions of these special condition into each such subcontract or subaward to such agents or subcontractors.
 - e. To make Business Associate's internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI, available to STATE and/or to the Secretary, at reasonable times and places or as designated by the Secretary or STATE, for purposes of determining STATE's compliance with the HIPAA regulations.
 - f. To document and make available to STATE or, at the direction of STATE, to an individual, such disclosures of PHI and information related to such disclosures necessary for STATE to respond to a request by the subject individual for an accounting of disclosures of PHI in accordance with § 164.528 of the HIPAA regulations.
 - g. To provide access to PHI in the designated record set to STATE or, as directed by STATE, to an individual to the extent and in the manner required by § 164.524 of the HIPAA regulations. "Designated Record Set" means the group of records maintained for the STATE that included medical, dental and billing records about individuals; enrollment, payment, claims adjudication, and case or medical management systems maintained for STATE health plans; or those records used to make decisions about individuals on behalf of the STATE. Business Associate shall respond to requests for access to records transmitted by the STATE within 10 days of receipt of the request by producing the records or verifying that there are none.
 - h. To make any amendment(s) to PHI that the STATE directs or agrees to in accordance with § 164.526 of the HIPAA regulations individual in the time and manner designated by the STATE.
 - i. To mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of these special conditions.

APPENDIX D

- j. To provide written notice to STATE within 2 business days of discovery by Business Associate that PHI has been used or disclosed other than as provided for by these special conditions.
 - k. To immediately report to STATE any security incident of which it becomes aware with respect to PHI that is in the custody of Business Associate by calling the MQD Civil Defense Coordinator at (808) 348-9171. Written notice shall be provided within 2 business days of discovery. Business Associate shall take (1) prompt corrective action to cure any deficiencies and (2) any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations. Business Associate shall investigate such breach and provide a written report of the investigation and resultant mitigation within thirty (30) calendar days of the discovery of the breach.
 - l. Notices: Whenever written notice is required under this Agreement, it should be mailed and/or faxed to:

MQD HIPAA Project Manager
P.O. Box 700190
Kapolei, Hawaii 96709-0190

Fax: (808) 692-8155
 - m. To train and use reasonable measures to ensure compliance with the requirements of these special conditions by employees 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 employees who intentionally violate any provisions of these special conditions, including by termination of employment.
4. Permitted Uses and Disclosures by Business Associate
- a. General Use and Disclosure Provisions. Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, STATE as specified in this Agreement, provided that such use or disclosure would not violate the HIPAA regulations if done by STATE or the minimum necessary policies and procedures of the STATE.
 - b. Specific Use and Disclosure Provisions
 - (i) Except as otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
 - (ii) Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information 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 the Business Associate of any instances

APPENDIX D

of which it is aware in which the confidentiality of the information has been breached.

- (iii) Except as otherwise limited in this Agreement, Business Associate may use PHI to provide data aggregation services to STATE as permitted by § 164.504(e)(2)(i)(B) of the HIPAA regulations.
 - (iv) Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with § 164.502(j)(1) of the HIPAA regulations.
5. Permissible Requests by STATE. STATE shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA regulations if done by STATE, except if Business Associate will use or disclose PHI for data aggregation or management and administrative activities of Business Associate.
6. Termination for Cause. In addition to any other remedies provided for by this Agreement, upon STATE's knowledge of a material breach by Business Associate of these special conditions, STATE shall either:
- a. Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
 - b. If neither termination nor cure are feasible, STATE shall report the violation to the Secretary.
7. Effect of Termination.
- a. Except as provided in section 7.b, below, upon termination of this Agreement, for any reason, Business Associate shall, at STATE's option, return or destroy all PHI received from STATE, or created or received by Business Associate on behalf of STATE. Business Associate shall retain no copies of the PHI. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate.
 - b. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to STATE notification of the conditions that make return or destruction not feasible. For any period of time that return or destruction of PHI is not feasible or not completed, Business Associate shall extend the protections of these special conditions to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.
8. Miscellaneous
- a. Regulatory References. A reference in these special conditions to a section in the HIPAA regulations means the section in effect or as amended.
 - b. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for STATE to comply with the requirements of the HIPAA and the HIPAA Regulations, as the same may be amended.

APPENDIX D

- c. Survival. The respective rights and obligations of Business Associate under Section 7.b, above, shall survive the termination of this Agreement.
- d. Interpretation. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA regulations, as amended, the HIPAA regulations shall control. Where provisions of this Agreement are different than those mandated in the HIPAA regulations, but are nonetheless permitted by the HIPAA regulations, the provisions of this Agreement shall control. Any ambiguity in this Agreement shall be resolved to permit STATE to comply with the HIPAA regulations.
- e. Third Party Rights. These Special Conditions are entered into solely between, and may be enforced only by, Business Associate and the STATE. These special conditions shall not be deemed to create any rights in third parties or to create any obligations of Business Associate or the STATE to any third party.

APPENDIX E – STANDARDS OF CONDUCT

**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).
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

* 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).

CONTRACT NO. _____

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 F – PROPOSAL LETTER

Appendix F

STATE OF HAWAII Department of Human Services

PROPOSAL LETTER RFP-MQD-2012-004

We propose to furnish and deliver any and all of the deliverables and services named in the attached Request for Proposal. The administrative rates offered herein shall apply for the period of time stated in the 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 Offeror 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 also affirm, by signing this proposal, that we have acknowledged the reference materials in the State's documentation library and that we have used this documentation as a basis for submitting our firm fixed price cost proposal.

It is also understood that failure to enter into the contract upon award shall result in forfeiture of the surety bond, if requested. We agree, if awarded the contract, to deliver goods or services which meet or exceed the specifications.

Authorized Offeror's Signature/Corporate Seal

Date

APPENDIX G – DISCLOSURE STATEMENT

**APPENDIX G
FORMS**

**DISCLOSURE STATEMENT
OWNERSHIP**

Company/Agency Name: _____
Address (City, State, Zip): _____
Telephone: _____

For the period beginning: _____ and ending _____

Type of Entity:

- Sole Proprietorship
- Partnership
- Corporation
- Governmental
- For-Profit
- Non-Profit
- Other (Specify)

455.104 Information on Ownership and Control

- a. List the names and addresses of any individuals or organizations with an ownership or controlling interest in the disclosing entity. "Ownership interest" means the possession of equity in the capital, the stock, or the profits of disclosing entity, directly or indirectly.

<u>Name</u>	<u>Address</u>	<u>Percent of Ownership of Control</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- b. List the names and addresses of any individuals or organizations with an ownership or controlling interest in any subOfferor in which the disclosing entity has direct or indirect ownership of five (5) percent or more.

<u>Name</u>	<u>Address</u>	<u>Percent of Ownership of Control</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- c. Names of persons named in (a) and (b) above who are related to another as spouse, parent, child, or sibling of those individuals or organizations with an ownership or controlling interest.

- d. List the names of any other disclosing entity in which a person with an ownership or controlling interest in the disclosing entity also has an ownership or controlling interest.

455.105 Information Related to Business Transactions

- e. List the ownership of any subcontractor with whom the Offeror has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request.

<u>Describe Ownership of Subcontractors</u>	<u>Type of Business Transaction with Provider</u>	<u>Dollar Amount of Transaction</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- f. List any significant business transactions between the Offeror and any wholly owned supplier or between the Offeror and any subOfferor during the five-year period ending on the date of the request.

<u>Describe Ownership of Subcontractors</u>	<u>Type of Business Transaction with Provider</u>	<u>Dollar Amount of Transaction</u>

455.106 Information on Persons Convicted of Crime

- g. List the names of any person who has ownership or controlling interest in the Offeror, or is an agent or managing employee of the Offeror and 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.

<u>Name</u>	<u>Address</u>	<u>Title</u>

CONTROLLING INTEREST FORM

The Offeror 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., about to formulate, determine or veto business policy decisions, etc.). Failure to make full disclosure may result in rejection of the Offeror's proposal as unresponsive.

<u>NAME</u>	<u>ADDRESS</u>	<u>OWNER OR CONTROLLER</u>	HAS CONTROLLING INTEREST <u>YES</u>
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GRIEVANCE SYSTEM FORM

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

I hereby certify that _____
(Offeror 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 Offeror must have a grievance policy for recipients and providers which defines their rights regarding any adverse action by the Offeror. 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

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 at 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.

Offeror:

Signature:

Title:

Date:

INSURANCE

Offeror shall provide the following:

1. Commercial General Liability Insurance is provided by:

Insurance Company _____

Coverage _____

2. Reinsurance is provided by:

Insurance Company _____

Coverage _____

3. Other forms of insurance will be provided by:

Type: _____

Insurance Company _____

Coverage _____

Type: _____

Insurance Company _____

Coverage _____

Type: _____

Insurance Company _____

Coverage _____

Offeror: _____



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):
INSURED	E-MAIL ADDRESS:	
	PRODUCER CUSTOMER ID #:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A :	
	INSURER B :	
INSURER C :		
INSURER D :		
INSURER E :		
INSURER F :		

INFORMATION ONLY

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 <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/POP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ 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

INFORMATION ONLY

APPENDIX H – Med-QUEST Services Not Covered

APPENDIX H
SEVICES AND MISCELLANEOUS ITEMS
NOT COVERED BY THE HAWAII QUEST PROGRAM

1. Personal care items such as shampoos, toothpaste, toothbrushes, mouth washes, denture cleansers, shoes, slippers, clothing, laundry services, baby oil and powder, sanitary napkins, soaps, lip balm, band aids.
2. Non-medical items such as books, telephones, beepers, radios, linens, clothing, television sets, computers, air purifiers, fans, household items or furnishings.
3. Experimental and/or investigational services, procedures, drugs, devices, and treatments; drugs not approved by the FDA, brand name drugs except single source drugs and brand name drugs when required by statute required.
4. Gender reassignment – all medical, surgical, and/or psychiatric services and drugs, including hormones, needed for changing sex of an individual.
5. In vitro fertilization, reversal of sterilization, artificial insemination, sperm banking procedures; procedures and drugs to treat fertility or enhance fertilization.
6. Biofeedback, acupuncture, naturopathic services, faith healing, Christian Science services, hypnosis, massage treatment (by masseurs).
7. Obesity treatment, weight loss programs; food, food supplements including prepared formulas, health foods. (Allowed are special foods required with inborn metabolic needs).
8. Cosmetic surgery or treatment – cosmetic rhinoplasties, reconstructive, or plastic surgery to improve appearance and not bodily functions, piercing of ears and other body areas, electrolysis, hair transplantation, reduction and augmentation mammoplasties, paniclectomies and other body sculpting procedures, excision or destruction of benign skin or subcutaneous lesions without medical justification.
9. Tuberculosis services when provided free to the general public.
10. Hansen's Disease treatment of follow-up.

11. Treatment of persons confined to public institutions.
12. Penile and testicular prostheses and related services.
13. Psychiatric care and treatment for sex and marriage problems, weight control, employment counseling, primal therapy, long term characters analysis, marathon group therapy, and/or consortium.
14. Routine foot care; treatment of flat feet.
15. Swimming lessons, summer camp, gym membership and weight control classes.
16. Smoking cessation classes (medications for smoking cessation may be provided).
17. Stand-by services by stand-by physicians, telephone consultations, telephone calls, writing of prescriptions, stat charges.
18. All medical and surgical procedures, therapies, supplies, drugs, equipment for the treatment of sexual dysfunction.
19. Beds – lounge beds, bead beds, water beds, day beds, overbed tables, bed lifters, bed boards, bed side rails if not an integral part of a hospital bed.
20. Topical application of oxygen.
21. Contact lenses for cosmetic purposes, bifocal contact lenses.
22. Oversized lenses, blended or progressive bifocal lenses, tinted or absorptive lenses (except for aphakia, albinism, glaucoma, medical photophobia), trifocal lenses (except for a specific job requirement), spare glasses.
23. Orthoptic training.
24. Physical exams for employment when the patient is self-employed or as a requirement for continuing employment (i.e. truck and taxi drivers' licensing, other physical exams as a requirement for continual employment by the State of Federal Governments, or by private business).

25. Physical exams and immunizations for travel – domestic or foreign.
26. Physical exams, psychological evaluations, and/or immunizations as a requirement for Hawaii or other states' drivers' licenses or for the purpose of securing life and other insurance policies or plans.
27. Organ transplants not meeting the guidelines established by the Medicaid program and organ transplants not specifically identified as a Medicaid benefit.

APPENDIX I – BUSINESS PROPOSAL

APPENDIX I

Summary of Budget Sheets

SPO-H-205	\$ _____
SPO-H-205A	\$ _____
SPO-H-205B	\$ _____
SPO-H-206A	\$ _____
SPO-H-206B	\$ _____
SPO-H-206C	\$ _____
SPO-H-206E	\$ _____
SPO-H-206F	\$ _____
SPO-H-206H	\$ _____
SPO-H-206I	\$ _____
SPO-H-206J	\$ _____

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 _____		

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	(a) Total Funds	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 _____		

ORGANIZATION - WIDE BUDGET BY PROGRAMS

(Period _____ to _____)

Applicant/Provider _____

RFP No. : _____

Contract No. (As Applicable): _____

BUDGET CATEGORIES	(a)	(b)	(c)	(d)
	Contract/RFP#:	Contract/RFP#:	Contract/RFP#:	Contract/RFP#:
	Program:	Program:	Program:	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

**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:			

