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State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
25 Capitol Street - Room 100
Concord, New Hampshire 03301
Office@das.nh.gov

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April 6, 2022

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Administrative Services (DAS), Division of Risk and Benefits, to enter into a contract with Part D Advisors, Inc., (Vendor Code 392525), Livonia, MI in the amount not to exceed \$130,000 for the performance of a dependent eligibility verification audit commencing upon Governor and Executive Council approval through October 31, 2022. **Approximately 42% General, 20% Federal, 3% Enterprise, 14% Highway, 1% Turnpike, and 20% Other Funds.**

Funding is available in SFY 2022 and is anticipated to become available in SFY 2023, with the authority to adjust encumbrances between state fiscal years if necessary and justified through the Budget Office, in the following accounts:

	<u>SFY 2022</u>	<u>SFY 2023</u>
01-14-14-140560-66000000 102-500731 14FINA-J Actives - Contracts for Program Services	\$49,465	\$49,465
01-14-14-140560-66600000 102-500731 14FINT-J Troopers - Contracts for Program Services	\$1,820	\$1,820
01-14-14-140560-66500000 102-500731 14FINU-J Retirees - Contracts for Program Services	\$2,275	\$2,275
102-500731 14FINO-J Retirees Over 65 - Contracts for Program Services	\$11,440	\$11,440
Subtotal	\$65,000	\$65,000
Grand Total		\$130,000

EXPLANATION

Pursuant to RSA 21-I:28, the Commissioner of the Department Administrative Services (DAS) is authorized to enter into contracts "with any organization necessary to administer and provide a health plan..." The health benefit coverage is provided to eligible state employees, retirees and other statutorily authorized groups including their dependents in accordance with provisions in the collective bargaining agreements and RSA 21-I:30. As part of its due diligence in managing health care costs, DAS conducts audits to confirm the dependents covered under the State Health Benefit plan are permitted by law. The contract with Part D Advisors, Inc. (PDA) is for services to assist DAS with the audit. The final negotiated contract price is approximately \$104,000 for the audit. A contingency was added bringing the total contract price to \$130,000 to cover anticipated postage and certified mailing costs, as required.

A similar audit was conducted in 2015, resulting in approximately 290 dependents terminated from the State's Health Benefit Plans due to ineligibility and/or failure to validate, with a projected savings of \$1,694,000. Savings are not anticipated to be as substantial as the last audit due to the implementation of eligibility verification practices to prevent ineligible spouses and/or dependents on the Plan. The focus of the 2022 audit is to capture any divorces that occurred since the last audit or initial enrollment.

On January 21, 2022, DAS, working in conjunction with its broker services contractor, HUB International New England, LLC (WBS/HUB) of Manchester, NH, (contract approved by G&C on December 18, 2019, item #201) issued a Request for Proposal (RFP) for Dependent Eligibility Verification Audit Services via the DAS Bureau of Purchase and Property website. On February 25, 2022, DAS received six (6) proposals meeting all bidding requirements. Per the RFP, the lowest cost financial proposal received 50 points. The other proposals were scored on a sliding scale where the financial score is reduced by one (1) point for every one (1) percentage point higher than the lowest cost proposal. Any bidder more than 25 percent (%) above the lowest bidder received zero (0) points for the financial section. Because each of the other five bidders prices exceeded the 25% threshold for consideration, PDA was the only proposal that received a financial score. The evaluation scoring summary sheet is attached.

In addition to being the most cost competitive proposal, PDA also scored the highest in technical scoring. PDA is an experienced dependent eligibility verification company specializing in the public sector, having performed dependent eligibility verification audits for 29 years, since 1993. PDA's public sector clients include the City of Nashua's health benefit plan.

Employees and retirees will work directly with PDA to provide documentation confirming the eligibility of their spouses and dependents on the health plan. During the project, participants will have access to a secure web portal where they can upload verification documents, print forms, track their submitted documents, and monitor their status. The secure web portal will be available seven days a week and 24 hours per day.

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
April 6, 2022
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PDA will also accept verification documents via fax and e-mail, allowing participants several ways to respond to the verification request. PDA's US-based, in-house, live customer support staff will be available from 8:00AM until 8:00PM Eastern Standard Time Monday through Friday.

Based upon the foregoing, I respectfully request your approval of this contract.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Charles M. Arlinghaus". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Charles M. Arlinghaus
Commissioner
Administrative Services



State of New Hampshire RFP# 2568-22

Dependent Eligibility Verification Audit Services Bidder Proposal & Scoring Analysis

	Total Points Available	Alight Solutions	ClearTrack	PDA	Secova	UnifyHR	Verifi 1
Technical Scoring Section							
Your Firm, Experience and Account Management Team Total Score	5.0	4.5	4.0	4.5	3.5	3.5	4.5
Project Plan (with proposed timeline) for both Group 1 & Group 2 activities	5.0	5.0	5.0	5.0	5.0	5.0	4.0
Systems and Technology Total Score	5.0	5.0	4.5	5.0	5.0	5.0	5.0
Dependent Eligibility Verification Audit Services Total Score	20.0	16.5	16.5	20.0	15.0	17.5	17.0
Performance Guarantees Total Score	5.0	2.0	4.5	5.0	4.5	4.5	4.5
Communication Total Score	5.0	4.0	5.0	5.0	5.0	4.5	5.0
Reporting Total Score	5.0	5.0	5.0	5.0	5.0	5.0	3.0
Technical Score	50.0	42.0	44.5	49.5	43.0	45.0	43.0
Financial Scoring Section							
All-inclusive per dependent fee based on the approximate number of dependents provided in the RFP		\$7.45	\$8.70	\$5.07	\$7.15	\$6.75	\$6.90
Based on Dependent Count		20,500	20,500	20,500	20,500	20,500	20,500
Dependent Eligibility Verification Audit Total Cost (postage cost pass through)		\$152,725	\$178,350	\$103,935	\$146,575	\$138,375	\$141,450
Financial Score	50.0	0.0	0.0	50.0	0.0	0.0	0.0
Total Score (100 Points)	100.0	42.0	44.5	99.5	43.0	45.0	43.0

FORM NUMBER P-37 (version 12/11/2019)

DEPENDENT ELIGIBILITY VERIFICATION SERVICES


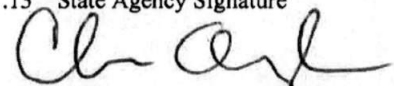
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Administrative Services, Division of Risk and Benefits		1.2 State Agency Address 25 Capitol Street, Room 412 Concord, NH 03301	
1.3 Contractor Name Part D Advisors, Inc.		1.4 Contractor Address 17199 Laurel Park Drive, Suite 400 Livonia, MI 48152	
1.5 Contractor Phone Number 734-459-8940	1.6 Account Number 01-14-14-140560-66000000 01-14-14-140560-66500000 102-500731 14FINO-J	1.7 Completion Date October 31, 2022	1.8 Price Limitation \$130,000.00
1.9 Contracting Officer for State Agency Joyce I. Pitman, Director		1.10 State Agency Telephone Number 603-271-3080	
1.11 Contractor Signature  Date: 04/01/2022		1.12 Name and Title of Contractor Signatory David Alexander Executive Vice President	
1.13 State Agency Signature  Date: 4-5-22		1.14 Name and Title of State Agency Signatory Charles M. Arlinghaus, Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <u>/s/Christen Lavers</u> On: <u>4/5/2022</u>			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder (“Event of Default”):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State’s discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report (“Termination Report”) describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State’s discretion, the Contractor

shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 As used in this Agreement, the word “data” shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. CONTRACTOR’S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers’ compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. “Change of Control” means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against

Contractor Initials DA
Date 04/01/2022

the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire

Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. CHOICE OF LAW AND FORUM. This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

**DEPENDENT ELIGIBILITY VERIFICATION
SERVICES AGREEMENT
BETWEEN THE STATE OF NEW HAMPSHIRE AND
PART D ADVISORS, INC.**

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APPENDICES

Appendix A:	Required Protection of Confidential Information and Data Security
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EXHIBIT A: SPECIAL PROVISIONS

Section 14.1.2. is deleted.

EXHIBIT B: SCOPE OF SERVICE

1. Introduction

This agreement is entered into by and between the State of New Hampshire ("State") and Part D Advisors, Inc. ("Contractor") for Dependent Eligibility Verification Audit Services).

The State of New Hampshire (hereafter referred to as "State"), Department of Administrative Services, acting through the Division of Risk and Benefits is seeking completion of a Dependent Eligibility Verification Audit of all spouses and children (hereafter referred to as "dependents") enrolled in the Health and Dental plans for the State's active Employees, Retirees and Legislators (both current and former). The overall goal of this project is to avoid future payment of healthcare claims (includes medical, prescription drugs, and dental claims) for ineligible dependents.

The Dependent Audit is to be organized and conducted in two groups. Both Group 1 and Group 2 should be completed on or before October 31, 2022. The State and the Contractor shall develop and mutually agree upon a schedule of critical dates and milestones.

Group 1

There are approximately 3,360 Medicare eligible Retirees with spouse coverage, 801 Non-Medicare Retirees with spouse coverage and 39 Legislators with spouse coverage.

Group 2

There are approximately 7,100 active Employees with 7,000 Spouses and 9,300 Children.

Projected Average Annual Health Benefits Plan & Dental Plan Costs

The projected average annual Health Benefits cost for dependents on each plan are as follows:

- a. Non-Medicare Retiree Health Benefit plan: \$12,839.00.
- b. Medicare eligible Retiree Health Benefit plan: \$5,166.00.
- c. The average annual Health Benefits cost for dependents on the active Employee Health Benefit plan is \$9,263.00.
- d. The average annual Dental Benefits cost for dependents on the Dental Benefit plan is \$519.27.

The overall goal of this process is to avoid payment of healthcare claims for ineligible dependents thereby costing the taxpayer and the recipients of these benefits less money.

Enrollment Table*

	Subscribers (Employee +1 & Employee + Family)	Total Dependents
Employees	7,100	16,300
Legislators	39	39
Retirees	4,161	4,161
Totals	11,300	20,500

* THESE NUMBERS ARE APPROXIMATE AND BASED ON PROJECTED JANUARY 1, 2022 ENROLLMENT

2. Services Required

The Contractor shall perform an independent eligibility verification of all dependents enrolled as of January 1, 2022. Enrollment detail is in the Enrollment Table above.

Email addresses of employees are not available for the purposes of this project.

Contractor shall provide flexibility in the dependent eligibility verification process to best meet the stated objectives and ensure maximum efforts have been made to obtain responses prior to the agreed-upon deadline. In this fashion, the State requires the following processes and services:

1. A dedicated account management team will be assigned to the State's account for purposes of overseeing and managing the dependent audit services.
2. A virtual planning session following award of contract where State personnel will receive a thorough description of the process with understanding of areas where their limited involvement may be required.
2. All documents for both Group 1 and Group 2 will be customized and presented to the State for approval prior to release. Forms will include attestations requiring signature and collection of dependent social security numbers.
3. Initial notification mailing to announce the verification process.
4. Verification period for submission of required documents to include at a minimum three (3) mailings and reminders at no additional charge to the State, in addition to phone calls.
5. Grace period if applicable and notice period with written notice of termination and appeals rights.
6. Call center services with extended hours, at a minimum 8 am to 8 pm EST. Select calls will be recorded and audited for quality. All calls will be logged in detail.
7. Secure web capabilities for document submissions by employees and retirees including the ability for them to verify their verification status.
8. Access by the State to the status of individual employees, retirees, legislators, and dependents.
9. Sample communications including but not limited to posters, flyers, notices, email content, FAQ, etc. that the State can utilize within the agencies during the dependent audit.



10. Weekly reporting of voluntary terminations to the State.
11. Weekly status reports accompanied by comment on any concerns regarding response rates.
12. Agency or retiree indicator will need to be included in reporting and in the mailings so that the State can view reporting by agency.
13. Produce and present a final report for the State that contains indicators for the date verified and/or cause for termination (i.e., voluntary, incomplete, no response).
14. Performance Guarantees to include, but not be limited to, call center services, document verification, and project management support.

3. Scope of Audit

Contractor shall contact all employees, retirees and legislators enrolled in health and/or dental benefit plans with at least one enrolled dependent for the purpose of collecting and validating proof of dependent eligibility. The project objectives include:

1. Verify the eligibility status of currently enrolled dependents;
2. Provide clear communications and a simplified verification process that includes electronic submissions;
3. Support employee/dependent efforts to procure appropriate documentation/attestations;
4. Provide State with detailed report of dependents that do not meet Plan eligibility rules and customized communications for agencies to utilize during the audit;
5. Retain documentation in digital form throughout the audit engagement and for an appropriate period thereafter;
6. Produce a weekly report in a mutually agreed upon format for the State that contains indicators for the date verified and/or cause for termination (i.e., voluntary, incomplete, no response);
7. Provide for secure data storage or disposal; and
8. Prepare a summary report and present in-person to the State at conclusion of the project.

Account Management

Contractor shall provide a dedicated account management team to proactively implement the State account, as well as provide effective on-going account management. The State shall have a designated Account Manager, Implementation Specialist and Business Process Developer accessible for routine meetings/calls as well as on an as needed basis.

The Contractor warrants that all personnel engaged in the contract services shall be qualified to perform the services and authorized to do so under all applicable laws. The State reserves the right to require Contractor to remove and/or reassign any employees, including the lead staff member from the State account due to unacceptable job performance.

Implementation

The implementation team will work with the State to implement the account, including but not limited to:

- a. Establish applicable target mailing timeframes, grace and appeal periods
- b. Customization of communications for the audit
- c. Development of appropriate data file for audit project, including testing
- d. Contractor's internal database used to track and verify eligibility information received
- e. Establish secure web portals for participants use to upload necessary documents
- f. Establish Call Center communications for participant phone inquiries.

Contractor agrees to provide the State with draft notices, letters, forms, administrative documents and applicable materials for review and approval by the State prior to any distribution to Participants or posting. Contractor agrees to obtain State approval prior to the final development and/or mailing of any communications to Participants

Electronic Data Management (Interface File)

The State and the Contractor will work together to create, test and implement an electronic data file with required Participant level data needed by Contractor for services to be performed.

All files shall be retrieved by the Contractor from the State of New Hampshire FTP site.

Specifications for Dependent Eligibility Verification Audit

Contractor shall:

- a. Verify the eligibility status of currently enrolled dependents;
- b. Provide clear communications and a simplified verification process that includes electronic submissions;
- c. Support employee/dependent efforts to procure appropriate documentation/attestations;
- d. Provide State with detailed report of dependents that do not meet Plan eligibility rules and customized communications for agencies to utilize during the audit;
- e. Retain documentation in digital form throughout the audit engagement and for an appropriate period thereafter;
- f. Produce a weekly report in a mutually agreed upon format for the State that contains indicators for the date verified and/or cause for termination (i.e., voluntary, incomplete, no response);
- g. Provide for secure data storage or disposal; and
- h. Prepare a summary report and present in-person to the State at conclusion of the project.

Warranties, Representations and Understandings

The State warrants and represents that it is the legal Plan Administrator and sole fiduciary of the Plan or Plans covered by this Agreement, and shall not require any bond or security of the Contractor in the performance of its duties under this Agreement.

The State reserves full authority to make all decisions regarding plan eligibility, including decisions regarding those duties and responsibilities delegated to the Contractor by this Agreement. The Contractor will serve as a service provider under the direction of the State, but will not act as the Plan Administrator.

The State shall take any and all actions and execute any and all documents necessary to authorize the Contractor to perform its functions and duties pursuant to this Agreement.

The State agrees to timely provide the Contractor with information and/or documentation reasonably requested by the Contractor, which is necessary for the Contractor to fulfill the terms and conditions of this Agreement.

4. Contract Term

The contract will become effective upon Governor and Council approval and terminate on October 31, 2022.

5. Performance Guarantees

The Contractor shall pay the State up to 11% (percent per category listed below) of total estimated fees for the Dependent Eligibility Verification Services Audit, based on overall performance.

MAXIMUM PROJECT FEES AT RISK FOR FAILURE TO MEET DEFINED PROJECT GOALS: 11%				
SERVICE		DESCRIPTION OF PROPOSED PERFORMANCE STANDARD	MEASUREMENT	PERCENT OF FEES AT RISK
Customer Service	Call Center Average speed of Answer 45 seconds or less	Defined as the amount of time a call is answered by the IVR or a live agent after the call is transferred to the automated call distribution system	Total speed of answer (in seconds) divided by the number of calls received	1%
	Call Center abandonment rate 5% or less	Defined as a call disconnected by the caller after the call is transferred to the automated call distribution system following opening greeting (30 seconds)	Total number of calls abandoned less "short abandons" (those dropped in the initial 30 seconds of the call/total number of calls received less short abandons	1%
	Blocked calls less than 3%	Defined as a call where the caller receives a busy signal due to insufficient phone lines	Total number of calls with busy signals/total number of telephone calls	1%

Document Processing Time	Document processing within 7 business days of receipt	Defined as the amount of time marked between indexing of document and validation processing against dependent record	Average of actual time for all documents processed	1%
Audit Accuracy	100% accuracy of submitted documents in Vendor's system as of the end of the project against State approved eligibility rule matrix	Defined as the appropriate processing of dropped dependents as of the end of the "Grace Period" of the project against State approved eligibility rule matrix	Number of dependents dropped in compliance with the eligibility rules as of the end of the "Grace Period" of the project divided by the number of dependents dropped	1%
Website/Portal Guarantee	99% availability of online portal to both administrators and members	Defined as the amount of time outside of pre-defined normal maintenance schedules that the portal is available	Total time available as a percentage of total time (less maintenance time) during applicable scheduled phases of the project	1%
ROI Guarantee	Minimum of 10:1 Return on Investment	Defined as the total savings associated with the identified non-verified dependents presented as a ratio of total project costs	Average annual Health Benefits cost per dependent (refer to page 7, Item C) multiplied by the number of identified non-verified dependents (by dependent type) against total fees charged by Vendor for the project	4%
Other Performance Guarantees Offered by Contractor	90% Response Rate	A "response" is defined as any contact from the participant to confirm that they are aware of the audit.	Percentage of enrollees (actives and retirees) with some kind of response.	1%

EXHIBIT C: PRICE & METHOD OF PAYMENT

1. Contract Price

Dependent Eligibility Verification Fees (Per Dependent).

The fees listed below are all inclusive per dependent fees based on the number of dependents listed in this contract. No additional fees will be assessed as part of the contract, with the exception of postage which will be invoiced separately.

Payments to the Contractor shall not commence prior to contract effective date. The contract shall commence upon the approval by the Governor & Executive Council. The Contractor shall be prepared to commence implementation activities immediately upon approval by Governor & Executive Council. The Contractor shall have a meeting with the State within one week of contract approval, or as otherwise mutually agreed, to commence the planning process including a timeline for implementation and end date of process.

Service	Service Cost
Per Dependent Fee	\$5.07 per dependent
Language Line – Spanish	Included
Customer Communications – any additional mailing beyond the proposed scope of the audit	Included
Live personal outbound calls to participants with missing information	Included
30-day grace period (allowing participants to continue to call and respond after mailing deadline)	Included
Updated demographic and contact information collected and reported	Included
Updated addresses – through National Change of address database – obtained and reported	Included
Process returned mail	Included

If the State determines that a language line other than Spanish is needed, a cost of \$3.95 per minute would be charged in addition to the per dependent fee listed above.

2. Invoicing and Premium Payments

The total project fee shall be calculated by applying the above referenced Per Dependent Fee, multiplied by the number of actual State of NH plan dependents enrolled in the State health benefit plans as of May 1, 2022.

Invoices shall be submitted after the completion the following milestones of this project. Contractor shall be paid within thirty (30) days of receipt or properly documented invoice and acceptance of the work to the State's satisfaction.

Initiation of Implementation – 20% of estimated total project fees
Initiation of Group 1 Audit – 15% of estimated total project fees

Initiation of Group 2 Audit – 15% of estimated total project fees
Completion of Group 1 Audit – 20% of estimated total project fees
Completion of Group 2 Audit – 20% of estimated total project fees
Performance Guarantee Contingencies – 10% of total estimated project fees

3. Termination Fee

If at any point the State terminates this contract prior to the end date, the State agrees to pay fees incurred based on the milestone met as of the date of termination if the termination of the contract is not due to lack of performance by the Contractor.

4. Contract Terms

A. Non-Exclusive Contract

This Contract shall be a non-exclusive Contract. The State reserves the right, at its discretion, to retain other Contractors to provide any of the Services or Deliverables identified under this procurement or make an award by item, part or portion of an item, group of items or total Proposal.

B. Certificate of Insurance

The Contractor shall submit proof of Workers' Compensation and Comprehensive General Liability prior to performing any services for the State. The coverage shall include comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate and additionally limits for errors and omissions/professional liability coverage in the amount of \$5 (five) million per claim and \$6 (six) million in the aggregate.

C. Termination

The State of New Hampshire shall have the right to terminate the contract at any time by giving the Contractor no less than thirty (30) days advance written notice.

D. Sub-Contractors

Any sub-contractors to be used in performing the services proposed by the Contractor shall be fully disclosed and meet all applicable eligibility and regulatory requirements.

Exhibit D – Incorporation of Contractor RFP Response(s) and Attachments

The Contractor's Proposal Response to RFP #2568-22 and incorporated herein by reference.

Appendix A

Required Protection of Confidential Information and Data Security

In performing its obligations under the Agreement, Contractor, inclusive of any subsidiaries and related entities shall gain access to State data and information and with respect to such will comply with the following terms and conditions. Protection of State data and information shall be an integral part of the business activities of Contractor. Contractor shall ensure that there is no inappropriate or unauthorized use of State data and information at any time.

1. Definitions
 - a. Confidential Information. Protected health information (PHI), personally identifiable information (PII), and other personal private, and/or sensitive information.
 - b. Data. All information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
2. Contractor Responsibilities
 - a. Confidential Information obtained by Contractor shall remain the property of the State and shall at no time become the property of Contractor unless otherwise explicitly permitted under the Agreement.
 - b. Contractor shall develop and implement policies and procedures to safeguard the confidentiality, integrity and availability of the State's information.
 - c. Contractor shall not use the State's Confidential Information developed or obtained during the performance of, or acquired or developed by reason set forth within the Agreement, except as is directly connected to and necessary for Contractor's performance under the Agreement, or unless otherwise permitted under the Agreement.
 - d. In the event Contractor stores Data and/or Confidential Information, such information shall be encrypted by Contractor both at rest and in motion.
 - e. Contractor shall have, and shall ensure that any subcontractors or related entities have, proper security measures in place for protection of the State's data. Such security measures shall comply with HIPAA and all other applicable State and federal data protection and privacy laws.
3. Controls.

Contractor shall, and shall ensure that any subcontractors or related entities use at all times proper controls for secured storage of, limited access to, and rendering unreadable prior to discarding, all records containing the State's Confidential Information. Contractor shall not store or transfer Confidential Information collected in connection with the services rendered under this Agreement outside of the North America. This includes backup data and disaster recovery locations.
4. Breach Notification.

- a. Contractor shall notify the State of any security breach, or potential breach of Contractor or any subcontractors or related entities, that jeopardizes, or may jeopardize the State's Data, Confidential Information, or processes. For purposes of reporting under this Section, security breach or potential breach shall be limited to the successful or attempted unauthorized access, use, disclosure, modification, or destruction of information, or the successful interference with system operations in an information system. A potential breach or an attempted unauthorized access is an incident in which the Contractor has conducted a risk assessment and determined there is a high probability that a breach or unauthorized access occurred.
- b. Contractor shall notify the State of a security breach, or potential breach of Contractor or any subcontractors or related entities upon discovery. Contractor will treat a security breach or potential breach as being discovered as of the first day on which such incident is known to Contractor, or by exercising reasonable diligence, would have been known to Contractor. Contractor shall be deemed to have knowledge of a security breach or potential breach if such incident is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the breach, who is an employee, officer or other agent of Contractor.
- c. Full disclosure of the security breach or potential breach of Contractor or any subcontractors or related entities shall be made and include all available information resulting from investigation of the security breach or potential breach. Contractor shall make efforts to investigate the causes of the security breach or potential breach; promptly take measures to prevent any future breach; and mitigate any damage or loss. In addition, Contractor shall inform the State of the actions it is taking, or will take, to reduce the risk of further loss to the State.
- d. All legal notifications required as a result of a breach of information, or potential breach, collected pursuant to this Agreement shall be coordinated with the State.

5. Liability and Damages.

In addition to Contractor's liability as set forth elsewhere in the Agreement, if Contractor or any of its subcontractors or related entities is determined by forensic analysis or report, to be the likely source of any loss, disclosure, theft or compromise of State's data or Confidential Information, the State shall recover from Contractor all costs of response and recovery resulting from the security breach or potential breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services. A security breach or potential breach may cause the State irreparable harm for which monetary damages would not be adequate compensation. In the event of such an incident, the State is entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance and any other relief that may be available from any court, in addition to any other remedy to which the State may be entitled at law or in equity. Such remedies shall not be deemed exclusive, but shall be in addition to all other remedies available at law or in equity, subject to any express exclusion or limitations in the Agreement to the contrary.

6. Data Breach Insurance.

In addition to Contractor's insurance obligations as set forth in the form contract P-37, Contractor shall carry Data Security & Privacy Cyber Liability Insurance coverage for unauthorized access, use, acquisition, disclosure, failure of security, breach of Data or Confidential Information, privacy perils, in an amount not less than \$6 million per annual aggregate, covering all acts, errors, omissions, at minimum, during the full term of this Agreement. Such coverage shall be maintained in force at all times during the term of the Agreement and during any period after the termination of this Agreement during which Contractor maintains State Data or Confidential Information.

7. Data Recovery.

Contractor shall be responsible for ensuring backup and redundancy of the State's Data and Confidential Information for recovery in the event of a system failure or disaster event within Contractor's data storage systems. Contractor shall ensure that its subcontractor or related entities provide similar backup and redundancy of the State's Data and Confidential Information.

8. Return or Destruction of Data and Confidential Information.

Upon termination of the Agreement for any reason, Contractor shall:

- a. Return or destroy the Data or Confidential Information Contractor still maintains in any form. Whether the information is returned or destroyed is determined at the sole discretion of the State. Information that is destroyed shall be permanently deleted and not recoverable according to National Institute of Standards and Technology approved methods. Contractor shall provide the State with certificates of destruction and/or certificates verifying that all information has been returned and none retained. If it is not feasible for Contractor to return or destroy portions of such confidential data or information in its possession, Contractor shall inform the State as to the specific reasons that make such return or destruction infeasible and may retain such data or information with approval of the State, which shall not be unreasonably withheld.
- b. Certain types of information which must be retained for the State's benefit, such as records of actuarial determinations, will be maintained as agreed upon by the State.
- c. Continue to use appropriate safeguards as identified above with respect to any Data or Confidential Information that is retained
- d. Not use or disclose Data or Confidential Information retained other than for purposes for which such information has been retained, and subject to the same terms and conditions as set forth in the original Agreement.


9. Access to System Information.

Contractor will provide a report upon request for in-scope data to include security, access, and environmental information that affect the Agreement, the State's data and/or processes. This includes the ability of the State to request a report of the records that a specified user accessed over a specified period of time.

10. Import/Export Data.

Contractor will provide export of data upon request at no additional cost to the State.

Survival: This appendix *Required Protection of Confidential Information and Data Security* shall survive termination or conclusion of the Agreement.

Contractor Initials 
Date 04/01/2022

Appendix B

Business Associate Agreement

The Contractor agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates. As defined herein, "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean Contractor and any affiliate. "Covered Entity" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this Agreement shall mean the State of New Hampshire Department of Administrative Services Employee and Retiree Health Benefit Program. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

BUSINESS ASSOCIATE AGREEMENT

1. Definitions

- a. The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.
- b. All terms not otherwise defined herein shall have the same meaning as those set forth in the HIPAA Rules.

2. Privacy and Security of Protected Health Information (PHI)

a. Permitted Uses and Disclosures

- i. Business Associate shall not use, disclose, maintain or transmit PHI except as reasonably necessary to provide the services set forth in this Agreement or any Agreement between the parties, or as required by law.
- ii. Business Associate is authorized to use PHI to de-identify the information in accordance with 45 CFR 164.514(a)-(c). Business Associate shall de-identify the PHI in a manner consistent with HIPAA Rules. Uses and disclosures of the de-identified information shall be limited to those consistent with the provisions of this Agreement.
- iii. Business Associate may use PHI as necessary to perform data aggregation services, and to create Summary Health Information and/or Limited Data Sets. Contractor shall use appropriate safeguards to prevent use or disclosure of the information other than as provided for herein, shall ensure that any agents or subcontractors to whom it provides such information agree to the same restrictions and conditions that apply to Contractor, and not identify the Summary Health Information and/or Limited Data Sets or contact the individuals other than for the management, operation and administration of the Plan.
- iv. Business Associate may use and disclose PHI (a) for the management, operation and administration of the Plan, (b) for the services set forth in the Agreement, which include (but are not limited to) Treatment, Payment and Health Care Operation activities, and/or Pharmacy Benefit Management as these terms are defined in this

Agreement and 45 C.F.R. § 164.501, and (c) as otherwise required to perform its obligations under this Agreement, or any other Agreement between the parties provided that such use or disclosure would not violate the HIPAA Regulations.

- v. Business Associate may disclose, in conformance with the HIPAA Rules, PHI to make disclosures of De-identified Health Information, Limited Data Sets, and Summary Health Information. Contractor shall use appropriate safeguards to prevent use or disclosure of the information other than as provided for herein, ensure that any agents or subcontractors to whom it provides such information agree to the same restrictions and conditions that apply to Contractor, and not identify the De-identified Health Information, Summary Health Information and/or Limited Data Sets or contact the individuals. Business Associate may also disclose, in conformance with the HIPAA Regulations, PHI to Health Care Providers for permitted purposes including health care operations.
 - vi. Business Associate may use or disclose PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of Business Associate. To the extent Business Associate discloses PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (a) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (b) an Agreement from such third party to notify Business Associate of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
 - vii. To the extent practicable, Business Associate shall not, unless such disclosure is reasonably necessary to provide services outlined in the Agreement, disclose any PHI in response to a request for disclosure on the basis it is required by law without first notifying Covered Entity unless such notification is prohibited by law. In the event Covered Entity objects to the disclosure it shall seek the appropriate relief and the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
- b. Minimum Necessary. Business Associate will, in its performance of the functions, activities, services, and operations specified above, make reasonable efforts to use, to disclose, and to request only the minimum amount of PHI reasonably necessary to accomplish the intended purpose of the use, disclosure, or request, except that Business Associate will not be obligated to comply with this minimum-necessary limitation if neither Business Associate or Covered Entity is required to limit its use, disclosure, or request to the minimum necessary under the HIPAA Rules. Business Associate and Covered Entity acknowledge that the phrase "minimum necessary" shall be interpreted in accordance with the HITECH Act and the HIPAA Rules.
- c. Prohibition on Unauthorized Use or Disclosure. Business Associate may not use or disclose PHI except (1) as permitted or required by this Agreement, or any other Agreement between the parties or as permitted by the HIPAA Rules, (2) as permitted in writing by Covered Entity, or (3) as authorized by the individual or (4) as Required by Law. This Agreement does not authorize Business Associate to use or disclose Covered Entity's PHI in a manner that would violate the HIPAA Rules if done by Covered Entity, except as permitted for Business Associate's proper management and administration as described herein.

3. Information Safeguards

- a. Privacy of Protected Health Information. Business Associate will develop, implement, maintain, and use appropriate administrative, technical, and physical safeguards to protect the privacy of PHI. The safeguards must reasonably protect PHI from any intentional or unintentional use or disclosure in violation of the Privacy Rule and limit incidental uses or disclosures made pursuant to a use or disclosure otherwise permitted by this Agreement. To the extent the parties agree that the Business Associate will carry out directly one or more of Covered Entity's obligations under the Privacy Rule, the Business Associate will comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligations.
- b. Security of Covered Entity's Electronic Protected Health Information. Business Associate will comply with the Security Rule and will use appropriate administrative, technical and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI that Business Associate creates, receives, maintains or transmits on Covered Entity's behalf.
- c. No Transfer of PHI Outside the United States. Business Associate will not transfer PHI outside the United States without prior written consent of the Covered Entity. In this context a "transfer" outside the United States occurs if Business Associate's workforce members, agents, or Subcontractors physically located outside the United States are able to store, copy or disclose PHI.
- d. Subcontractors. Business Associate will require each of its Subcontractors to agree in a written Agreement with Business Associate, to comply with the provisions of the Security Rule; to appropriately safeguard PHI created, received, maintained, or transmitted on behalf of the Business Associate; and to apply the same restrictions and conditions that apply to the Business Associate with respect to such PHI.
- e. Prohibition on Sale of Protected Health Information. Business Associate shall not engage in any sale (as defined in the HIPAA rules) of PHI.
- f. Prohibition on Use or Disclosure of Genetic Information. Business Associate shall not use or disclose Genetic Information for underwriting purposes in violation of the HIPAA rules.
- g. Penalties for Noncompliance. Business Associate acknowledges that it is subject to civil and criminal enforcement for failure to comply with the HIPAA Rules, to the extent provided with the HITECH Act and the HIPAA Rules.

4. Compliance With Electronic Transactions Rule

- a. If Business Associate conducts in whole or part electronic Transactions on behalf of Covered Entity for which HHS has established standards, Business Associate will comply, and will require any Subcontractor it involves with the conduct of such Transactions to comply, with each applicable requirement of the Electronic Transactions Rule and of any operating rules adopted by HHS with respect to Transactions.

5. Individual Rights and PHI

- a. Access
 - i. At the State's direction, Business Associate shall respond to an individual's request for access to his or her PHI as part of Business Associate's normal customer service function, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with regard to PHI that Business Associate and/or its

Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.

- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity by individuals to invoke a right of access under the HIPAA Privacy Regulation. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate shall make available to Covered Entity, or at Covered Entity's direction to the individual (or the individual's personal representative), any PHI about the individual created or received for or from Covered Entity in the control of Business Associate's and/or its Subcontractors for inspection and obtaining copies so that Covered Entity may meet its access obligations under 45 CFR 164.524, and, where applicable, the HITECH Act. Business Associate shall make such information available in an electronic format where required by the HITECH Act.

b. Amendment

- i. At the State's direction, Business Associate shall respond to an individual's request to amend his or her PHI as part of Business Associate's normal customer service functions, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity to invoke a right to amend under the HIPAA Privacy Regulation. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate shall amend any portion of the PHI created or received for or from Covered Entity in the custody or control of Business Associate and/or its Subcontractors so that Covered Entity may meet its amendment obligations under 45 CFR 164.526.

c. Disclosure Accounting

- i. At the State's direction, Business Associate shall respond to the Covered Entity Relating to an individual's request for an accounting of disclosures of his or her PHI as part of Business Associate's normal customer service function, if the request is communicated to the Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to a request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.
- ii. In addition, Business Associate shall assist Covered Entity in responding to requests made to Covered Entity by individuals or their personal representatives to invoke a right to an accounting of disclosures under the HIPAA Privacy Regulation by performing the following functions so that Covered Entity may meet its disclosure accounting obligation under 45 CFR 164.528.
- iii. Disclosure Tracking. Business Associate shall record each disclosure that Business Associate makes of individuals' PHI, which is not excepted from disclosure accounting under 45 CFR 164.528(a)(1).

- iv. Disclosure Information. The information about each disclosure that Business Associate must record ("Disclosure Information") is (a) the disclosure date, (b) the name and (if known) address of the person or entity to whom Business Associate made the disclosure, (c) a brief description of the PHI disclosed, and (d) a brief statement of the purpose of the disclosure or a copy of any written request for disclosure under 45 Code of Federal Regulations §164.502(a)(2)(ii) or §164.512. Disclosure Information also includes any information required to be provided by the HITECH Act.
 - v. Repetitive Disclosures. For repetitive disclosures of individuals' PHI that Business Associate makes for a single purpose to the same person or entity (including to Covered Entity or Employer), Business Associate may record (a) the Disclosure Information for the first of these repetitive disclosures, (b) the frequency, periodicity or number of these repetitive disclosures, and (c) the date of the last of these repetitive disclosures.
 - vi. Exceptions from Disclosure Tracking. Business Associate will not be obligated to record Disclosure Information or otherwise account for disclosures of PHI if Covered Entity need not account for such disclosures under the HIPAA Rules.
 - vii. Disclosure Tracking Time Periods. Unless otherwise provided by the HITECH Act and/or accompanying regulations, Business Associate shall have available for Covered Entity the Disclosure Information required by Section 5.c.iv above for the six (6) years following the date of the accountable disclosure. For disclosures related to an Electronic Health Record, the information shall be available for a period of 3 years, starting with the date specified by HHS.
- d. Confidential Communications
- i. At the State's direction, Business Associate shall respond to the Covered Entity relating to an individual's request for a confidential communication as part of Business Associate's normal customer service function, if the request is communicated to Business Associate directly by the individual or the individual's personal representative. Business Associate shall respond to the request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation. If an individual's request, made to Business Associate, extends beyond information held by Business Associate or Business Associate's Subcontractors, Business Associate shall refer individual to Covered Entity. Business Associate assumes no obligation to coordinate any request for a confidential communication of PHI maintained by other business associates of Covered Entity.
 - ii. In addition, Business Associate shall assist Covered Entity in responding to requests to it by individuals (or their personal representatives) to invoke a right of confidential communication under the HIPAA Privacy Regulation. Upon receipt of written notice (including fax and email) from Covered Entity, Business Associate will begin to send all communications of PHI directed to the individual to the identified alternate address so that Covered Entity may meet its access obligations under 45 CFR 164.524.
- e. Restrictions
- i. At the State's direction, Business Associate shall respond to the Covered Entity relating to an individual's request for a restriction as part of Business Associate's normal customer service function, if the request is communicated to Business

Associate directly by the individual (or the individual's personal representative). Business Associate shall respond to the request with respect to the PHI Business Associate and its Subcontractors maintain in a manner and time frame consistent with requirements specified in the HIPAA Privacy Regulation.

- ii. In addition, Business Associate shall promptly, upon receipt of notice from Covered Entity, restrict the use or disclosure of individuals' PHI, provided the Business Associate has agreed to such a restriction. Covered Entity agrees that it will not commit Business Associate to any restriction on the use or disclosure of individuals' PHI for treatment, payment or health care operations without Business Associate's prior written approval.

6. Breach

- a. Business Associate shall report to Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement promptly upon discovery of such incident, including any Security Incident involving PHI, ePHI, or Unsecured PHI as required by 45 CFR 164.410. Such report shall not include instances where Business Associate inadvertently misroutes PHI to a provider, as long as the disclosure is not a Breach as defined under 45 CFR §164.402. The parties acknowledge and agree that attempted but Unsuccessful Security Incidents (as defined below) that occur on a daily basis will not be reported. "Unsuccessful Security Incidents" shall include, but not be limited to, pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI.
- b. Business Associate shall report a Breach or a potential Breach to Covered Entity upon discovery of any such incident. Business Associate will treat a Breach or potential Breach as being discovered as of the first day on which such incident is known to Business Associate, or by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach or potential Breach if such incident is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer or other agent of Business Associate. If a delay is requested by a law-enforcement official in accordance with 45 CFR § 164.412, Business Associate may delay notifying Covered Entity for the applicable time period. Business Associate's report will include at least the following, provided that absence of any information will not be cause for Business Associate to delay the report:
 - i. Identify the nature of the Breach, which will include a brief description of what happened, including the date of any Breach and the date of the discovery of any Breach;
 - ii. Identify the scope of the Breach, including the number of Covered Entity members involved as well as the number of other individuals involved;
 - iii. Identify the types of PHI that were involved in the Breach (such as whether full name, Social Security number, date of birth, home address, account number, diagnosis, or other information were involved);
 - iv. Identify who made the non-permitted use or disclosure and who received the non-permitted disclosure;

- v. Identify what corrective or investigational action Business Associate took or will take to prevent further non-permitted uses or disclosures, to mitigate harmful effects, and to protect against any further Breaches;
 - vi. Identify what steps the individuals who were subject to a Breach should take to protect themselves;
 - vii. Provide such other information as Covered Entity may reasonably request.
- c. Security Incident. Business Associate will promptly upon discovery of such incident report to Covered Entity any Security Incident of which Business Associate becomes aware. Business Associate will treat a Security Incident as being discovered as of the first day on which such incident is known to Business Associate, or by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Security Incident if such incident is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Security Incident, who is an employee, officer or other agent of Business Associate. If any such Security Incident resulted in a disclosure not permitted by this Agreement or Breach of Unsecured PHI, Business Associate will make the report in accordance with the provisions set forth above.
- d. Mitigation. Business Associate shall mitigate, to the extent practicable, any harmful effect known to the Business Associate resulting from a use or disclosure in violation of this Agreement.
- e. Breach Notification to Third Parties. Business Associate will handle breach notifications to individuals, the United States Department of Health and Human Services Office for Civil Rights, and, where applicable, the media. Should such notification be necessary, Business Associate will ensure that Covered Entity will receive notice of the breach prior to such incident being reported.

7. Term and Termination

- a. The term of this Agreement shall be effective as of Governor and Executive Council approval, and shall terminate consistent with the underlying Agreement or on the date covered entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.
- b. In addition to the general provisions outlined in the P-37 of this Agreement the Covered Entity may, as soon as administratively feasible, terminate the Agreement upon Covered Entity's knowledge of a material breach by Business Associate of this Business Associate Agreement. Prior to terminating the Agreement, the Covered Entity may provide an opportunity for Business Associate to cure the alleged breach within a reasonable timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity may report the violation to the Secretary.
- c. Upon termination of this Agreement for any reason, Business Associate, with respect to PHI received from Covered Entity, or created, maintained or received by Business Associate on behalf of Covered Entity, shall:
 - i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - ii. To the extent feasible, Business Associate shall, and shall cause any subcontractors and agents to, return or destroy and retain no copies of all PHI received from, or

created or received by Business Associate on behalf of, Covered Entity. If Business Associate determines, in its sole discretion, that return or destruction of such information is not practicable due to applicable law or regulation, Business Associate shall continue to limit the use or disclosure of such information as set forth in this Agreement as if the Agreement had not been terminated. If and when it becomes feasible to destroy PHI Business Associate shall do so;

- iii. To the extent feasible, destroy, in accordance with applicable law and Business Associate's record retention policy that it applies to similar records, the remaining PHI that Business Associate still maintains in any form;
 - iv. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains the PHI;
 - v. Not use or disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out in this Agreement which applied prior to termination; and
 - vi. Destroy in accordance with applicable law and Business Associate's record retention policy that it applies to similar records, the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.
- d. The above provisions shall also apply to PHI that is in the possession of any Subcontractors of Business Associate. Further Business Associate shall require any such Subcontractor to certify to Business Associate that it has returned or destroyed all such information which could be returned or destroyed.
 - e. Business Associate's obligations under this Section 7.c. shall survive the termination or other conclusion of this Agreement.

8. Covered Entity's Responsibilities

- a. Covered Entity shall be responsible for the preparation of its Notice of Privacy Practices ("NPP"). To facilitate this preparation, upon Covered Entity's request, Business Associate will provide Covered Entity with its NPP that Covered Entity may use as the basis for its own NPP. Covered Entity will be solely responsible for the review and approval of the content of its NPP, including whether its content accurately reflects Covered Entity's privacy policies and practices, as well as its compliance with the requirements of 45 C.F.R. § 164.520. Unless advance written approval is obtained from Business Associate, Covered Entity shall not create any NPP that imposes obligations on Business Associate that are in addition to or that are inconsistent with the HIPAA Rules.
- b. Covered Entity shall bear full responsibility for distributing its own NPP.
- c. Covered Entity shall notify Business Associate of any change(s) in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such change(s) may affect Business Associate's use or disclosure of such PHI.

9. Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the HIPAA Rules as in effect or as amended.

- b. Amendment. Covered Entity and Business Associate agree to take action to amend the Agreement as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law.
- c. Business Associate shall make available all of its internal practices, policies and procedures, books, records and Agreements relating to its use and disclosure of Protected Health Information to the United States Department of Health and Human Services as necessary, to determine compliance with the HIPAA Rules and with this Business Associate Agreement.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be interpreted to permit compliance with the HIPAA Rules.
- e. Severability. If any term or condition of this BAA or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this BAA are declared severable.
- f. Survival. Provisions in this BAA regarding the use and disclosure of PHI, return or destruction of PHI, confidential communications and restrictions shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this BAA.

THE STATE OF NEW HAMPSHIRE EMPLOYEE
AND RETIREE HEALTH BENEFIT PROGRAM

Charles

Signature of Authorized Representative

Charles Arlinghaus

Name of Authorized Representative

Commissioner

Title of Authorized Representative

4-5-22

Date

PART D ADVISORS, INC.

David Alexander

Signature of Authorized Representative

David Alexander

Name of Authorized Representative

Executive Vice President

Title of Authorized Representative

04/01/2022

Date

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PART D ADVISORS, INC. (MI)

Foreign Qualification (Basic Package) - New Hampshire	\$	In Progress
Certificate of Good Standing - New Hampshire	\$	In Progress
Certificate Listing Charter Documents - New Hampshire	\$	In Progress
Registered Agent Services - New Hampshire	\$	In Progress

Business Information

Business Details

Business Name: PART D ADVISORS, INC.	Business ID: 897876
Business Type: Foreign Profit Corporation	Business Status: Good Standing
Business Creation Date: 04/01/2022	Name in State of Incorporation: PART D ADVISORS, INC.
Date of Formation in Jurisdiction: 03/23/2005	
Principal Office Address: 17199 N. Laurel Park Drive, Suite 400, Livonia, MI, 48152, USA	Mailing Address: 17199 N. Laurel Park Drive, Suite 400, Livonia, MI, 48152, USA
Citizenship / State of Incorporation: Foreign/Michigan	
	Last Annual Report Year: N/A
	Next Report Year: 2023
Duration: Perpetual	
Business Email: dalexander@partdadvisors.com	Phone #: 734-459-8940
Notification Email: dalexander@partdadvisors.com	Fiscal Year End Date: NONE

Principal Purpose

S.No	NAICS Code	NAICS Subcode
1	OTHER / Dependent Eligibility Verification services - 52490	

Principals Information

Name/Title	Business Address
David Alexander / Other Officer	17199 N. Laurel Park Drive, Suite 400, Livonia, MI, 48152, USA
John Eggersten / Director	17199 N. Laurel Park Drive, Suite 400, Livonia, MI, 48152, USA
Bruce Liebowitz / Director	17199 N. Laurel Park Drive, Suite 400, Livonia, MI, 48152, USA
Patrick Coleman / Director	17199 N. Laurel Park Drive, Suite 400, Livonia, MI, 48152, USA

Page 1 of 1, records 1 to 4 of 4

Registered Agent Information

Name: C T Corporation System

Registered Office Address: 2 1/2 Beacon Street, Concord, NH, 03301 - 4447, USA

Registered Mailing Address: 2 1/2 Beacon Street, Concord, NH, 03301 - 4447, USA

Trade Name Information

No Trade Name(s) associated to this business.

Trade Name Owned By

No Records to View.

Trademark Information

Trademark Number	Trademark Name	Business Address	Mailing Address
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No records to view.

[Filing History](#) [Address History](#) [View All Other Addresses](#) [Name History](#) [Shares](#)
[Businesses Linked to Registered Agent](#) [Return to Search](#) [Back](#)

NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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State of New Hampshire

Department of State

CERTIFICATE OF AUTHORITY OF PART D ADVISORS, INC.

The Secretary of State of the State of New Hampshire hereby certifies that an Application of **PART D ADVISORS, INC.** for a Certificate of Authority to transact business in this State, duly signed pursuant to the provisions of the New Hampshire Business Corporation Act, has been received in this office.

ACCORDINGLY the undersigned, by virtue of the authority vested in him by law, hereby issues this Certificate of Authority to **PART D ADVISORS, INC.** to transact business in this State under the name of **PART D ADVISORS, INC.**, and attaches hereto a copy of the Application for such Certificate.

Business ID: 897876



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2022.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State



April 1, 2022

On behalf of Part D Advisors, Inc. ("PDA"), David Alexander, Executive Vice President, is hereby authorized to execute contractual agreements.

By:  _____

Name: John Eggertsen

Title: President

Date: 4/1/2022

NOTEPAD

INSURED'S NAME **Part D Advisors, Inc.**

PARTD-1
OP ID: AA

PAGE 2
Date **04/01/2022**

F) Endurance Am Spec Ins - PVX30005271201 4/1/22-4/1/23 Excess Cyber
\$2,000,000

Total Cyber Liability Limit = \$6,000,000 (\$2Mx\$2Mx\$2M)
Total Professional Liability Limit = \$6,000,000 (\$2Mx\$2Mx\$2M)