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31A

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

Nicholas A. Toumpas
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

Kathleen A. Dunn
Associate Commissioner
Medicaid Director

April 24, 2014

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

*SOLE SOURCE
52% General funds
50% Federal funds*

REQUESTED ACTION

Authorize the Department of Health and Human Services to enter into a **sole source** agreement with Health Management Systems, Inc. (HMS), Vendor # 164136, 360 Park Avenue South, New York, NY, to manage the New Hampshire mandatory Health Insurance Premium Payment (HIPP) program under the New Hampshire Health Protection Act in an amount not to exceed \$13,303,980 from the date of Governor and Executive Council approval, through December 31, 2016.

Funds are available in the following account in State Fiscal Year 2015 and are anticipated to be available in State Fiscal Years 2016 and 2017 with the ability to adjust encumbrances between State Fiscal Years if needed and justified through the Budget Office without the approval of the Governor and Executive Council.

05-095-047-470010-7937 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:OFC OF MEDICAID & BUS PLCY OFF. OF MEDICAID & BUS. POLICY, MEDICAID ADMINISTRATION

State Fiscal Year	Class/Object	Class Title	Amount
2015	102-500731-47000106	Contracts for Program Services	\$ 5,401,650.00
2016	102-500731-47000106	Contracts for Program Services	\$ 5,302,800.00
2017	102-500731-47000106	Contracts for Program Services	\$ 2,599,530.00
Total:			\$13,303,980.00

EXPLANATION

The purpose of this request is to enter into a **sole source** agreement with the Contractor to assist the Department in establishing a mandatory Health Insurance Premium Payment program (HIPP) and manage the program for all HIPP approved new adult group members under the New Hampshire Health Protection Act.

The New Hampshire Health Protection Act (SB 413) established a mandatory HIPP program for all members of the new adult group that have access to private, employer-sponsored insurance that is determined by the Department to be cost-effective. The New Hampshire Health Protection Act targets May 1, 2014 or as soon thereafter as practicable to begin the process of eligibility determination for the HIPP program and to begin coverage for the HIPP qualified new adults on or after July 1, 2014.

The mandatory HIPP program will assist low income New Hampshire adults up to aged 65 and who are employed and earn up to 133% of the federal poverty level to continue to access employer sponsored insurance (ESI) for their health benefits. The HIPP program reviews ESI of the new adult group to determine if it is more cost effective to pay the employee's portion of ESI monthly premiums and related costs (co-pays, deductibles, etc.) than for Medicaid to pay the medical costs directly.

There are very few contractors with the experience, knowledge and capacity to establish and operate a mandatory HIPP program and to stand up such a program in a matter of weeks. For all of these reasons, the Department believes that pursuing a sole source contract is the only practicable option to complying with the requirements of SB 413 to establish a mandatory HIPP program in the current biennium. The Contractor is one of only a very few that has data exchanges with all major insurance carriers in the country and a system established for managing Medicaid HIPP programs. The Contractor currently manages HIPP programs in seven states. The contractor has a proven system, staff expertise, and existing New Hampshire insurance and employer data to be able to implement the new HIPP program in New Hampshire within the limited time frame needed for the start of the newly enrolled population.

The HIPP program was originally established under the federal Social Security Act in an effort to achieve Medicaid cost savings. New Hampshire has operated a small voluntary HIPP program since 1994. Currently, there are approximately 100 Medicaid beneficiaries that access their benefits through ESI. The New Hampshire Health Protection Act will significantly expand this program and make it mandatory for the new adult group. Estimates are that of the 60,000 new adult group members in New Hampshire between 12,000 and 15,000 have access to ESI.

Establishment and operation of a mandatory HIPP program for some 12,000 to 15,000 beneficiaries is beyond the capacity of the Department without a significant increase in staff and budget authority, especially in light of the time frame established by the legislature in SB 413.

The Contractor will provide operations and technical services to support the Department in implementing and maintaining the mandatory HIPP program for the newly eligible population. More specifically, the Contractor will review eligibility data to determine if a New Hampshire Health Protection Program eligible member has access to ESI, establish the system for determining HIPP cost effectiveness, maintain ESI and employer information, issue payment of employee premiums, and establish and maintain a database of HIPP cases and payments for the purpose of reporting and audit. The Contractor will obtain all necessary documentation and information through their partnership with DHHS, insurance carriers, and employers, within New Hampshire and nationally, to ensure all newly eligible persons will be able to take advantage of this program and ensure effective and efficient processing of the HIPP program.

The Contractor will collaborate with Department staff to assist the agency in developing the HIPP program cost effective calculation and payment process.

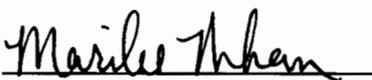
This contract includes a provision that would allow for renewal for up to four additional years upon approval of such renewal by the Governor and Executive Council. Renewal of the contract for any period beyond December 31, 2016 would only arise if the New Hampshire Health Protection Program, including the mandatory HIPP program, were reauthorized by the legislature prior to that date.

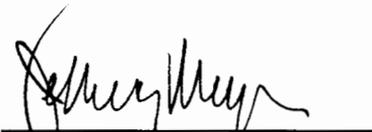
Area Served: Statewide

Source of Funds: 50% General Funds, 50% Federal Funds

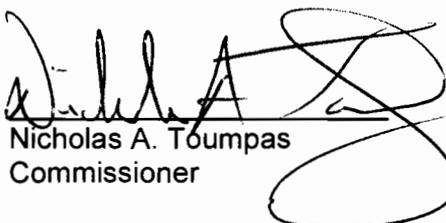
In the event that the Federal Funds become no longer available, additional General Funds will not be requested to support this contract.

Respectfully submitted,


for Kathleen A. Dunn, MPH
Associate Commissioner
Medicaid Director


Jeffrey A. Meyers
Director, Intergovernmental Affairs

Approved by:


Nicholas A. Toumpas
Commissioner

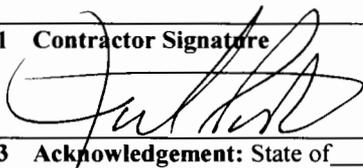
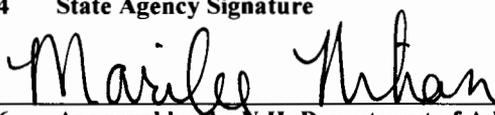
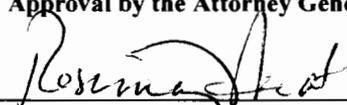
Subject: Health Insurance Premium Payment Services

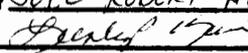
AGREEMENT

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

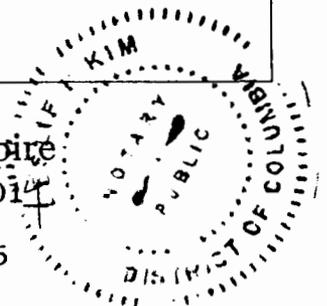
GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03820	
1.3 Contractor Name Health Management Systems, Inc. d/b/a Third Party Liability Recovery Service		1.4 Contractor Address 360 Park Avenue South New York, NY 10010	
1.5 Contractor Phone Number 617-.398-1361	1.6 Account Number 05-095-047-470010-7937000-102-500731-47000106	1.7 Completion Date December 31, 2016	1.8 Price Limitation \$13,303,980.00
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number 603-271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Joel Portice, Division President Government Solutions & Corp Strategy	
1.13 Acknowledgement: State of _____, County of _____ On _____, 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 Marilee Nihan Deputy 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:  On: 4-25-14			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

SUBSCRIBE AND SWORN TO BEFORE ME
 THIS 29 DAY OF APRIL, 2014
 BY JOEL ROBERT PORTICE

 NOTARY PUBLIC

My Commission Expires
 September 30th 2014
 1718 M St. NW
 Washington DC 20036



Subject: Health Insurance Premium Payment Services

AGREEMENT

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

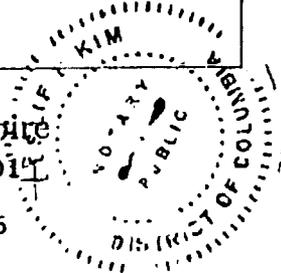
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1.3 Contractor Name Health Management Systems, Inc. d/b/a Third Party Liability Recovery Service <i>4/25/14</i> <i>JP. 4/25/14</i>		1.4 Contractor Address 360 Park Avenue South New York, NY 10010	
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1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number 603-271-9558	
1.11 Contractor Signature <i>[Signature]</i>		1.12 Name and Title of Contractor Signatory <i>Joel Portice, Division President Government Solutions & Corp Strategy</i>	
1.13 Acknowledgement: State of _____, County of _____ On _____, 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 <i>Marilee Nihan</i>		1.15 Name and Title of State Agency Signatory <i>Marilee Nihan Deputy Commissioner.</i>	
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: <i>[Signature]</i> On: <i>4-25-14</i>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

SUBSCRIBE AND SWORN TO BEFORE ME
THIS 29 DAY OF APRIL, 2014 Page 1 of 4
BY: JOEL ROBERT PORTICE
[Signature]
NOTARY PUBLIC

My Commission Expires
September 30th 2014
1718 M St. NW
Washington DC 20036



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.

Contractor Initials 
Date: 4/28/14

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 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.

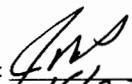
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

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

Contractor Initials: 
Date: 4/25/14

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.

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.

Contractor Initials: 
Date: 4/25/14



Scope of Services

1. Provisions Applicable To All Services

The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders and regulatory change by the Centers for Medicare and Medicaid Services may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

1.1 Conditional Nature of Contract

This Contract is contingent upon regulatory authority to provide health coverage to adults age 19-64 with incomes up to 138% federal poverty level from the Centers of Medicare and Medicaid Services.

2. General Scope of Services

The State of New Hampshire (State) has chosen to expand its existing Medicaid Health Insurance Premium Payment (HIPP) program to include the New Hampshire Health Protection Program (NH HPP) enrollees. With the passage of SB 413, 2014 Laws, Ch.3, the State has made it mandatory that all newly eligible adults who have access to qualified employer sponsored insurance either directly as an employee or indirectly through another individual participate in the new HIPP program if the individual is eligible for the program and the coverage is cost effective.

The Contractor, working with the New Hampshire Department of Health and Human Services (Department), will provide and administer a comprehensive HIPP program that will serve the needs of State in an efficient and cost-effective manner. In accordance with Department HIPP policies, and as mutually agreed upon by the Contractor, the Contractor will use proprietary processes and a web-based case tracking system, to identify HIPP enrollees, determine eligibility, calculate the cost-effectiveness of enrolling an individual in the program, and make premium payments.

2.1 Referral Processing

2.1.1 The Contractor will process HIPP referrals from the Department and from data matches with carriers. The Department, will generate and transmit to the Contractor a daily electronic Referral File of NHHPP eligibles and enrollees, which includes the following minimum data set: member demographic data, family member data (when available) employer information (when reported), health insurer name and policy information (when reported), as well as an indicator to distinguish members who are enrolled or have access to commercial health insurance.

2.1.2 The Contractor will work with the Department during the implementation phase to identify those referrals that generate the highest probability of HIPP enrollment and the methods for receiving the referrals.

2.1.3 The Contractor will send HIPP Program applications to targeted members and/or refer them to the Contractor's website for enrollment within the timeframes specified in Section 2.14.

JMS
4/23/14



2.1.4 The Contractor will work with the Department to determine procedures for following up on non-responsive or incomplete responses and communications with clients.

2.1.5 The Contractor will review and scan all referrals and applications received via hard copy or electronically and load the information into the PIER system.

2.1.6 The Contractor may assign priority to referrals based on the type of data as well as the likelihood that an applicant will qualify for the program.

2.1.7 Should the Contractor not receive adequate information from all sources within the timeframes specified in Section 2.14 to determine cost effectiveness, the Contractor shall notify the Department which may begin NH HPP enrollment termination procedures.

2.2 Perform Insurance Enrollment and Verification

2.2.1 The Contractor will divide workload based on individuals with reported health insurance coverage through their employer and those who do not currently have coverage but have access to it. When an applicant indicates potential access to insurance, the Contractor will work with recipients and employers to identify all plan options and enroll the NH HPP recipient and, if appropriate, his/her family into a cost-effective plan.

2.2.2 If the applicant supplies policy information, the Contractor will verify the health insurance policy and premium data with both the policyholder's employer and insurance carrier. The Contractor will perform telephone, fax, web-based, and batch verification processes with the carriers. In cases in which information cannot be released verbally, the Contractor will use employer correspondence to contact Human Resources personnel to obtain both premium and coverage data.

2.2.3 The Contractor will collect employer insurance data that includes employers in New Hampshire. The Department can access information in the employer database on a case by case basis through the Department's user access to PIER. This database will be updated daily (as cases are processed) to enable rapid identification of insurance coverage and qualifying benefits plans offered by employers locally and nationally.

2.2.4 If an applicant supplies employment information the Contractor will use telephone, fax, web-based, and insurance database match processes to determine if insurance is available through the employer.

2.3 Analyze Member Health Insurance Policies

2.3.1 The Contractor will ensure that the member's (or their family member's) health insurance carriers' policies meet the basic benefit levels required by the State.

2.3.2 The Contractor shall obtain detailed information regarding policy limitations, covered services (e.g., drugs, practitioner services, Durable Medical Equipment, inpatient hospital services, and home health services), lifetime maximums, co-insurance, deductibles and co-payments, and Out of Pocket maximums as captured currently within the PIER system.

JRP
4/23/14



2.4 Obtain Employer Health Plan Information

2.4.1 The Contractor shall request a potential HIPP applicant's employer provide the following information on the health insurance plans they offer their employees, if they have not previously provided this information within the calendar year: covered services, tier (e.g., individual, individual plus spouse, and individual plus children), rate, employer size, employer and employee contributions, and open enrollment dates as necessary during the contract period. The Contractor will build, maintain, data and information collected on the plans. The Department can access collected information on plans on a case by case basis through the Department's user access to PIER

2.5 Determine Cost-Effectiveness

2.5.1 The Contractor will determine the cost-effectiveness of enrolling an individual in the State of New Hampshire HIPP program by comparing the estimated cost to enroll the individual in the HIPP program with the estimated medical costs to the New Hampshire NH HPP program if the recipient was not in the HIPP program and enrolled in a Medicaid managed care plan.

2.5.2 The Contractor shall estimate HIPP program costs by summing the following components:

2.5.2.1 The annual commercial insurance policy premium cost (employee share) gathered from the HIPP Program Application or contained in the Contractor's Employer Database

2.5.2.2 The estimated (derived ratio) or actual Medicaid expense, provided by the Department from review of paid claims, for services not covered under the commercial insurance policy ("wrap-around")

2.5.2.3 The estimated or actual Medicaid cost sharing expense (deductibles, coinsurance, and copayments). The information used to calculate these expenses will be obtained from one or more of the following sources: Program Application, Summary of Benefits, employer, and the Department (from review of paid claims).

2.5.2.4 The annual case administration cost,

2.5.3 To estimate medical (Medicaid managed care) costs, the Contractor will sum:

2.5.3.1 The annual Medicaid managed care premium cost provided by the Department

2.5.3.2 The estimated (derived ratio) or actual Medicaid expense provided by the Department for services not covered under the Medicaid managed care plan ("wrap-around")

2.5.3.3 The estimated (derived ratio) or actual Medicaid cost sharing expenses (deductibles, coinsurance, copayments) provided by the Department



2.5.4 The Contractor will enroll only individuals whose annual HIPP program costs are anticipated to be less than the estimated medical costs for members who are enrolled in the State's Medicaid Managed Care program.

2.5.5 For audit purposes, the cost-effectiveness calculation shall be stored for future reference.

2.5.6 The Contractor will work with the Department to develop a cost-effective methodology. Rate information may be amended at the discretion of the Department. Element information shall be amended as required by the Centers for Medicare and Medicaid Services.

2.5.7 The Contractor's PIER system integrates the formulas so automatic calculations can be performed continuously. The Contractor will work with the Department to update cost data and assumptions annually to more accurately reflect case and program cost savings.

2.5.8 The Contractor will receive automated Medicaid eligibility data on a regular basis, and use its PIER case tracking application to monitor changes in NH HPP eligibility.

2.5.9 The Contractor will ensure the PIER case tracking application creates work queues for the Contractor's eligibility advisors to review in the event that NH HPP eligibility is lost or reduced or if new persons have been added to the case.

2.6 Generate Case Correspondence

2.6.1 The content of all correspondence will be developed with Department staff, and be sent on Department letter head.

2.6.2 Based on the cost-effectiveness results, the Contractor will take one of the following actions:

2.6.1.1 For a case considered cost-effective, the Contractor will generate an acceptance letter to the policyholder. The letter will notify recipients of the decision and the ongoing reimbursement that they will be receiving or that will be paid directly to the employer or insurance carrier, as necessary.

2.6.1.2 The Contractor will generate and electronically transmit a daily Response File which will indicate to the Department the members for which the Contractor has completed its HIPP program eligibility determination from the previous day. The file will include responses for two types of referrals/leads. For Primary Referrals, where a member has self-reported enrollment in private insurance or access to insurance or other mutually agreed upon cases/members, the file will include a denial or enrollment notification for all referrals sent to the Contractor. For Secondary Referrals, where the member has not self-reported insurance, the file will include only those members who have been successfully enrolled into the HIPP program. Secondary Referrals that are determined to be ineligible for the HIPP program will not be included on the Response File.

2.6.1.3 The Department will issue member correspondence for Primary Referral denied cases.

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2.6.3 The Contractor will make available other correspondence templates that are used to manage open enrollment, obtain missing information, or communicate with a recipient or employer.

2.6.4 The Department will approve all correspondence templates, including both letters and notices, before they are distributed.

2.6.5 For audit purposes, the Contractor shall automatically maintain an electronic image of each correspondence generated.

2.6.6 The Contractor shall supplement written communication by placing "Welcome" telephone calls to enrollees to inform them that they are enrolled in HIPP and to answer any questions that they have about the program.

2.7 Update MMIS

2.7.1 If the Department requires the Contractor to provide state specific carrier codes, the Department will send monthly a full list of all carrier codes and carrier names in an electronic format to the Contractor

2.7.2 The contractor and the Department will establish an electronic upload process to update the insurance information the Department's Medicaid Management Information System (MMIS) for members that are enrolled in the HIPP program. The contractor will transmit a weekly file of insurance policy information, which will include:

- Member Medicaid ID Number
- Member First Name
- Member Last Name
- Member SSN
- Member DOB
- Carrier Name
- Carrier Address
- State Carrier Code (if provided to the Contractor, otherwise no code will be sent)

- Policy/Group Number
- Policy Start and Termination Dates
- Policyholder Name
- Policyholder SSN/DOB
- Policy Coverage codes (Code to be supplied to Contractor by the State)

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2.7.3 The Contractor shall ensure that PIER captures all relevant policy information, including the following:

2.7.3.1 Carrier name, address, and contact number

2.7.3.2 Employer name, address, and contact number

2.7.3.3 Policyholder name and policy number

2.7.3.4 Premium amount

2.7.3.5 Complete check history of all premium payments

2.7.3.6 Policy co-insurance, deductibles, and policy maximums/limits as captured currently within the PIER system.

2.8 Collect Premium Documentation

2.8.1 The Contractor shall collect, image, and store all pay stub information and ensure that recipients pay their premiums on an ongoing basis. This information shall be collected at both the time of the application and renewal and when additional information is needed to determine the actual premium deduction.

2.9 Process Payments

2.9.1 The Contractor shall generate requests for checks and Automated Clearing House (ACH) payments for the reimbursement or payment of recipient premiums.

2.9.1.1 Active cases shall be reimbursed or paid directly to a third party monthly as required.

2.9.1.2 Premium reimbursement shall occur only if appropriate verification is on file to substantiate that someone in the household remains eligible for the NH HPP program and the other insurance remains active.

2.9.1.3 The Contractor acknowledges that when cross-referencing applicable premium deductions against the PIER-verified total, documentation for all variances is required.

2.9.1.4 The Contractor acknowledges that HIPP program eligibility is guaranteed for the policy period in which the participant is activated (assuming that the recipient remains NH HPP eligible for the same period) and that monthly premium validations may not be required.

2.9.1.5 The Contractor shall ensure monthly check runs scheduled near the first of each month; another check run shall be scheduled for the fifteenth of each month.

2.9.1.6 Direct payments (i.e. payments to insurers) shall be scheduled for release two weeks prior to the official premium due dates to avoid late payments or interruptions in coverage.

2.9.1.7 The Department will provide the Contractor with a monthly Medicaid Eligibility File, which will include at a minimum the full NH HPP population and associated family member data (when available). The file should include, at a minimum member demographic data, eligibility dates and other agreed upon data. The Contractor shall ensure its system interfaces with the Department's Medicaid eligibility files and validates any changes for any HIPP recipient utilizing this data prior to generating a check request.

2.9.1.7.1 Loss of NH HPP eligibility will automatically suspend the case with a specified reason, which triggers an investigation.

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2.9.1.7.2 The Contractor will generate a funding request for the Department to approve for the checks and ACH payments to be batched.

2.9.1.7.3 The Contractor will ensure that systems are in place to prevent the production of multiple premium checks for the same benefit period without manual supervisory approval and intervention.

2.9.1.7.4 The Department will generate funding in a State owned bank account from which the checks/ACH payments will be withdrawn from.

2.9.1.8 The Contractor will ensure all financial transactions upload to the case files to maintain complete transaction history. When refunds are required or received, the Contractor shall ensure the system records and flags the activity in its internal reconciliation process and that the Contractor will pursue the recovery of funds using preapproved correspondence.

2.9.1.8 For individuals that are determined to be newly Medicaid eligible and who are subsequently enrolled in HIPP the following will apply:

2.9.1.8.1 Individuals found to be ineligible for Medicaid at any point during the first six months after the initial eligibility determination shall have their premiums paid through the end of said six month period.

2.10 Process Case Maintenance, Renewals, and Overpayments

2.10.1 The Contractor shall ensure that, based on employer open enrollment dates, each case is assigned a review or follow-up date that will meet or exceed the requirement for an annual determination of cost-effectiveness.

2.10.1.1 Within 30 days of the annual employer open enrollment review date, the Contractor shall reevaluate the entire case to ensure it meets the cost effectiveness required to be eligible for the HIPP program.

2.10.1.2 Cases still cost-effective remain in the HIPP program, and cases deemed not cost-effective shall be terminated.

2.10.1.3 The Contractor shall supply the Department with a daily Response File, which will indicate the members for which the Contractor has made a HIPP program determination (denied, enrolled, or terminated) on the previous day. From this data file, the Department will utilize this information to issue member correspondence for denied/terminated cases.

2.10.1.4 The Contractor shall move all terminated cases to Closed/Terminated status in PIER as case termination date occurs.

2.10.1.5 The Contractor shall conduct global reviews on policies upon receipt of notification of carrier plan changes or open enrollment dates.

2.10.2 When overpayments occur, the Contractor shall suspend future premium payments to offset the overpayment or work with HIPP recipients to establish a payment arrangement to

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satisfy and repay the amount owed to the Department. All overpayment shall be reported to the State monthly.

2.10.3 The Contractor shall maintain a record of overpayments and will keep that record indefinitely. The Contractor will request members supply overpayment checks directly to the Department's offices. Copies of these checks will be made available to the Contractor for posting to the Contractor's Accounts Receivable Recovery payments will be updated in PIER and will be reflected on a monthly payment report for full reconciliation.

2.11 Generate Reports

2.11.1 The Contractor will create a standard set of reports that provide full transparency of the program, including case status, outreach results, program statistic and open enrollment reports. Reports scheduled in PIER can be generated weekly, quarterly, annually, or on demand. The Contractor shall be capable of providing both summary and detailed standard versions of the reports.

2.11.1.1 All reports shall be available as printable versions in Adobe PDF format and as export versions of reports to Microsoft Excel. All reports shall be saved into the Contractors electronic history.

2.11.2 The contractor will provide the Department with five ad hoc reports over the contract lifetime, as mutually agreeable and excluding significant efforts to the Contractor's development costs to create and maintain these reports.

2.12 Case Management System: PIER

2.12.1 The Contractor shall use its web-based case tracking system (PIER) to track HIPP referral and case information and administer data efficiently and transparently.

2.12.2 The Contractor will provide the Department with 4 user IDs to access PIER.

2.13 Customer Service Call Center

2.13.1 The Contractors eligibility advisors shall assist New Hampshire NH HPP recipients through the entire HIPP application, evaluation and enrollment process. The Contractor shall also assist employers, state eligibility workers and other program stakeholders as needed. The Contractor will provide a fully staffed call center Monday through Friday, 8:00 a.m. ET through 5:00 p.m. ET, with the exception of state holidays. A dedicated email address shall be available for program participants to submit inquiries to the call center at any time.

2.14 Processing Milestones

2.14.1 Within 7 days from receipt of the Referral File from the Department, the Contractor shall submit to qualified members, who have self-attested to being enrolled or have access to

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Employer Sponsored Insurance (primary referrals), a program application and/or refer them to the Contractor's website.

2.14.2 The Contractor will ensure members who receive an application will have 30 days to return all enrollment forms, supporting documentation and other information as needed, unless member has demonstrated "good faith" efforts to provide the contractor with the required documentation/information. Members who have demonstrated a good faith effort to provide the information to make a determination will receive an additional 15 days to provide all required information.

2.14.3 Within 15 days from receipt of complete enrollment information and documentation and/or at the end of the member's 30 or 45 day response period, Contractor will send an enrollment/denial determination on the Response File to the Department for the primary referrals and enrollment determination for the secondary referrals.

2.14.4 The Contractor shall comply with all elements of Section 2.14 within 180 consecutive days of the first referral file transfer to the contractor. Additional relief may be granted by amendment subject to the agreement of both parties.

2.15 Program Integrity

2.15.1 The Contractor shall allow the Department to inspect and audit any of the HIPP records and supporting documentation that the Contractor maintains or its subcontractors. The Contractor shall also allow the Department to inspect and audit any financial records of the Contractor or its subcontractors applicable to this contract. There shall be no restrictions on the right of the State or federal government to conduct whatever inspections and audits are necessary to assure quality, appropriateness or timeliness of services and reasonableness of their costs related to this contract.

2.16 Potential Expansion of the HIPP Scope of Work

2.16.1 Expansion of the Scope of Work shall occur only upon mutual agreement of both parties and shall be subject to the approval of the Governor and Executive Council. The Contractor shall carefully review the additional requirements in order to understand how to best address the proposed expansion of scope. The Contractor will, as part of any such review, identify any work steps needed to revise or expand current procedures, systems, and project management. Such review shall include input from the State.

2.17 Information Technology Assurances, Requirements and Acknowledgements

2.17.1 Appendix A, Information Technology Assurances, Requirements and Acknowledgements is hereinafter incorporated into this Exhibit.

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Method and Conditions Precedent to Payment

1. 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, Scope of Services.

1.1 Payment for said services shall be made as follows:

As full payment for all specified activities included in the Scope of Services (Exhibit A), DHHS will reimburse the Contractor on a monthly basis based upon certified enrollment at the end of the invoice month as follows:

1.1.1 Fixed Monthly Fee (Months 1 through 6 of contract)

Enrollment into HIPP Program	Monthly Fee
0-4,000	\$70,400.00
4,001-5,000	\$71,600.00
5,001-6,000	\$74,000.00
6,001-7,000	\$76,400.00
7,001-8,000	\$78,800.00
8,001-9,000	\$81,200.00
9,001-10,000	\$83,600.00
10,001-11,000	\$86,000.00
11,001-12,000	\$88,400.00
12,001+	\$89,600.00

1.1.2 Fixed Monthly Fee (Months 7 through 30)

Enrollment into HIPP Program	Monthly Fee
1-4,000	\$40,100.00
4,001-5,000	\$41,000.00
5,001-6,000	\$42,900.00
6,001-7,000	\$44,800.00
7,001-8,000	\$46,700.00
8,001-9,000	\$48,600.00
9,001-10,000	\$50,500.00
10,001-11,000	\$52,400.00
11,001-12,000	\$54,300.00
12,001+	\$55,200.00

1.1.3 New Enrollment Fee (per case – 1 time) \$68.40

1.1.4 Monthly Maintenance Fee (per case per month) \$28.88

1.1.5 Annual Renewal Fee (per case per year) \$35.34

1.1.6 Notwithstanding any decline in enrollment, once an enrollment threshold is met, payment at that level for fixed monthly fees shall remain at the higher level.

1.1.7 Fixed monthly fee invoicing will commence July 1, 2014.

Contractor Initials *JRP*
 Date *4/23/14*



1.2 Should the Department require resources not included in the Scope of Service but relevant to the management of the HIPP the following hourly fees will be applied to such services.

Table 1.2

Category	Rate	Hourly
Executive	\$225	
Account Manager	\$180	
Operations Manager	\$165	
Project Manager	\$125	
Operations Analyst	\$60	
Systems Analyst / Manager	\$200	
Senior Programmer	\$165	
Programmer / Analyst / Developer	\$125	
HIPP Caseworker, Administrative and Support	\$45	

1.3 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 Manager- OMBP
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

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Information Technology Assurances, Requirements and Acknowledgements

1. Overview

1.1 Security Requirements

The Contractor will:

- 1.1.1 Provide secure FTP site for secure transmission of data between DHHS and the contractor.
- 1.1.2 Establish a trust connection for the secure FTP using public/private key for authentication.
- 1.1.3 Utilize data isolation to ensure data from DHHS cannot be co- mingled with data from other clients.
- 1.1.4 Ensure that the security of the information being exchanged or transmitted on this two-way connection is protected through the use of FIPS 140-2 validated encryption algorithms.
- 1.1.5 Protect data exchanged over this interconnection in accordance with the Privacy Act, 5 U.S.C. §552a.
- 1.1.6 Certify that they meet all applicable laws that govern their data access, maintenance, use and disclosure.

1.2 Contractor acknowledges that DHHS reserves the right to terminate interconnection to mitigate or avoid any immediate or recurring risks to the security of their system.

1.3 Contractor shall report suspected or confirmed security incidents within one hour of discovery to the DHHS Information Security Officer.

2. Application Security Testing

- 2.1 IT Security involves all functions pertaining to the securing of State data through the creation and definition of security policies, procedures and controls covering such areas as identification, authentication and non-repudiation.
- 2.2 All components of the HMS software shall be reviewed and tested as described below to ensure they protect the State's related data assets. All HMS software and hardware shall be free of malicious code (malware).

Table 1.0

Service Component	Defines the set of capabilities that:
Identification and Authentication	Supports obtaining information about those parties attempting to log onto a system or application for security purposes and the validation of users
Access Control	Supports the management of permissions for logging onto a computer or network
Encryption	Supports the encoding of data for security purposes
Intrusion Detection	Supports the detection of illegal entrance into a computer system
Verification	Supports the confirmation of authority to enter a computer system, application or network
Digital Signature	Guarantees the unaltered state of a file
User Management	Supports the administration of computer, application and network accounts within an organization.

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Role/Privilege Management	Supports the granting of abilities to users or groups of users of a computer, application or network
Audit Trail Capture and Analysis	Supports the identification and monitoring of activities within an application or system
Input Validation	Ensures the application is protected from buffer overflow, cross-site scripting, SQL injection, and unauthorized access of files and/or directories on the server.

- 2.3 Security testing shall focus on the technical, administrative and physical security controls that have been designed into the system architecture to provide the necessary confidentiality, integrity and availability. Tests shall, at a minimum, cover each of the service components. Test procedures shall include 3rd party Penetration Tests (pen test) or code analysis and review on a regular basis.
- 2.4 Contractor shall provide results of all security testing to the Department of Information Technology for review and acceptance or, the Contractor may provide certification that their system has successfully passed the specified security tests.
- 2.5 All components of the Software shall be reviewed and tested to ensure they protect the State's Data assets.
- 2.6 The Contractor shall be responsible for security testing, as appropriate. Tests shall focus on the technical, administrative and physical security controls that have been designed into the System architecture in order to provide the necessary confidentiality, integrity and availability. Tests include but are not limited to:
 - 2.6.1 Test for Identification and Authentication; supports obtaining information about those parties attempting to log onto a system or application for security purposes and the validation of users.
 - 2.6.2 Test for Access Control; supports the management of permissions for logging onto a computer or network.
 - 2.6.3 Test for encryption; supports the encoding of data for security purposes.
 - 2.6.4 Test the Intrusion Detection; supports the detection of illegal entrance into a computer system.
 - 2.6.5 Test the Verification feature; supports the confirmation of authority to enter a computer system, application or network.
 - 2.6.6 Test the Digital Signature; guarantees the unaltered state of a file.
 - 2.6.7 Test the User Management feature; supports the administration of computer, application and network accounts within an organization.
 - 2.6.8 Test Role/Privilege Management; supports the granting of abilities to users or groups of users of a computer, application or network.
 - 2.6.9 Test Audit Trail Capture and Analysis; supports the identification and monitoring of activities within an application or system.
 - 2.6.10 Test Input Validation; ensures the application is protected from buffer overflow, cross-site scripting, SQL injection, and unauthorized access of files and/or directories on the server.

2.7 STANDARD TESTING

- 2.7.1 The Contractor must perform application testing using an industry standard and State approved testing methodology.

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3. Application and Business Requirements

- 3.1 The Contractor shall:
- 3.1.1 Receive and process a daily Eligibility Leads and Referral file transfer from the State's New HEIGHTS system.
 - 3.1.2 Send a daily HIPP Response file transfer to the State's New HEIGHTS system.
 - 3.1.3 Send a daily HIPP Enrollment /Un-enrollment file transfer to the State's MMIS system.
 - 3.1.4 Receive and process a monthly Medicaid Eligibility file transfer from the State's New HEIGHTS system.
 - 3.1.5 Use its web-based case tracking system (PIER) to track HIPP referral and case information.
 - 3.1.6 Allow the State read-only access to PIER for inquiry and report generation.
 - 3.1.7 Build and maintain an Employer Database that includes New Hampshire employers.
- 3.2 The Contractor shall ensure:
- 3.2.1 The system software adheres to open standards and is not proprietary.
 - 3.2.2 The database platform adheres to open standards.
 - 3.2.3 The Solution complies with Open Standards as specified in State of New Hampshire RSA 21-R:10 and 21-R:13, including but not limited to Open Data Formats.
 - 3.2.4 The system will verify the identity or authenticate all of the system client applications before allowing use of the system to prevent access to inappropriate or confidential data or services.
 - 3.2.5 The system will verify the identity or authenticate all of the system's human users before allowing them to use its capabilities to prevent access to inappropriate or confidential data or services and will:
 - 3.2.5.1 Enforce unique user names.
 - 3.2.5.2 Encrypt passwords in transmission and at rest within the database.
 - 3.2.5.3 Expire passwords after 60 days.
 - 3.2.5.4 Establish ability to enforce session timeouts during periods of inactivity.
 - 3.2.6 The application has been tested and hardened to prevent critical application security flaws. (At a minimum, the application shall be tested against all flaws outlined in the Open Web Application Security Project (OWASP) Top Ten (http://www.owasp.org/index.php/OWASP_Top_Ten_Project))
 - 3.2.7 The application shall not store authentication credentials or sensitive Data in its code.
 - 3.2.8 Audit all attempted accesses that fail identification, authentication and authorization requirements.
 - 3.2.9 The application must allow a user to explicitly terminate a session. No remnants of the prior session should then remain.
 - 3.2.10 The application Data shall be protected from unauthorized use when at rest.
 - 3.2.11 Keep any sensitive Data or communications private from unauthorized individuals and programs.

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- 3.2.12 Subsequent application enhancements or upgrades shall not remove or degrade security requirements.
- 3.2.13 Create change management documentation and procedures.

3.3 Hosting-Cloud Requirements

- 3.3.1 Contractor shall maintain a secure hosting environment providing all necessary hardware, software, and Internet bandwidth to manage the application and support users with permission based logins.
- 3.3.2 State access will be via Internet browser.
- 3.3.3 The Data Center must be physically secured – restricted access to the site to personnel with controls such as biometric, badge, and others security solutions. Policies for granting access must be in place and followed. Access shall only be granted to those with a need to perform tasks in the Data Center.
- 3.3.4 Contractor must monitor the application and all servers.
- 3.3.5 Contractor shall manage the databases and services on all servers located at the Contractor's facility.
- 3.3.6 Contractor shall install and update all server patches, updates, and other utilities within 60 days of release from the manufacturer.
- 3.3.7 Contractor shall monitor System, security, and application logs.
- 3.3.8 Contractor shall manage daily backups, off-site data storage, and restore operations.
- 3.3.9 The Contractor shall monitor physical hardware.
- 3.3.10 The Contractor shall immediately report any breach in security to the State of New Hampshire.

3.4 Disaster Recovery

- 3.4.1 Tapes or other back-up media tapes shall be securely transferred from the site to another secure location to avoid complete data loss with the loss of a facility.
- 3.4.2 If State data is personally identifiable, data must be encrypted in the operation environment and on backup tapes.

3.5 Hosting Security

The Contractor shall:

- 3.5.1 Employ security measures ensure that the State's application and data is protected.
- 3.5.2 If State data is hosted on multiple servers, data exchanges between and among servers must be encrypted.
- 3.5.3 Ensure all servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, shall have aggressive intrusion-detection and firewall protection.
- 3.5.4 All components of the infrastructure shall be reviewed and tested to ensure they protect the State's hardware, software, and its related data assets. Tests shall focus on the technical, administrative and physical security controls that have been designed into the System architecture in order to provide confidentiality, integrity and availability.
- 3.5.5 In the development or maintenance of any code, the Contractor shall ensure that the Software is independently verified and validated using a



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methodology determined appropriate by the State. All software and hardware shall be free of malicious code.

3.5.6 Notify the DHHS Information Security Officer of any security breaches within two (2) hours of the time that the Contractor learns of their occurrence.

3.5.7 Ensure its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the Contractor' hosting infrastructure and/or the application.

3.5.8 Be solely liable for costs associated with any breach of State data housed at their location(s) including but not limited to notification and any damages assessed by the courts.

3.6 Service Level Agreement

3.6.1 The Contractor's System support and maintenance shall commence upon the Effective Date and extend through the end of the Contract term, and any extensions thereof.

3.6.2 The State shall have unlimited access, via phone or Email, to the Contractor technical support staff between the hours of 8:30am to 5:00pm- Monday thru Friday ET.

3.6.3 The Contractor shall provide the State with a personal secure FTP site to be used the State for uploading and downloading files.

3.7 Support and Maintenance Requirements

3.7.1 The Contractor's System support and maintenance shall commence upon the Go Live Date of the service provided and extend through the end of the Contract term, and any extensions thereof.

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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 fundors 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 fundors, 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;

[Handwritten Signature]
4/28/14



- 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.

[Handwritten Signature]
Date 4/28/14



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. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
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. **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

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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:

- 16.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 16.2. 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
- 16.3. Monitor the subcontractor's performance on an ongoing basis
- 16.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 16.5. 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.

[Handwritten Signature]
Date 7/25/14



REVISIONS TO GENERAL and SPECIAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 60 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
 - 10.6 The Provisions of this Subparagraph are held in abeyance for ninety (90) consecutive days from the Contract Effective Date.

3. 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 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; and at least \$1,000,000 in Umbrella Liability/Excess Liability; and

4. Notwithstanding paragraph 18 of the Form P-37, General Provisions, the transfer of funds between State Fiscal Years and within the price limitation can be made if needed and justified through the Bureau of Accounts without obtaining approval from the Governor and Executive Council.

[Handwritten Signature]
Date 4/25/14



5. Subparagraphs 9, 9.1, and 9.2 of the Special Provisions of this contract are deleted and the following is added:

9. Audit: Contractor shall submit an annual audit to the Department within 60 days after the close of the contractors fiscal year.

9.1 **SSAE-16 Audit-** No later than forty (40) working days after the end of the State Fiscal Year on June 30, the Contractor shall provide, at its own expense, the Department of Health and Human Services a "SOC 1" Type 2 report in accordance with American Institute of Certified Public Accountants, Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization. The report will assess the design of internal controls and their operating effectiveness. The reporting period shall cover the previous twelve months or the entire period since the previous reporting period. The Department will share the report with internal and external auditors of the State of New Hampshire and federal oversight agencies.

9.2 The SSAE 16 type 2 report shall include:

9.2.1 Description by the service organization's management of its system of policies and procedures for providing services to user entities (including control objectives and related controls as they relate to the services provided) throughout the specified period of time;

9.2.2 Written assertion by the service organization's management about whether:

- a) the aforementioned description fairly presents the system in all material respects,
- b) the controls were suitably designed to achieve the control objectives stated in that description, and
- c) the controls operated effectively throughout the specified period to achieve those control objectives; and

9.2.3 Report of the service organization's auditor, which:

- a) Expresses an opinion on the matters covered in management's written assertion, and
- b) Includes a description of the auditor's tests of operating effectiveness of controls and the results of those tests.

6. Subparagraph 11 of the Special Provisions is deleted and reserved

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4/23/14



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

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. 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;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. 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);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. 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;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 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

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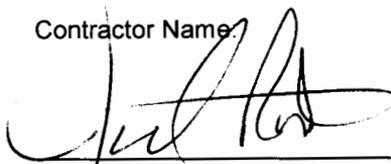


- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. 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
 - 1.6.2. 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;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. 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)

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

4/23/14
Date

Contractor Name: 
Name: Joel Portice
Title: Division President
Govt Solutions &
Corporate Strategy

Contractor Initials 
Date 4/23/14



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

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.

4/23/14
Date

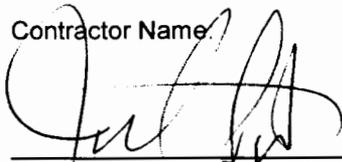
Contractor Name

Name: Joel Fortice
Title: Division President
Government Solutions &
Corporate Strategy

Exhibit E – Certification Regarding Lobbying

Contractor Initials JF

Date 4/23/14



**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.

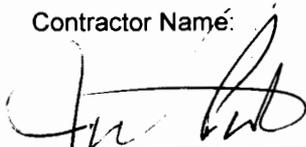
PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. 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;
 - 11.3. 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 (l)(b) of this certification; and
 - 11.4. 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.
12. 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

13. 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:
 - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. 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).
14. 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.

4/23/14
Date

Contractor Name:

Name: Joel Dietz
Title: Division President
Government Solutions &
Corporate Strategy

Contractor Initials JAD
Date 4/23/14



**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.

4/23/14
Date

Contractor Name: 
Name: Joel Potice
Title: Division President +
Government Solutions
Corporate Strategy



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.

4/23/14
Date

Contractor Name:

Joel Portie

Name: Joel Portie

Title: Division President
Government Solutions
& Corporate Strategy

Contractor Initials

Date

JP
4/28/14



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement 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 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor 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.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- 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 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 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 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

[Handwritten Signature]

4/25/14



Exhibit I

- I. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- 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, unreadable, 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.

(3) Business Associate 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 outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- 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.
- c. To the extent Business Associate is permitted under the Agreement 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 HIPAA Privacy, Security, and Breach Notification Rules 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 under Exhibit A of the 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

[Handwritten Signature]
4/23/14



Exhibit I

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. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours to the discovery of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. 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.
- e. 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 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 (I). 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



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. 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.
- g. 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, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. 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.
- i. Business Associate shall 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.
- j. 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.
- k. 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. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, 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 in the Agreement, Business Associate shall continue to extend the protections of the Agreement, 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



Exhibit I

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.

(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.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the 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, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- 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 in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

[Handwritten Signature]
[Handwritten Date: 4/28/14]



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I 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) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

The State

Mailee Nihan
Signature of Authorized Representative

Mailee Nihan
Name of Authorized Representative

Deputy Commissioner
Title of Authorized Representative

4/25/14
Date

Health Management Systems, Inc
Name of the Contractor

[Signature]
Signature of Authorized Representative

Joel Portice
Name of Authorized Representative

Division President Govt Solutions & Compliance Strategy
Title of Authorized Representative

4/23/14
Date



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:

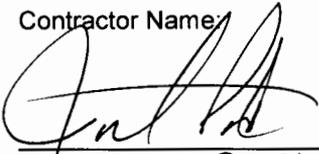
1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. 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.

4/23/14
Date

Contractor Name: 
Name: Joel Poxice
Title: Division President +
Government Solutions &
Corporate Strategy

Contractor Initials 
Date 4/23/14



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: 07-520-6340
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:

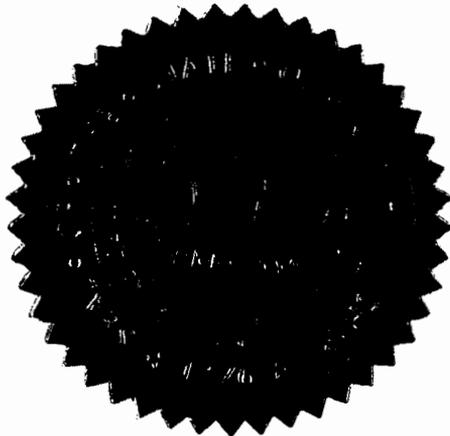
Name: _____ Amount: _____

Contractor Initials JP
Date 4/23/14

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 Health Management Systems, Inc. doing business in New Hampshire as Third Party Liability Recovery Service, a(n) New York corporation, is authorized to transact business in New Hampshire and qualified on August 24, 2006. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 17th day of April, A.D. 2014

A handwritten signature in cursive script, reading "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Walter D. Hosp, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Health Management Systems, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on 01/29/2014:
(Date)

RESOLVED: That the President, Government Division and Corporate Development and Strategy
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 23 day of April, 2014.
(Date Contract Signed)

4. Joel Portice is the duly elected President, Government Division and Corporate
(Name of Contract Signatory) (Title of Contract Signatory)
Development and Strategy

of the Agency.


(Signature of the Elected Officer)

STATE OF NEW YORK

County of New York

The forgoing instrument was acknowledged before me this 23 day of April, 2014.

By Walter D. Hosp
(Name of Elected Officer of the Agency)


(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 12/12/2015

DANIELLE M. CLEMONS
Notary Public, State of New York
No. 01CL6252641
Qualified in Kings County
Commission Expires December 12, 2015

