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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID SERVICES

Jeffrey A. Meyers
Commissioner

Deborah H. Fournier
Medicaid Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9422 1-800-852-3345 Ext. 4344
Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

December 13, 2016

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Requested Action

Authorize the Department of Health and Human Services, Office of Medicaid Business and Policy to amend an existing agreement with Milliman, Inc. (Vendor # 173344), 15800 Bluemound Rd, Suite 100, Brookfield, Wisconsin 53005, for the provision of actuarial services and technical support relative to Medicaid Care Management, by increasing the price limitation by \$650,023 from \$8,099,310 to an amount not to exceed \$8,749,333 and increasing the scope of services with no change to the contract completion date of June 30, 2017, effective upon Governor and Council approval. 50% Federal Funds, 49% General Funds and 1% Other.

The Governor and Executive Council approved the original Contract on December 5, 2012 (Item # 33), a subsequent amendment on August 14, 2013 (Item # 40), a subsequent amendment on June 10, 2015 (Item #8).

Funds to support this request are available in the following accounts in State Fiscal Year 2017.

05-95-95-9560010-6147 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: COMMISSIONER, OFF MEDICAID & BUSINESS POLICY, PROVIDER PAYMENTS

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2013	101-500729	Medical Payments to Providers	\$957,740	\$0	\$957,740
		Sub-Total	\$957,740	\$0	\$957,740

05-95-047-470010-7940 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY, PROVIDER PAYMENTS

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2014	101-500729	Medical Payments to Providers	\$853,970	\$0	\$853,970
2015	101-500729	Medical Payments to Providers	\$889,850	\$0	\$889,850
		Sub-Total	\$1,743,820	\$0	\$1,743,820

05-95-95-958010-1225 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: COMMISSIONER, COMMUNITY BASED CARE SERVICES, STATE INNOVATION MODELS GRANT

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2014	102-500731	Contracts for Program Services	\$446,750	\$0	\$446,750
		Sub-Total	\$446,750	\$0	\$446,750

05-00095-047-470010-7948 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY, MEDICAID CARE MANAGEMENT

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2015	102-500731	Contracts for Program Services	\$780,000	\$0	\$780,000
		Sub-total	\$780,000	\$0	\$780,000

05-00095-047-470010-7937 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY MEDICAID ADMINISTRATION

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2016	102-500731	Contracts for Program Services	\$2,050,000	\$0	\$2,050,000
2017	102-500731	Contracts for Program Services	\$2,121,000	\$332,280	\$2,453,280
		Sub-Total	\$4,171,000	\$332,280	\$4,503,280

05-00095-047-470010-3099 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY NHHPP TRUST FUND

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2017	102-500731	Contracts for Program Services	\$0	\$317,743	\$317,743
		Sub-Total	\$0	\$317,743	\$317,743
		Grand Total	\$8,099,310	\$650,023	\$8,749,333

Explanation

The purpose of this agreement is to provide additional funding to an existing contract to add scope of work that includes Managed Care Operations (MCO) Reprocurement Assistance, Increased Level of MCO Encounter Data and Financial Data Collection and Validation, Waiver Assistance and for Medicaid Managed Care to continue securing actuarial services and technical support in the operation of a Medicaid Care Management Program. This amendment increases the price limitation by \$650,023 from \$8,099,310 to an amount not to exceed \$8,749,333.

In June 2011 the New Hampshire State Legislature passed SB 147 (Chapter 125, Laws of New Hampshire 2011), that required the Department of Health and Human Services to develop a comprehensive statewide Medicaid Care Management program for all New Hampshire Medicaid beneficiaries. On May 9, 2012, the Governor and Executive Council approved the request for three companies to implement Medicaid Care Management for the Medicaid program. The Centers for Medicaid and Medicare Services has since approved New Hampshire's plan for statewide implementation. As part of that plan, actuarial services and technical support are required to establish annual capitation rates paid to managed care providers, to perform risk adjustment of those rates and to conduct financial analysis of care management and fee – for - service Medicaid programs.

In August 2013, the State of New Hampshire approved actuarial services for the State Innovation Model, Phase II of the Medicaid Managed Care Program which covers foster care children, dual eligible beneficiaries and long-term care for people with chronic conditions.

Should the Governor and Executive Council not approve this request, the Department of Health and Human Services would not be able to complete the actuarial tasks required to implement revised rates, necessary due to the guidance from the Centers for Medicaid and

Medicare Services, as well as program financial analysis under its Medicaid Care Management Program in a timely manner, thereby exposing the Department and State to ongoing delays in implementation and increased risk of federal funds being withheld.

Area Served: Statewide

Sources of Funds: 50% Federal Funds (CFDA #93.778); 49% General Funds and 1% Other Funds

In the event that the Federal Funds or Other Funds become no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,



Deborah H. Fournier, Esquire
Medicaid Director



Approved by:

Jeffrey Meyers
Commissioner



**State of New Hampshire
Department of Health and Human Services
Amendment #3 to the Actuarial Services and Technical Support Relative to
Medicaid Care Management Contract**

This 3rd Amendment to the Actuarial Services and Technical Support Relative to Medicaid Care Management contract (hereinafter referred to as "Amendment #3") dated this 30th day of November, 2016, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Milliman Inc. (hereinafter referred to as "the Contractor"), a Washington corporation with a place of business at 15800 Bluemound Rd., Suite 100, Brookfield, Wisconsin.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on December 5, 2012 (Item # 33) and amended by an agreement (Amendment #1) approved by the Governor and Executive Council on August 14, 2013 (Item # 40), and amended by an agreement (Amendment #2) approved by the Governor and Executive Council on June 10, 2015 (Item # 8) the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to the General Provisions, Paragraph 18, the State may modify the Contract by written agreement of the parties and approval of the Governor and Executive Council; and

WHEREAS the parties agree to increase the price limitation and add to the scope of services with no change to the contract completion date; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend the Contract as follows:

1. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$8,749,333
2. Add Exhibit A-2, Scope of Services.
3. Delete Exhibit B – Amendment # 2 Financial Section and replace with Exhibit B – Amendment # 3 Financial Section.



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

12/14/16
Date



Deborah H. Fournier, Esq.
Medicaid Director

Milliman, Inc.

12/9/2016
Date



Name: John D. Meerschaert
Title: Principal and Consulting Actuary

Acknowledgement:

State of Wisconsin, County of Waukesha on 9 December 2016, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Sara Schimmel

Name and Title of Notary or Justice of the Peace

my commission expires on
25 July 2017





The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

12/14/16
Date

[Signature]
Name: Brian Boudreau
Title: AAO

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Exhibit A-2

Scope of Services

1 Managed Care Organization (MCO) Re-Procurement Assistance

1.1 The Contractor shall provide a minimum of 900 hours of MCO re-procurement assistance, billable as indicated in Exhibit B, Amendment #3, Financial Section. Re-procurement assistance shall include, but is not limited to:

- 1.1.1 Assisting the Department with developing financial objectives of the Department's MCO Request for Proposals (RFP).
- 1.1.2 Assisting the Department with developing the framework of the MCO RFP.
- 1.1.3 Working with the Department and the MCO RFP Consultant on financial issues, as needed.
- 1.1.4 Developing the data book for distribution with the MCO RFP.
- 1.1.5 Developing a cost proposal template for use in the MCO RFP.

2 Increase Levels of MCO Encounter Data and Financial Data Collection and Validation

2.1 The Contractor shall provide a minimum of 750 hours, billable as specified in Exhibit B, Amendment #3, Financial Section, dedicated to increased levels of MCO encounter data and financial data collection and validation. The Contractor shall:

- 2.1.1 Receive encounter claims data from MCOs for use in:
 - 2.1.1.1 Rate development.
 - 2.1.1.2 Risk adjustment.
 - 2.1.1.3 Procurement data book development.
- 2.1.2 Review MCO data received for completeness and accuracy by:
 - 2.1.2.1 Comparing data sources.
 - 2.1.2.2 Comparing data across MCOs.
 - 2.1.2.3 Evaluating reasonability of sub capitation arrangements.

3 Waiver Assistance

3.1 The Contractor shall provide a minimum of 150 hours of 1915 (b)/(c) waiver assistance, billable as indicated in Exhibit B, Amendment #3, Financial Section, which shall include, but is not limited to:

- 3.1.1 Assisting DHHS with 1915(b)/(c) waiver application financial issues.
- 3.1.2 Developing 1915(b) waiver cost effectiveness targets.
- 3.1.3 Developing 1915(c) cost neutrality analysis.
- 3.1.4 Developing related CMS documentation



4 MCM Program Cost Driver Analysis

- 4.1 The Contractor shall provide a minimum of 175 hours of MCM Program Cost Driver Analysis, billable as specified in Exhibit B – Amendment #3, Financial Section, which shall include but is not limited to:
 - 4.1.1 Reviewing encounter claims data from MCOs to determine major sources of cost in the MCM program, which may include but are not limited to:
 - 4.1.1.1 Particular services.
 - 4.1.1.2 Specific populations.
 - 4.1.1.3 Certain medical conditions.
 - 4.1.2 Reviewing cost savings initiatives with the Department in order to identify possible cost savings for State Fiscal Year 2018 MCM rate setting and/or re-procurement process.

5 Additional AD Hoc Requests

- 5.1 The Contractor shall provide a minimum of 150 hours toward developing and providing additional ad hoc requests , billable as specified in Exhibit B – Amendment #3, Financial Section, which may include but is not limited to:
 - 5.1.1 Projects identified by the Department related to:
 - 5.1.1.1 The MCM program.
 - 5.1.1.2 The 1115 DSRIP waiver.
 - 5.1.1.3 Premium Assistance Program.
 - 5.1.1.4 Other Medicaid financial issues.

Increased Scope Items for SFY 2015	SFY 2015 Budget Increase	
	Hours	Cost
Processing and validation of new MMIS data	1,000	\$295,000
Increased amount of onsite visits	500	\$190,000
Increased level of waiver support	500	\$147,500
Rate setting for NHHPP Bridge program	500	\$147,500
Total	2,500	\$780,000

Task	SFY 2016 Budget		SFY 2017 Budget	
	Hours	Cost	Hours	Cost
Data processing	400	\$120,000	400	\$124,000
Medicaid Care Management program rate setting	1,500	\$450,000	1,500	\$465,000
Medicaid Care Management program risk adjustment	600	\$180,000	600	\$186,000
NHHPP Bridge program risk adjustment and settlement	300	\$90,000	300	\$93,000
Encounter data review and evaluation	500	\$150,000	500	\$155,000
Waiver support	500	\$150,000	650	\$205,000
Develop and maintain quarterly Medicaid budget projection model	1,500	\$450,000	1,500	\$465,000
Monthly onsite visits	400	\$160,000	400	\$168,000
MCO Reprourement Assistance*			900	\$300,000
Increased Level of MCO Encounter Data and Financial Data Collection and Validation*			750	\$200,000
MCM Program Cost Driver Analysis*			175	\$50,000
<u>Ad hoc requests</u>	<u>1,000</u>	<u>\$300,000</u>	<u>1,150</u>	<u>\$360,000</u>
Total	6,700	\$2,050,000	8,825	\$2,771,000

* New service proposed for SFY 2017

Contractor Initials JDM
 Date 12/2/2016

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MILLIMAN, INC. is a Washington Profit Corporation registered to transact business in New Hampshire on September 15, 1988. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 134216



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 14th day of December A.D. 2016.

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

William M. Gardner
Secretary of State



Certification of Corporate Secretary

State of Washington)

ss.

County of King)

Brian S. Pollack, being first duly sworn upon oath, deposes and says:

- 1. I am the duly qualified and acting Corporate Secretary of Milliman, Inc.
- 2. On December 3, 2002, the following resolution was duly adopted by the Board of Directors of the corporation and remains in effect.

BE IT HEREBY RESOLVED, that each Principal of the firm and any consultant meeting requirements established by the Board of Directors are hereby granted the authority to individually negotiate and enter into proposals, engagement letters, contracts, letters of intent, and other documents on behalf of the corporation for the purpose of providing consulting, actuarial, and other professional services.

- 3. John Meerschaert

is a duly elected and acting Principal of the firm

is a consultant of the firm who meets the requirements established by the Board of Directors

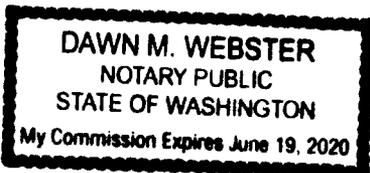


DATED this 9th day of December 2016

Brian S. Pollack
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 9th day of December 2016

Notary Public in and for the State of Washington,
residing at Covington, Washington.
My commission expires June 19, 2020.





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/28/2016

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).

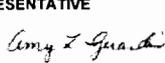
PRODUCER Parker, Smith & Feek, Inc. 2233 112th Avenue NE Bellevue, WA 98004	CONTACT NAME: PHONE (A/C No, Ext): 425-709-3600 FAX (A/C, No): 425-709-7460 E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE NAIC #	
INSURED Milliman, Inc. 1301 Fifth Ave., Suite 3800 Seattle, WA 98101	INSURER A : National Fire Ins. Hartford	
	INSURER B : Valley Forge Insurance Company	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:
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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 SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC		6012743223	6/30/2016	6/30/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" 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		6012743237	6/30/2016	6/30/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 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 DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
B	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 <input type="checkbox"/> N/A	6012743240	6/30/2016	6/30/2017	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input checked="" type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Exhibit of Insurance. Notice of Cancellation for the General Liability, Automobile, and Workers' Compensation policies applies per the attached endorsements/forms.

CERTIFICATE HOLDER State of New Hampshire Department of Health and Human Services Attn: Kathleen Dunn, Medicaid Director 129 Pleasant Street Concord, NH 03301	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 
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STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF MEDICAID BUSINESS AND POLICY

Nicholas A. Toumpas
 Commissioner

Kathleen A. Dunn
 Associate Commissioner
 Medicaid Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9422 1-800-852-3345 Ext. 9422
 Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

MAY 27 '15 PM 1:31 DAS

4N 8

May 20, 2015

G&C Approved

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

Date 6/10/15
 Item # 8

Requested Action

Authorize the Department of Health and Human Services, Office of Medicaid Business and Policy to enter into an amendment to exercise a renewal option with Milliman, Inc. (Vendor # 173344), 15800 Bluemound Rd, Suite 100, Brookfield, Wisconsin 53005, for the provision of actuarial services and technical support relative to Medicaid Care Management, by increasing the price limitation by \$4,951,000 from \$3,148,310 to an amount not to exceed \$8,099,310 and extending the contract completion date from June 30, 2015 to June 30, 2017, effective June 10, 2015, or upon Governor and Council approval, whichever is later. The Governor and Executive Council approved the original Contract on December 5, 2012 (Item # 33) and a subsequent amendment on August 14, 2013 (Item # 40). 52.76% Federal Funds and 47.24% General Funds.

Funds to support this request are available in the following accounts in State Fiscal Year 2015, and are anticipated to be available in the following accounts in State Fiscal Year 2016 and State Fiscal Year 2017 upon the availability and continued appropriation of funds in the future operating budgets, with the ability to adjust encumbrances between State Fiscal Years through the Budget Office, without further Governor and Executive Council approval, if needed and justified.

05-95-95-9560010-6147 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: COMMISSIONER, OFF MEDICAID & BUSINESS POLICY, PROVIDER PAYMENTS

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2013	101-500729	Medical Payments to Providers	\$957,740		\$957,740
		Sub-Total	\$957,740		\$957,740

05-95-047-470010-7940 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY, PROVIDER PAYMENTS

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**05-95-95-958010-1225 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
 COMMISSIONER, COMMUNITY BASED CARE SERVICES, STATE INNOVATION MODELS GRANT**

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2014	102-500731	Contracts for Program Services	\$446,750	0	\$446,750
		Sub-Total	\$446,750		\$446,750

**05-00095-047-470010-7948 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:
 OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY, MEDICAID CARE MANAGEMENT**

SFY	Class/Account	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
2015	102-500731	Contracts for Program Services		\$780,000	\$780,000
		Sub-total		\$780,000	\$780,000

**05-00095-047-470010-7948 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:
 OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY, MEDICAID CARE MANAGEMENT**

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		Sub-Total		\$4,171,000	\$4,171,000
		Grand Total	\$3,148,310	\$4,951,000	\$8,099,310

Explanation

The purpose of this agreement is exercise the renewal option in the original agreement to continue securing actuarial services and technical support in the operation of a Medicaid Care Management Program and the State Innovation Model (SIM) project as required by both the State and Federal governments.

In June 2011 the New Hampshire State Legislature passed SB 147 (Chapter 125, Laws of New Hampshire 2011), that required the Department of Health and Human Services to develop a comprehensive statewide Medicaid Care Management program for all New Hampshire Medicaid beneficiaries. On May 9, 2012, the Governor and Executive Council approved the request for three companies to implement Medicaid Care Management for the Medicaid program. The Centers for Medicaid and Medicare Services has since approved New Hampshire's plan for statewide implementation. As part of that plan, actuarial services and technical support are required to establish annual capitation rates paid to managed care providers, to perform risk adjustment of those rates and to conduct financial analysis of care management and fee – for - service Medicaid programs.

In August 2013, the State of New Hampshire approved actuarial services for the State Innovation Model, Phase II of the Medicaid Managed Care Program which covers foster care children, dual eligible beneficiaries and long-term care for people with chronic conditions.

Milliman, Inc. has provided all actuarial services and technical support in the development of the Medicaid management program to date and the Department has been satisfied with the services provided and seeks approval to exercise the two year renewal option found in Exhibit A, Paragraph 1.3, "Agreement Period", of the original agreement approved by Governor and Executive Council on December 5, 2012 (Item # 33).

Should the Governor and Executive Council not approve this request, the Department of Health and Human Services would not be able to complete the actuarial tasks required to implement revised rates, necessary due to the guidance from the Centers for Medicaid and Medicare Services, as well as program financial analysis under its Medicaid Care Management Program in a timely manner, thereby exposing the Department and State to ongoing delays in implementation and increased risk of federal funds being withheld.

Area Served: Statewide

Sources of Funds: 52.76% Federal Funds and 47.24% General Funds

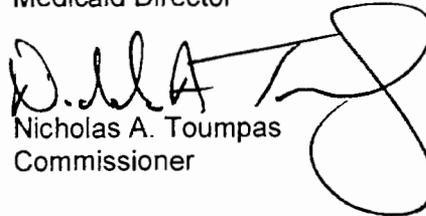
In the event that the Federal Funds become no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,



Kathleen A. Dunn, MPH
Associate Commissioner
Medicaid Director

Approved by:



Nicholas A. Toumpas
Commissioner



**State of New Hampshire
Department of Health and Human Services
Amendment #2 to the Actuarial Services and Technical Support Relative to
Medicaid Care Management Contract**

This second Amendment to the Actuarial Services and Technical Support Relative to Medicaid Care Management contract (hereinafter referred to as "Amendment #2") dated this 15th day of May 2015, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Milliman Inc. (hereinafter referred to as "the Contractor"), a Washington corporation with a place of business at 15800 Bluemound Rd., Suite 100, Brookfield, Wisconsin.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on December 5, 2012 (Item # 33) and amended by an agreement approved by the Governor and Executive Council on August 14, 2013 (Item # 40), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to the General Provisions, Paragraph 18, and Exhibit A paragraph 1.3, the State may modify the Contract by written agreement of the parties and approval of the Governor and Executive Council; and

WHEREAS the parties agree to increase the price limitation and extend the Contract end date; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

To amend as follows:

1. Form P-37, General Provisions, Block 1.7, Completion Date, to read:
June 30, 2017
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$8,099,310
3. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:
Eric Borrin
4. Form P-37, General Provisions, Block, 1.10, State Agency Telephone Number, to read:
(603) 271-9558
5. Standard Exhibit A, Scope of Services, text in the footer "Standard Exhibit B –Methods and Conditions Precedent to Payment" to read:
NH DHHS, Office of Medicaid Business and Policy
Standard Exhibit A, Scope of Services



6. Delete Exhibit B, Methods and Conditions Precedent to Payment Actuarial Consultant Service and replace with Exhibit B- Amendment #2, Methods and Conditions Precedent to Payment.
7. Add Exhibit B – Amendment # 2 Financial Section.
8. Delete Standard Exhibit B – Staff Hourly Rates and replace with:
Exhibit B – Amendment # 2 Staff Hourly Rates
9. Delete Standard Exhibit C and replace with Exhibit C – Special Provisions.
10. Standard Exhibit C-1, Additional Special Provisions, text in the footer "Standard Exhibit C" to read:
NH DHHS, Office of Medicaid Business and Policy
Standard Exhibit C-1, Additional Special Provisions
11. Add the following language to Standard Exhibit C-1, Additional Special Provisions:
Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella insurance coverage of not less than \$1,000,000 per occurrence; and
(for the sake of clarity and avoidance of doubt, all other provisions in Standard Exhibit C-1, Additional Special Provisions will remain unchanged)
12. Standard Exhibit D, Certification Regarding Drug-Free Workplace Requirements, Period Covered by this Certification to read:
Date of Governor and Executive Council approval To: 6/30/17
13. Standard Exhibit E, Certification Regarding Lobbying, Contract Period to read:
Date of Governor and Executive Council approval through 6/30/17
14. Delete Standard Exhibit G, Certification Regarding the Americans with Disabilities Act Compliance and replace with Exhibit G, Certification of Compliance with Requirements Pertaining to Federal Nondiscrimination Equal Treatment of Faith-Based Organizations and Whistleblower Protections.

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement, and the obligations of the parties there under, shall remain in full force and effect in accordance with the terms and conditions set forth herein.

New Hampshire Department of Health and Human Services
Actuarial Services and Technical Support Relative to Medicaid Care Management



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

5/21/15
Date

Kathleen A. Dunn
Kathleen A. Dunn, Associate Commissioner
Medicaid Director

Milliman Inc.

5/18/2015
Date

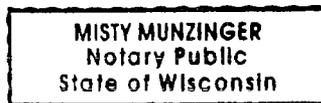
John D. Meerschaert
Name: John D. Meerschaert
Title: Principal and Consulting Actuary

Acknowledgement:

State of WISCONSIN, County of WAUKESHA on MAY 18, 2015, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Misty Munzinger
Name and Title of Notary or Justice of the Peace
MY NOTARY EXPIRES ON 10/11/2015



New Hampshire Department of Health and Human Services
Actuarial Services and Technical Support Relative to Medicaid Care Management



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

5/27/2015
Date

[Signature]
Name:
Title:

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Exhibit B – Amendment #2

Methods and Conditions Precedent to Payment

1. Payment shall be made to the Contractor on a monthly basis, up to the amount in Form P-37, General Provisions, Block 1.8, Price Limitation.
2. Invoices shall be submitted monthly, on Contractor letterhead, to:

Athena Gagnon
Office of Medicaid Business and Policy
129 Pleasant Street – Brown Building
Concord, NH 03301-3857
3. The monthly invoice shall identify charges for deliverables and support on an item basis, aggregated to a total amount for the month.
4. The Contractor agrees to request and receive prior written approval from the State to engage any subcontractors under this Agreement, and further agrees to pay the expenses of any subcontractors awarded under this Agreement in accordance with Exhibit A, Scope of Services.
5. The Contractor agrees to request and receive prior written approval from the State for any modifications to the project budget, which change any expenditure levels from the levels projected in the budget of this Agreement, found in Standard Exhibit B – Financial Section, Exhibit B-1, Exhibit B – Amendment # 2 Financial Section and Exhibit B – Amendment # 2 Staff Hourly Rates.
6. The Contractor shall use and apply all payments made by the State for direct and indirect costs and expenses associated with the execution of this Agreement. The Contractor's expenses for administration of any subcontractors shall not exceed the amounts identified in the project budget. Allowable costs and expenses shall be determined by the State in accordance with the project budget and applicable state and federal laws and regulations.
7. The Contractor shall not use or apply such payments for capital additions or improvements, dues to societies and organizations, entertainment costs, or any other costs not prior approved in writing by the State.
8. Payment will be made upon receipt of Contractor invoices that identify the contract components delivered and are consistent with negotiated payment schedule. The total contract payment from DHHS will not exceed the agreed upon contract price. Estimated deliverable dates are included for reference. Monthly invoices should only include those deliverables that occurred during the month being billed for.

Exhibit B - Amendment # 2 Financial Section

Increased Scope Items for SFY 2015	SFY 2015 Budget Increase	
	Hours	Cost
Processing and validation of new MMIS data	1,000	\$295,000
Increased amount of onsite visits	500	\$190,000
Increased level of waiver support	500	\$147,500
Rate setting for NHPPP Bridge program	500	\$147,500
Total	2,500	\$780,000

Task	SFY 2016 Budget		SFY 2017 Budget	
	Hours	Cost	Hours	Cost
Data processing	400	\$120,000	400	\$124,000
Medicaid Care Management program rate setting	1,500	\$450,000	1,500	\$465,000
Medicaid Care Management program risk adjustment	600	\$180,000	600	\$186,000
NHPPP Bridge program risk adjustment and settlement	300	\$90,000	300	\$93,000
Encounter data review and evaluation	500	\$150,000	500	\$155,000
Waiver support	500	\$150,000	500	\$155,000
Develop and maintain quarterly Medicaid budget projection model*	1,500	\$450,000	1,500	\$465,000
Monthly onsite visits	400	\$160,000	400	\$168,000
<u>Ad hoc requests</u>	<u>1,000</u>	<u>\$300,000</u>	<u>1,000</u>	<u>\$310,000</u>
Total	6,700	\$2,050,000	6,700	\$2,121,000

* New service proposed for SFY 2016 and SFY 2017

Exhibit B - Amendment # 2 Staff Hourly Rates

Hourly billing rates by Milliman position in the contract:

Milliman Position	Dec 2012 -				
	June 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017
Senior Principal	\$500	\$520	\$540	\$560	\$580
Principal	\$440	\$460	\$480	\$475	\$485
Senior Consultant	\$380	\$395	\$410	\$410	\$425
Consultant	\$330	\$345	\$360	\$360	\$375
Project Manager	\$255	\$265	\$275	\$295	\$305
Senior Professional Staff*	NA	NA	NA	\$255	\$260
Professional Staff	\$200	\$210	\$220	\$215	\$220
Admin	\$125	\$130	\$135	\$135	\$140

* We added a new position to split "Professional Staff" by experience level. We would like to use this additional position starting in SFY 2016.



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

14. This Section is Reserved.

15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or

New Hampshire Department of Health and Human Services
Exhibit C Amendment #1



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

By signing this agreement the contractor certifies that it is not a recipient of funding from the Justice Department subject to the authority of the Omnibus Crime Control and Safe Streets Act of 1968 and therefore is not required to comply with EEOP requirements according to this paragraph.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.
19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function



- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis
- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

JOM

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

5/18/15

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

5/18/2015
Date

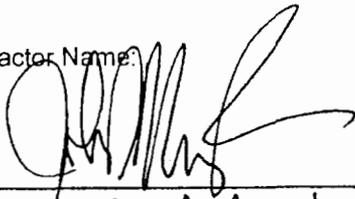
Contractor Name: 
Name: John D. Meerschaut
Title: Principal and Consulting Actuary

Exhibit G

Contractor Initials JDM

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Date 5/18/15

SL
AF

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JHW



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF COMMUNITY BASED SERVICES

Nicholas A. Toumpas
Commissioner

Nancy L. Rollins
Associate Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4680 1-800-351-1888
Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

July 30, 2013

Sole Source
100% Federal

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Requested Action

Authorize the Department of Health and Human Services, Division of Community Based Care Services to enter into a **sole source** amendment with Milliman, Inc., 15800 Bluemound Rd, Suite 100, Brookfield, Wisconsin by increasing the price limitation by \$446,750 from \$2,701,560 to \$3,148,310 to provide Actuarial Services related to the State Innovation Model (SIM) project, effective date of Governor and Council approval.

Funds to support this request are anticipated to be available in the following account in State Fiscal Year 2014 upon availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and amend the related terms of the contract without further approval from Governor and Executive Council:

**05-95-95-958010-1225 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS: COMMISSIONER-COMMUNITY BASED CARE SERVICES, STATE INNOVATION MODELS
GRANT**

Fiscal Year	Class/Object	Class Title	Amounts
2014	102-500731	Contracts for Program Services	\$446,750.00

Explanation

The purpose of this **sole source** agreement is to purchase Actuarial services for the State Innovation Model (SIM) project. To support the State Innovation Model Project, the State received a grant funded from the Centers for Medicare and Medicaid Services. The Department will use the grant funds to design a new State Health Care Innovation Model. It is intended that this new model will support the establishment of Phase II of the Medicaid managed care program, which will cover foster care children, dual eligible beneficiaries and long-term care for people with chronic conditions. This request is sole source because the contractor has successfully provided and is currently providing similar services for Medicaid Care Management. Splitting these activities over two contractors would increase cost and reduce efficiencies.

The Department will focus its model design on individuals who are either in need of or at-risk for needing long-term support services. This population was chosen because:

1. This population has complex health needs that are served by multiple service delivery systems that struggle to coordinate care across those systems;
2. Multiple payers access these delivery systems with little commonality in their approach to care management, the role of consumers and measurement of outcomes; and
3. There is no current mechanism to look across the delivery systems and across the payers to measure the cost effectiveness of the provided services or to measure their performance in improving the health status and quality of life for the consumers they serve.

The broad goal of this project is to transform the current service payment model into a system that:

1. Empowers consumers to access services across the service delivery system "silos" and improves care and service coordination across those systems;
2. Aligns the payers for long term care support services around a common goals and outcomes; and
3. Employs a payment system that creates global accountability for cost effectiveness and outcomes.

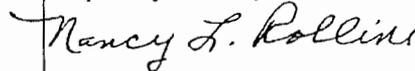
Should the Governor and Executive Council determine to not authorize this contract, Actuarial Services activities needed, as part of the SIM project, would not be performed. Actuarial Services is a requirement of the terms and conditions of the SIM grant.

The Department has detailed specific core activities in the contract from which the effectiveness of the contractor will be measured.

Sources of Funds: 100% Federal State Innovation Model Grant from Centers for Medicare and Medicaid Services.

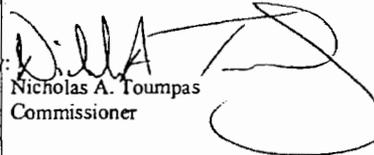
In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner

Approved by:



Nicholas A. Tourmpas
Commissioner



State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Milliman Inc. Actuarial Consultant Service Contract

This first Amendment to the Milliman Inc. Actuarial Consultant Service contract (hereinafter referred to as "Amendment #1") dated this July 19th day of 2013, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Milliman Inc. (hereinafter referred to as "the Contractor"), a Washington corporation with a place of business at 15800 Bluemound Rd., Suite 100, Brookfield, Wisconsin.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on December 5, 2012, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to the General Provisions, Paragraph 18, the State may at its sole discretion, adjust the scope of services by written agreement of the parties;

WHEREAS Contractor is engaged in actuarial work for the New Hampshire Medicaid program, including long term care services, and the State requires actuarial services as part of the State Innovation Model (SIM) project, the parties agreed to a certain scope of services detailed in this amendment;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

- 1) Amendment and modification of P-37 "Agreement";
 - a) Change Price Limitation in Block 1.8 to read \$3,148,310.00

Add Exhibit A-1

Add Exhibit B-1

New Hampshire Department of Health and Human Services
Actuarial Consultant Service



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

8/1/13
Date

State of New Hampshire
Department of Health and Human Services

[Signature]
Nicholas A. Toumpas
Commissioner

July 29, 2013
Date

Milliman, Inc.
[Signature]
Name: John D. Meerschaeft
Title: Principal and Consulting Actuary

Acknowledgement:
State of WISCONSIN, County of WAUKESHA on JULY 29, 2013 before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.
Signature of Notary Public or Justice of the Peace

[Signature]
Name and Title of Notary or Justice of the Peace

MISTY MUNZINGER
Notary Public
State of Wisconsin

New Hampshire Department of Health and Human Services
Actuarial Consultant Service



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

30 JUL 2013
Date

Jeanne P. Henick
Name: Jeanne P. Henick
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Scope of Services

Task 1 – Develop baseline model of current LTC system

Contractor will develop a baseline population and financial model of the current LTC system in New Hampshire. Contractor will work with the SIM project team to define the model parameters, which are to include the following items:

- 1) The Medicaid population currently receiving long term support services
 - Nursing home residents
 - Home and community based service (HCBS) waiver enrollees
 - Other populations as defined by DHHS
- 2) Populations receiving long-term support services from other payers
 - Medicare
 - Veterans Administration
 - Commercial health insurance
 - Private long-term care insurance
 - The level of detail included for these populations is subject to data availability and timing constraints
- 3) Populations "at risk" for needing long-term support services
 - Definition to be determined by DHHS
- 4) Summary of utilization and service cost
 - Payer (Medicaid, Medicare, etc.)
 - Service delivery system (Medicaid, Bureau of Developmental Services, Bureau of Behavioral Health, etc.)
 - Type of service (including acute care and long-term support services)
 - The level of detail included for non-Medicaid populations is subject to data availability and timing constraints
- 5) Funding sources
 - Medicaid
 - Other state funding
 - County funding
 - Federal funding
 - Private funding

The baseline model will be a flexible Excel-based model that will be used in Tasks 2 and 3 to model various system changes proposed by the SIM project team as described below.

The scope of Task 1 is to include the following on-site meetings and / or conference calls:

- Kick off meeting with SIM project leadership and stakeholder workgroup (2 days)
- Working meetings with DHHS bureau leadership and technical experts to obtain data on current populations, services, and service expenditures that fall outside the MMIS data (3 days)
- Ongoing communication regarding baseline model parameters
- Presentation of baseline model to SIM project team (1 day)

Task 2 – Support SIM project team and workgroups to identify system changes and obtain input on modeling assumptions

The SIM project team will identify potential system changes it would like to study, potentially including changes to eligibility, service offerings, provider reimbursement structures, and other system components. Contractor will be involved in the following workgroups (defined on Page 13 of New Hampshire's SIM model design grant application) in order to identify and understand the desired system changes:



- 1) Delivery system redesign
- 2) Payment reform design, including the consideration of blended and global multi-payer payment strategies
- 3) How existing initiatives will be incorporated into the Model

Contractor will engage the SIM project team to develop and gain consensus on modeling assumptions for the expected impact of system changes. For example, if a new service is added, Contractor would work with the SIM project team to define projected utilization, unit reimbursement, expected services replaced by the new service, etc.

The scope of Task 2 is to include the following on-site meetings and / or conference calls:

- > Participation in workgroup meetings and stakeholder sessions
- > Ongoing communication with SIM project team via conference calls

Task 3 – Adjust baseline model and provide interim financial projections for SIM project team review

Contractor will use the Task 1 baseline model to project population and financial changes that result from the system changes. Contractor will present the results of the model to the SIM project team in written reports and / or presentation format. Contractor will develop a mutually agreeable format with DHHS so that results can be produced on a timely basis. Where possible, Contractor will show the uncertainty of the projections in a sensitivity analysis.

Contractor anticipate the SIM project team will identify further changes after reviewing the modeling results, moving back to Task 2.

The scope of Task 3 is expected to include the following on-site meetings and / or conference calls:

- > Presentation of three sets of interim financial projections (three days)
- > Ongoing communication with SIM project team via conference calls

Task 4 – Develop final financial projections for grant report

After the SIM project team approves the final model design, Contractor will produce the final financial projections for the grant report. Contractor will develop a mutually agreeable format with DHHS for the final report.

- > Presentation of final financial projections (two days)
- > Ongoing communication with SIM project team via conference calls



Method and Conditions Precedent to Payment

The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A-1, Scope of Services.

BUDGET AND TIMING

The grant report is required to be submitted no later than six months after grant award. The following schedule is set for the scope of actuarial services. Actual timing will be determined by the number of iterations of Tasks 2 and 3 and the complexity of the system changes to be modeled. Contractor will work with DHHS to stay within all required timelines.

- > Task 1: 1.5 – 2 months
- > Tasks 2 and 3 (iterative): 3 – 4 months (overlaps Task 1)
- > Tasks 4: 0.5 – 1 month

Budget

	Task 1	Task 2	Task 3	Task 4	Total
Off-site work					
Hours	400	80	240	100	820
Average hourly billing rate:	\$275	\$275	\$275	\$275	\$275
Total time cost	\$110,000	\$22,000	\$66,000	\$27,500	\$225,500
On-site work					
Meeting days	6	20	3	2	31
Consultant days	14	30	9	6	59
Consultant hours (8 hours per day)	112	240	72	48	472
Average hourly billing rate:	\$375	\$375	\$375	\$375	\$375
Total time cost	\$42,000	\$90,000	\$27,000	\$18,000	\$177,000
Estimated travel expenses:	\$10,500	\$22,500	\$6,750	\$4,500	\$44,250
Total	\$162,500	\$134,500	\$99,750	\$50,000	\$446,750

Payment for said services shall be made as follows:

The Contractor will submit an invoice by the tenth working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:
Financial Director DCBCS
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

Contractor Initials JMM
Date 7/22/13

GA



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

Nicholas A. Toumpas
Commissioner

Kathleen A. Dunn
Associate Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9422 1-800-852-3345 Ext. 9422
Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

November 20, 2012

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

APPROVED BY _____
DATE 12/5/12
PAGE 5
ITEM # 33

Authorize the Department of Health and Human Services, Office of Medicaid Business and Policy to enter into a sole source contract with Milliman, Inc. 15800 Bluemound Road, Suite 100, Brookfield, WI 53005, Vendor Code 173344, to provide all actuarial services and technical support relative to Medicaid Care Management in an amount not to exceed \$2,701,560 effective December 1, 2012, or date of Governor and Executive Council approval, whichever is later, through June 30, 2015. Funds are available in the following account in State Fiscal Year 2013 and anticipated to be available in State Fiscal Years 2014 and 2015 upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts if needed and justified between State Fiscal Years:

05-95-95-9560010-6147 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS:COMMISSIONER, OFF MEDICAID & BUSINESS POLICY, PROVIDER PAYMENTS

<u>State Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Budget Amount</u>
SFY 2013	101-500729	Medical Payments to Providers	\$957,740.00
		Sub Total	\$957,740.00

05-00095-047-470010-7940 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:
OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY, PROVIDER PAYMENTS

<u>State Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Budget Amount</u>
SFY 2014	101-500729	Medical Payments to Providers	\$853,970.00
SFY 2015	101-500729	Medical Payments to Providers	\$889,850.00
		Sub Total	\$1,743,820.00
		Total	\$2,701,560.00

EXPLANATION

The purpose of this contract is secure actuarial services and technical support in the operation of a Medicaid Care Management program as required by both the State and Federal governments. The contract is identified as sole source because the agreement was not competitively bid. Milliman, Inc. has provided the Department with all actuarial services in the development of the Medicaid Care Management program to date.

His Excellency, governor John H. Lynch
and the Honorable Executive Council

November 20, 2012

Page 2 of 3

The services were provided through a subcontractor agreement through the Department's contract with the University of New Hampshire Institute of Health Policy and Practice. Specifically, Milliman:

- Developed the preliminary savings assumptions that led the Legislature to approve a Medicaid Care Management initiative;
- Provided technical assistance in the development of the Medicaid Care Management Request For Proposals;
- Developed the databook for potential vendors; and
- Provided the federally required certification of the managed care rates.

Prior to executing this sole source contract, the staffing rates proposed by Milliman, Inc. were carefully researched to ensure they are competitive within the industry. Two thousand and twelve through two thousand and fourteen staffing level rates for Price Waterhouse Coopers for actuarial and consulting services were: Senior Principle, \$510 per hour; Project Manager, \$475 per hour; and Actuarial Lead \$475 per hour. Milliman's rates under this agreement include Senior Principle, \$500 per hour; Project Manager, \$255 per hour; and Actuarial Lead, \$440 per hour. Milliman, Inc. is familiar with the State's Medicaid program, data and utilization trends. It is critical that the Department contract with Milliman for ongoing actuarial services to assure continuity of service.

In June 2011 the New Hampshire State Legislature passed SB 147 (Chapter 125, Laws of New Hampshire 2011), that required the Department of Health and Human Services to develop a comprehensive statewide Medicaid Care Management program for all New Hampshire Medicaid beneficiaries. On May 9, 2012, the Governor and Executive Council approved the request for three companies to implement Medicaid Care Management for the Medicaid program. The Centers for Medicaid and Medicare Services has since approved New Hampshire's plan for statewide implementation. Milliman has provided all actuarial services to date to the Medicaid Care Management Program. Actuarial services will be required going forward to establish annual capitation rates paid to managed care providers, to perform risk adjustment of those rates and to conduct financial analysis of care management and fee-for-service Medicaid programs.

Deliverables

- Provide all actuarial services and technical support relative to Medicaid Care Management
 - Updated Year 1 Step 1 Databook, Rate Ranges, and Cap Rate Certification.
 - Annual Rate Adjustment
- Define and analyze the impact of Medicaid Expansion on Medicaid Care Management Program
 - Medicaid Expansion Report
- Support the Department of Health and Human Services budget process through development of a quarterly budget forecast model for fee-for-service and care management enrollment and expenditures
 - Cost/Benefit Analysis Report.
 - Quarterly Budget Forecast Report
- Develop options to implement State Plan Amendment, 1115 waivers, and the 1915 (b) waivers.

Performance Measures

- Timely delivery of reports and all other work products.

His Excellency, governor John H. Lynch
and the Honorable Executive Council
November 20, 2012
Page 3 of 3

- Timely delivery of quarterly Managed Care Organization encounter data validation process.
- Timely delivery of budget forecast model for fee-for-service and Medicaid Care Management.
- Onsite visits for purposes of presentation of key reports to the Department of Health and Human Services leadership and stakeholders at least annually.

Should the Governor and Executive Council not approve this request, the Department of Health and Human Services would not be able to complete the actuarial tasks required to implement revised rates, necessary due to new guidance from the Centers for Medicaid and Medicare Services, as well as program financial analysis under its Medicaid Care Management Program in a timely manner; thereby exposing the Department and State to ongoing delays in implementation and an increased risk of federal funds being withheld.

The terms of the agreement provide for a two-year period extension at the discretion of the Department upon a determination of satisfactory execution of services by the vendor, the availability of funds, and approval of Governor and Executive Council.

Area Served: statewide.

Source of Funds: 50 % General funds and 50 % Federal funds.

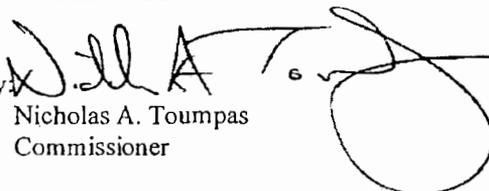
In the event Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



for: Kathleen A. Dunn, MPH
Associate Commissioner and Medicaid Director

Approved by:

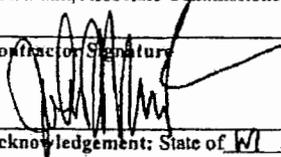
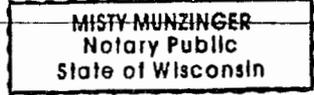
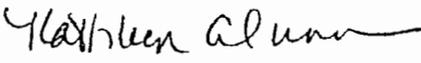
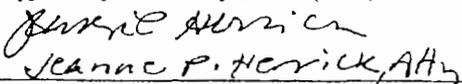


Nicholas A. Toumpas
Commissioner

Subject: Milliman, Inc.
AGREEMENT

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

GENERAL PROVISIONS
I. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant St Concord, NH 03301	
1.3 Contractor Name Milliman, Inc		1.4 Contractor Address 15800 Bluemound Rd. Suite 100 Brookfield, WI 53005-6069	
1.5 Contractor Phone Number (262) 784-2250	1.6 Account Number	1.7 Completion Date June 30, 2015	1.8 Price Limitation \$2,701,560.00
1.9 Contracting Officer for State Agency Kathleen A. Dunn, Associate Commissioner, Medicaid Director		1.10 State Agency Telephone Number (603) 271-9421	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory John D. Meerschaert, Principal and Consulting Actuary	
1.13 Acknowledgement: State of <u>WI</u> , County of <u>WAUKESHA</u> On <u>11/19/12</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Kathleen A. Dunn, Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Jeanne P. Herrick, AAG On: 19 NOV. 2012			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B, 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 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.

9.2 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.

9.3 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

Contractor Initials: JDM
Date: 11/16/12

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

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**State of New Hampshire
Standard Exhibit A
Scope of Services**

Section 1. Introduction

1.1 Purpose

The purpose of this agreement is to set forth the terms and conditions for Milliman, Inc. to provide all actuarial services and technical support relative to New Hampshire Medicaid Care Management.

1.2 Type of Agreement

This contract is a time and material contract with a Not-To-Exceed price. This agreement consists of standard contract form (P-37), all exhibits A-J, all appendices or attachments, including the Certificate of Vote, Resumes, Certificate of Good Standing from the State of New Hampshire Secretary of State's Office, and Insurance Certificates.

1.3 Agreement Period

The term of this agreement shall be through SFY 15. The State of New Hampshire, Department of Health and Human Services (DHHS) in its sole discretion may decide to offer one agreement extension for two (2) years.

Section 2. General Terms and Conditions

2.1 Agreement Elements

The agreement between parties shall consist of the following:

- 2.1.1 P-37 - Agreement General Provisions
- 2.1.2 Exhibit A- Scope of Services
- 2.1.3 Exhibit B-Method and Conditions Precedent to Payment
- 2.1.4 Exhibit C-Standard Provisions and requirements set forth by the State of NH that must be adhered to in addition to those outlined in the P-37
- 2.1.5 Exhibit C-1- Special Provisions- Exceptions to Terms and Conditions
- 2.1.6 Exhibit D- Certification Regarding Drug Free Workplace Requirements
- 2.1.7 Exhibit E -Certification Regarding Lobbying
- 2.1.8 Exhibit F- Certification Regarding Debarment, Suspension and other Responsibility Matters
- 2.1.9 Exhibit G- Certification Regarding American with Disabilities Act Compliance
- 2.1.10 Exhibit H- Certification Regarding Environmental Tobacco Smoke
- 2.1.11 Exhibit I- HIPPA Business Associate Agreement
- 2.1.12 Exhibit J- Certification Regarding Federal Funding Accountability and Transparency Act (FFATA) Compliance

Section 3. Scope of Work (SOW) For Actuarial Consultant Services

Milliman, Inc shall:

- 3.1 Provide all actuarial services and technical support relative to Medicaid Care Management;
 - a. Finalize initial Step 1 Medicaid Care Management capitation rates to be consistent with program implementation

- i. Adjust to final contract period.
 - ii. Revise base data to reflect more recent claims and eligibility data and adjust rate-setting assumptions accordingly.
 - iii. Reflect provider reimbursement changes
 - 1. Include cost of primary care physician reimbursement increase to 100% of Medicare reimbursement.
 - 2. FQHC/RHC encounter rate as required by BIPA 2000.
 - 3. Other rate changes as determined appropriate.
 - iv. Provide updated rate setting report
 - v. Provide support for Centers for Medicare and Medicaid Services (CMS) review and approval of rates.
 - b. Risk adjustment
 - i. Finalize risk adjustment process and develop risk weights for the New Hampshire Medicaid Care Management program population and benefits.
 - ii. Develop risk scores specific to each managed care organization's (MCO) membership and for the remaining fee-for-service population by rate cell to adjust Medicaid Care Management capitation rates and produce adjusted rates.
 - iii. Provide annual updates of risk adjustments according to timeline in Medicaid Care Management contract.
 - iv. Advise DHHS on refinements to Medicaid Care Management contract with regard to risk adjustment.
 - c. Future rate cell and rate development
 - i. Advise DHHS on the number and definition of rates cells, given inclusion of Step 2 services, additional claims data, and Step 1 experience.
 - ii. Develop data book for Step 2 services.
 - iii. Develop new (replacement) rates for use upon implementation of Step 2 of Medicaid Care Management that incorporate combined Step 1 and Step 2 services.
 - iv. Annually advise DHHS on validity of definition of rate cells and update rates based on rate cell definitions in place for the new year.
 - d. Provide renewals of annual certifications to CMS of new rates as the old rates are replaced or expire and provide support in responding to CMS communications.
 - e. Provide ongoing technical assistance and support responding to actuarial issues and questions related to Medicaid Care Management rate cells, rates, risk adjustment, and other aspects of Medicaid Care Management as needed.
 - f. Develop quarterly MCO encounter data validation process, communicate data validation to MCOs, and track performance for contract withhold provisions.
 - i. Provide an assessment of any data quality and completeness issues encountered.
- 3.2 If requested, by DHHS, define and analyze the impact of the potential 2014 Medicaid Expansion population on the Medicaid Care Management program.
- 3.3 Complete an annual financial cost/benefit analysis of the State moving from Medicaid fee-for-service to Medicaid Care Management.

- 3.4 Support DHHS budget process through developing a quarterly budget forecast model for Medicaid fee-for-service and Medicaid Care Management enrollment and expenditures.
- 3.5 Develop options to implement State Plan Amendment(s), 1115 waivers, and/or 1915 (b) waivers.
- 3.6 Onsite visits for purposes of presentation of key reports to DHHS leadership and stakeholders, at least annually. Expenses will be reimbursed.

Section 4. Order of Documents

- 4.1 In the event any conflict or contradiction between or among the Agreement documents shall control in order of precedence.

Section 5. Staffing

- 5.1 Milliman, Inc. shall commit key personnel to this Contract with DHHS. Positions considered to be key personnel are listed below:

Consultant	Title
John Meerschaert, FSA, MAAA	Principal and Consulting Actuary
Mathieu Doucet, FSA, MAAA	Actuary

- 5.2 The Contractor shall provide sufficient staff to perform all tasks specified in this Agreement.
- 5.3 The Contractor shall notify DHHS at least thirty (30) days in advance of any plans to change, hire, or reassign designated key personnel.
- 5.4 If a member of the Contractor's key staff is to be replaced for any reason while the Contractor is under Agreement, the Contractor shall inform DHHS within seven (7) calendar days, and submit proposed alternative staff to DHHS for review and approval.

Section 6. Subcontractors

- 6.1 The Contractor shall notify DHHS of any subcontractors that will be utilized during the term of this Agreement.
- 6.2 The Contractor remains fully responsible for the obligations, services, and functions performed by its subcontractors, including being subject to any remedies contained in this Agreement to the extent as if such obligations, services, and functions were performed by the Contractor's employees.

Section 7. Errors & Omissions

- 7.1 The Contractor shall not take advantage of any errors and/or omissions in this Agreement. The Contractor shall promptly notify DHHS of any such errors and /or omissions that are discovered.

Exhibit B
Methods and Conditions Precedent to Payment
Actuarial Consultant Service

Payment shall be made to Milliman, Inc. on a monthly basis, up to a total maximum of \$2,701,560 as specified in Section 1.8, Price Limitation, of the General Provisions. Reimbursement in year one shall be for services provided December 1, 2012 or date of approval of contract by Governor and Executive Council, whichever is later and thereafter.

Invoices shall be submitted monthly, on Contractor letterhead, to:

Marilee Nihan
Office of Medicaid Business and Policy
129 Pleasant Street – Brown Building
Concord, NH 03301-3857

The monthly invoice shall identify charges for deliverables and support on an item basis, aggregated to a total amount for the month.

The Contractor agrees to request and receive prior written approval from the State to engage any subcontractors under this Agreement, and further agrees to pay the expenses of any subcontractors awarded under this Agreement in accordance with Exhibit A, Scope of Services.

The Contractor agrees to request and receive prior written approval from the State for any modifications to the project budget, which change any expenditure levels from the levels projected in the budget of this Agreement.

The Contractor agrees to use and apply all payments made by the State for direct and indirect costs and expenses associated with the execution of this Agreement. The Contractor's expenses for administration of any subcontractors shall not exceed the amounts identified in the project budget. Allowable costs and expenses shall be determined by the State in accordance with the project budget and applicable State and federal laws and regulations.

The Contractor agrees to not use or apply such payments for capital additions or improvements, dues to societies and organizations, entertainment costs, or any other costs not prior approved in writing by the State.

Payments will be made upon receipt of Contractor invoices that identify the contract components delivered and are consistent with the negotiated payment schedule. The total contract payment from DHHS will not exceed the agreed upon contract price. Estimated deliverable dates are included for reference. Monthly invoices should include only those deliverables that occurred during the month being billed for.

Financial Section

Activity*	Cost SFY 13	Cost SFY 14	Cost SFY 15
3.1 Provide all actuarial services and technical support relative to Medicaid Care Management	Deliverable: Updated Year 1 Step 1 Databook, Rate Ranges, and Cap Rate Certification. Annual Risk Adjustment. Estimated Hours: 2,275 Cost: \$614,025	Deliverable: Year 2 Step 1 databook and Cap Rate Report. Updated Certification with Step 1/ Step 2. Annual Risk Adjustment Estimated Hours: 1,965 Cost: \$551,875	Deliverable: Year Step 1/Step 2 Rate Range and Cap Rate Certification. Annual Risk Adjustment. Estimated Hours: 1,965 Cost: \$575,050
3.2 Define and analyze the impact of Medicaid Expansion on Medicaid Care Management Program	Deliverable: Medicaid Expansion Report. Estimated Hours: 195 Cost: \$54,325	Deliverable: Estimated Hours: 0 Cost: \$0	Deliverable: Estimated Hours: 0 Cost: \$0
3.3 Complete an annual financial cost/benefit analysis of the State moving from fee-for-service to Medicaid Care Management	Deliverable: Annual financial cost/benefit analysis Estimated Hours: 180 Cost: \$49,075	Deliverable: Annual financial cost/benefit analysis Estimated Hours: 180 Cost: \$51,225	Deliverable: Annual financial cost/benefit analysis Estimated Hours: 180 Cost: \$53,375
3.4 Support DHHS budget process through developing a quarterly budget forecast model for Medicaid fee-for-service and Medicaid Care Management enrollment and expenditures	Deliverable: Cost/Benefit Analysis Report. Quarterly Budget Forecast Report. Estimated Hours: 600 Cost: \$155,675	Deliverable: Cost/Benefit Analysis Report. Quarterly Budget Forecast Report. Estimated Hours: 600 Cost: \$162,575	Deliverable: Cost. Benefit Analysis Report. Quarterly Budget Forecast Report. Estimated Hours: 600 Cost: \$169,475
3.5 Develop options to implement State Plan Amendment(s), 1115 waiver(s), and/or 1915(b) waivers.	Deliverable: TBD Estimated Hours: 200 Cost: \$54,000	Deliverable: TBD Estimated Hours: 200 Cost: \$56,375	Deliverable: TBD Estimated Hours: 200 Cost: \$58,750
3.6 Onsite visits for purposes of presentation of key reports to DHHS leadership and stakeholders, at least annually. Expenses will be reimbursed.	Deliverables: Onsite visit Estimated Hours: 80 Cost: \$30,640	Deliverables: Onsite visit Estimated Hours: 80 Cost: \$31,920	Deliverables: Onsite visit Estimated Hours: 80 Cost: \$33,200

Staff Hourly Rates

SFY 13 Staff Position	Rate Per Hour
Senior Principal	\$500
Principal	\$440
Senior Consultant	\$380
Consultant	\$330
Project Manager	\$255
Professional Staff	\$200
Administrative Assistant	\$125
SFY 14 Staff Position	Rate Per Hour
Senior Principal	\$520
Principal	\$460
Senior Consultant	\$395
Consultant	\$345
Project Manager	\$265
Professional Staff	\$210
Administrative Assistant	\$130
SFY 15 Staff Position	Rate Per Hour
Senior Principal	\$540
Principal	\$480
Senior Consultant	\$410
Consultant	\$360
Project Manager	\$275
Professional Staff	\$220
Administrative Assistant	\$135

NH Department of Health and Human Services
STANDARD EXHIBIT C

SPECIAL PROVISIONS

1. **Contractors Obligations:** The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

2. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

3. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

4. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

5. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

7. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

8. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractor's costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:

8.1 Renegotiate the rates for payment hereunder, in which event new rates shall be established;

8.2 Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

8.3 Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

9. Maintenance of Records: In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:

9.1 Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

9.2 Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

9.3 Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

10. Audit: Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

10.1 Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.

10.2 Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

11. Confidentiality of Records: All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

12. Reports: Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.

12.1 Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.

12.2 Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

13. Completion of Services: Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

14. Credits: All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:

14.1 The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, Office of Medicaid Business and Policy, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

15. Operation of Facilities: Compliance with Laws and Regulations: In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

SPECIAL PROVISIONS – DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act, NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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NH Department of Health and Human Services

STANDARD EXHIBIT C-1

ADDITIONAL SPECIAL PROVISIONS

**Exceptions to Terms and Conditions of P-37
Form P-37 Addendum:**

Subparagraph 4.0 of the General Provisions of this agreement is hereby amended to read:

"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, and 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 provide the Contractor written notice (the "Funding Notice") and shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable. Notwithstanding the foregoing, the State shall remain responsible to compensate Contractor for services rendered up to the date of any Funding Notice."

Subparagraph 5.2 of the General Provisions of this agreement is hereby amended to read:

"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 payment liability to the Contractor other than the contract price."

Subparagraph 6.1 of the General Provisions of this agreement is hereby amended to read:

"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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

Subparagraph 6.3 of the General Provisions of this agreement is hereby amended to read:

"If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations, and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's relevant 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.

Subparagraph 7.3 of the General Provisions of this agreement is hereby amended to read:

"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: provided, however, any unresolved dispute between the parties may be litigated pursuant to Section 25.0 (Dispute Resolution) below.

Subparagraph 8.1.1 of the General Provisions of this agreement is hereby amended to read:

"failure to perform the Services in accordance with this Agreement or on schedule"

Subparagraph 8.2 of the General Provisions of this agreement is hereby amended to read:

"Upon the occurrence of any Event of Default, the State shall take the following actions:

Subparagraph 8.2.1 of the General Provisions of this agreement is hereby amended to read:

"give the Contractor a written notice specifying the Event of Default and requiring it to be remedied **within fifteen (15) days** from the date of the notice (or such longer period of time as agreed by the parties) (the "Cure Period"); and if the Event of Default is not timely remedied within the Cure Period, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination

Subparagraph 8.2.3 of the General Provisions of this agreement is hereby amended to read:

"set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any uncured Event of Default; and/or"

Subparagraph 8.2.4 of the General Provisions of this agreement is hereby amended to read:

"In the event of an uncured Event of Default, treat the Agreement as breached and pursue any of its remedies at law or in equity, or both."

Subparagraph 9.0 of the General Provisions of this agreement is hereby amended to read:

"DATA/ACCESS/CONFIDENTIALITY/PRESERVATION/USE OF WORK PRODUCT."

Subparagraph 9.2 of the General Provisions of this agreement is hereby amended to read:

"Subject to 9.4 and 9.5 hereunder, 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."

Subparagraph 9.0 of the General Provisions of this agreement is hereby amended to add section 9.4 to read:

"Contractor shall retain all rights, title, and interest (including, without limitation, all copyrights, patents, service marks, trademarks, trade secret, and other intellectual property rights) in and to all technical or internal designs, methods, ideas, concepts, know-how, techniques, generic documents, and templates that have been previously developed by Contractor or developed during the course of the provision of the services ("Contractor Tools") provided such Contractor Tools do not contain any confidential information or proprietary data of State. To the extent that Contractor may include in the materials any pre-existing Contractor proprietary information or other protected Contractor materials, Contractor agrees that the State shall be deemed to have a fully paid up license to make copies of the Contractor owned materials as part of this engagement for its internal business purposes and provided that such materials cannot be modified or distributed outside the State without the written permission of the Contractor or except as otherwise permitted herein."

Subparagraph 9.0 of the General Provisions of this agreement is hereby amended to add section 9.5 to read:

"The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit. Contractor's work is prepared solely for the use and benefit of State in accordance with its statutory and regulatory requirements. Contractor recognizes that materials it delivers to the State may be public records subject to disclosure to third parties; however, Contractor does not intend to benefit and assumes no duty or liability

to any third parties who receive Contractor's work and may include disclaimer language on its work product so stating. The State agrees not to remove any such disclaimer language from Contractor's work."

Subparagraph 9.0 of the General Provisions of this agreement is hereby amended to add section 9.6 to read:

"In the event of an early termination of this Agreement due to an uncured Event of Default, bankruptcy, or for any reason other than completion of the Services, Contractor hereby consents to the State distributing copies of the Contractor owned materials, subject to the terms and conditions set forth in Section 9.5 herein, for the purposes of completion of the Services by the State or another vendor"

Subparagraph 13.0 of the General Provisions of this agreement is hereby amended to read:

"The Contractor shall defend, indemnify, and hold harmless the State, its officers, and employees, from and against any and all losses suffered by the State, its officers, and employees, and any and all claims, liabilities or penalties asserted against the State, its officers, and employees, by or on behalf of any third party, to the extent arising out of the fraud, willful misconduct, or grossly negligent acts or omissions of the Contractor. 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.

Subparagraph 14.3 of the General Provisions of this agreement is hereby amended to read:

"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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation of the policy."

Subparagraph 16.0 of the General Provisions of this agreement is hereby amended to read:

"WAIVER OF BREACH. No failure by either party to enforce any provisions hereof after any breach or Event of Default shall be deemed a waiver of its rights with regard to that breach or Event of Default, or any subsequent breach or Event of Default. No express failure to enforce any breach or Event of Default shall be deemed a waiver of the right of a party to enforce each and all of the provisions hereof upon any further or other breach or Event of Default on the part of the other party."

Subparagraph 17.0 of the General Provisions of this agreement is hereby amended to read:

"Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given when actually received by certified mail, postage prepaid and return receipt requested, in a United States Post Office or if sent by overnight commercial courier with written evidence of delivery and addressed to the parties at the addresses given in blocks 1.32 and 1.4, herein."

Subparagraph 23.0 of the General Provisions of this agreement is hereby amended to read:

"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, that provision will be deemed to be restated to reflect as nearly as possible the original intent of the Parties in accordance with applicable law and the remaining provisions of this Agreement will remain in full force and effect."

Subparagraph 25 .0 of the General Provisions of this agreement is hereby added to read:

"DISPUTE RESOLUTION. The parties agree that any dispute between the parties not resolved pursuant to 7.3 herein and resulting in litigation will be filed and conducted in the New Hampshire State courts and the parties agree to waive the right to a trial by jury."

Subparagraph 26 .0 of the General Provisions of this agreement is hereby added to read:

"LIMITATION OF LIABILITY. Contractor will perform all services in accordance with applicable professional standards. The parties agree that Contractor, its officers, directors, agents, and employees, shall not be liable to the State, under any theory of law including negligence, tort, breach of contract, or otherwise, for any damages in excess of 3 times the professional fees paid to the Contractor with respect to the work in question. In no event shall Contractor be liable for any type of incidental or consequential damages. The foregoing limitations shall not apply in the event of (i) the gross negligence, intentional fraud, or willful misconduct of Contractor, (ii) Contractor's indemnification obligations set forth in Section 13 (INDEMNIFICATION) above, or (iii) Contractor's breach of its confidentiality obligations set forth herein or Contractor's breach of the Business Associate Agreement attached hereto."

Subparagraph 27.0 of the General Provisions of this agreement is hereby added to read

"FORCE MAJEURE. Neither of the parties shall be liable to the other for any failure, delay or interruption in performing its obligations hereunder due to causes or conditions beyond its control including, without limitation, strikes, boycotts, picketing, slow-downs, work stoppages, or labor troubles of any other type, acts of God, wars, riots or national or local emergencies."

Remainder of page intentionally left blank

NH Department of Health and Human Services

STANDARD EXHIBIT D
CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

- (A) The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

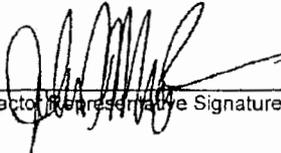
(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)
15800 Bluemound Road, Suite 100, Brookfield, WI 53005

Check if there are workplaces on file that are not identified here.

Milliman, Inc. From: 11/10/12 To: 6/30/15
(Contractor Name) (Period Covered by this Certification)

John D. Mearschaert, Principal and Consulting Actuary
(Name & Title of Authorized Contractor Representative)

 11/10/12
(Contractor Representative Signature) (Date)

NH Department of Health and Human Services

STANDARD EXHIBIT E

CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

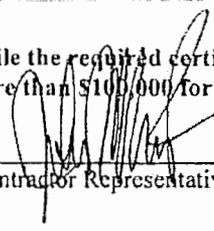
Contract Period: 11/16/12 through 6/30/15

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
- (3) The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails

to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



(Contractor Representative Signature)

John P. Meerschaert, Principal and Consulting Actuary

(Authorized Contractor Representative Name & Title)

Milliman, Inc.

(Contractor Name)

11/16/12

(Date)

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NH Department of Health and Human Services

STANDARD EXHIBIT F

CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

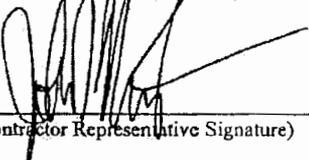
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:

- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- (b) where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

 _____ (Contractor Representative Signature)	John D. Meerschaert, Principal and Consulting Actuary _____ (Authorized Contractor Representative Name & Title)
Milliman, Inc. _____ (Contractor Name)	11/16/12 _____ (Date)

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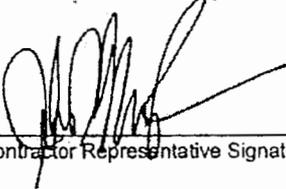
NH Department of Health and Human Services

STANDARD EXHIBIT G

**CERTIFICATION REGARDING
THE AMERICANS WITH DISABILITIES ACT COMPLIANCE**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.



(Contractor Representative Signature)

John D. Meerschaert, Principal and Consulting Actuary

(Authorized Contractor Representative Name & Title)

Milliman, Inc.

(Contractor Name)

11/16/12

(Date)

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NH Department of Health and Human Services

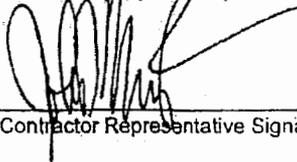
STANDARD EXHIBIT H

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.


(Contractor Representative Signature)

John D. Meerschaert, Principal and Consulting Actuary
(Authorized Contractor Representative Name & Title)

Milliman, Inc.
(Contractor Name)

11/16/12
(Date)

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NH Department of Health and Human Services

STANDARD EXHIBIT I
HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

Milliman, Inc. (Milliman) 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 mean Milliman and subcontractors and agents of Milliman that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

BUSINESS ASSOCIATE AGREEMENT

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
 - l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
 - m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
 - n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
 - o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
 - p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.
- (2) **Use and Disclosure of Protected Health Information.**
- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services related to this Agreement outlined under Exhibit A of the Agreement. Further, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule, except as expressly permitted in paragraph (2) b below.
 - b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity;
 - IV. To Deidentify PHI in accordance with the requirements of the Privacy Rule and maintain such deidentified health information indefinitely, provided that all identifiers are destroyed or returned in accordance with this Agreement;
 - V. To create a Limited Data Set for the purpose of performing its obligations and services for Covered Entity, provided that Business Associate complies with the provisions of this Agreement.
 - c. To the extent Business Associate is permitted to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) 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 (ii) an agreement from such third party to notify Business Associate, in accordance with the TECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services related to this Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any Breach of Unsecured PHI and any successful security incident involving Covered Entity data, in accordance with security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402. The parties acknowledge and agree that this section constitutes notice by Business Associate to Covered Entity of the ongoing existence and occurrence of attempted but unsuccessful Security Incidents of which no additional notice to Covered Entity shall be required. 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 such incidents do not result in unauthorized access, use or disclosure of Covered Entity's PHI.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec. 13404.
- c. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- d. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same or substantially similar restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section (3) b and (3) k herein. The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered

Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

- f. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity in order to meet the requirements under 45 CFR Section 164.524.
- g. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- h. Business Associate shall, to the extent that it makes any disclosures not excepted from disclosure accounting requirements, document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- i. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- j. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests.
- k. Within ten (10) business days of termination, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to, Business Associate shall continue to extend these protections, 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. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed. Notwithstanding the above, upon written notice to Covered Entity, Business Associate may maintain one copy of the minimum necessary PHI, subject to the protections contained herein, for a period of seven (7) years in order to comply with applicable work product documentation standards to which Business Associate is subject.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.

- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- d. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or the Security Rule if done by Covered Entity, except as expressly permitted in paragraph (2) b, herein.
- e. Covered Entity shall not provide Business Associate with more PHI than that which is minimally necessary for Business Associate to provide the services contemplated and, where possible, Covered Entity shall provide any PHI needed to provide the services in the form of a Limited Data Set, in accordance with HITECH Act regulations.

(5) **Termination for Cause**

The Covered Entity may immediately terminate any agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Agreement set forth herein. The Covered Entity may either immediately terminate any agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, and the HITECH Act as amended from time to time.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule and the HITECH Act.
- e. **Segregation.** If any term or condition of this Agreement 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 Exhibit I are declared severable.

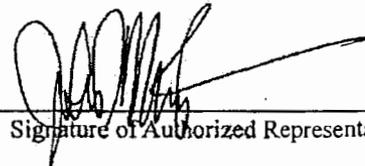
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section 3 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.
- g. Independent Contractors. Business Associate and Covered Entity re independent contractors and this Agreement will not establish any relationship of partnership, joint venture, employment, franchise, or agency between Business Associate and Covered Entity. Neither Business Associate nor Covered Entity will have the power to bind the other or incur obligations on the other party's behalf without the other party's prior written consent, except as otherwise expressly provided in this Agreement.
- h. Conflicts. In the event that any terms of this Agreement are Inconsistent with the terms of the underlying agreement between the parties, then the terms of this Agreement shall control.
- i. Entire Agreement. This Agreement shall constitute the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, oral or written, and all other communications between the parties hereto relating to such subject matter.

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

NH Department of Health & Human Services
The State Agency Name

Milliman, Inc.
Name of the Contractor

Kathleen Alvar
Signature of Authorized Representative


Signature of Authorized Representative

Kathleen A. Dunn
Name of Authorized Representative

John D. Meerschaert
Name of Authorized Representative

Associate Commissioner
Title of Authorized Representative

Principal and Consulting Actuary
Title of Authorized Representative

11/14/12
Date

11/16/12
Date

STANDARD EXHIBIT J

CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND
TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

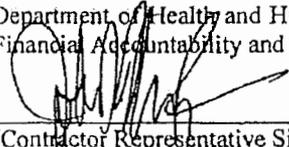
In accordance with 2 CFR Part 170 (*Reporting Subaward and Executive Compensation Information*), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

- 1) Name of entity
- 2) Amount of award
- 3) Funding agency
- 4) NAICS code for contracts / CFDA program number for grants
- 5) Program source
- 6) Award title descriptive of the purpose of the funding action
- 7) Location of the entity
- 8) Principle place of performance
- 9) Unique identifier of the entity (DUNS #)
- 10) Total compensation and names of the top five executives if:
 - a. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - b. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (*Reporting Subaward and Executive Compensation Information*), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

 _____ (Contractor Representative Signature)	John D. Meerschaert, Principal and Consulting Actuary _____ (Authorized Contractor Representative Name & Title)
Milliman, Inc. _____ (Contractor Name)	11/16/12 _____ (Date)

STANDARD EXHIBIT J

FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 071835995

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO

YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO

YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____