

**THE STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT**

21 SOUTH FRUIT STREET SUITE 14  
CONCORD, NEW HAMPSHIRE 03301

Roger A. Sevigny  
Commissioner

Alexander K. Feldvebel  
Deputy Commissioner

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January 16, 2013

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

*100% Federal Funds*

**REQUESTED ACTION**

Authorize the New Hampshire Insurance Department to enter into a contract in the amount of \$105,000.00 with the Center for Health Law and Economics (CHLE) at the University of Massachusetts Medical School (Vendor #177576), Charlestown, MA, for the provision of consulting services in connection with the premium rate review initiative to evaluate options for improving the rate review. This contract is to be effective upon Governor & Council approval through June 30, 2013.

The funding will be available as follows:

Premium Rate Review Grant  
02-24-24-2400-5978000

<u>Object Class</u>	<u>Description</u>	<u>FY 2013</u>
046-500464	Consultants	\$105,000

Source of funds: 100% Federal. No General Funds are required.

**EXPLANATION**

The New Hampshire Insurance Department has received a federal grant to improve the health insurance premium rate review process and transparency related to health insurance premiums and medical care costs in New Hampshire. Under the grant, the Insurance Department will evaluate potential changes to New Hampshire's insurance laws to improve the transparency and effectiveness of the premium rate review process, in order to best serve the people of New Hampshire.

The major steps for the Center for Health Law and Economics (CHLE) at the University of Massachusetts Medical School include providing a background analysis of how the current provider contracting system works, a thorough assessment of how the system affects prices, and a preliminary discussion of what parts of the system appear most amendable to reform, particularly in areas subject to regulation by the Department.

The department respectfully requests that the Governor and Council authorize funding for this consulting work. Your consideration of the request is appreciated.

Very truly yours,



Roger A. Sevigny

**EXCHANGE PROPOSALS EVALUATIONS**

**Evaluation Committee members:** Tyler Brannen, Alain Couture, David Sky, Jennifer Patterson, Michael Wilkey, Martha McLeod

**Evaluation process:** Every member reviewed and independently evaluated the bids.

On November 20, 2012 the Evaluation Committed members met, and as a group assigned points to each bid per the "Specific comparative scoring process" described in each RFP.

All members agreed with the points assigned to each category for each bid depicted in the table below.

<b>RFP/VENDOR</b>	<b>CONTRACTOR EXPERIENCE &amp; QUALIFICATIONS (35% or points)</b>	<b>PLAN OF WORK (30% or points)</b>	<b>Bid Price</b>	<b>COST (20% or points)</b>	<b>TIMEFRAE AND DELIVERABLES (15% or points)</b>	<b>TOTAL SCORE (100% or Points)</b>	<b>NOTES</b>
<b>RFP 2012-RRG-12 Provider Payment Reform</b>							
<b>UMASS</b>	30.67%	24.00%	\$105,000	12.19%	11.83%	78.69%	
<b>UNH</b>	24.67%	21.83%	\$113,854	11.24%	12.17%	69.91%	
<b>Damokosk/Gorman</b>	24.33%	22.33%	\$248,720	5.15%	11.17%	62.98%	
<b>SPT Consulting</b>	14.60%	15.20%	\$64,000	20%	10.20%	60.00%	

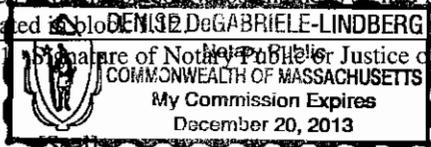
Subject: NH Insurance Dept - UMASS Med School / CHLE

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Insurance Department		1.2 State Agency Address 21 S. Fruit Street, Suite 14, Concord, NH	
1.3 Contractor Name University of Massachusetts Medical School		1.4 Contractor Address 55 Lake Avenue North, Worcester, MA 01655	
1.5 Contractor Phone Number 508-856-2119	1.6 Account Number 02-24-24-2460-5978000	1.7 Completion Date June 30, 2013	1.8 Price Limitation \$105,000
1.9 Contracting Officer for State Agency Alex Feldvebel, Deputy Commissioner		1.10 State Agency Telephone Number 603-271-7973	
1.11 Contractor Signature <i>Gina Marzilli Shaughnessy</i>		1.12 Name and Title of Contractor Signatory Gina Marzilli Shaughnessy, Assistant Director, Contracts	
1.13 Acknowledgement: State of <u>MA</u> , County of <u>Worcester</u> On <u>12-21-12</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.13.1.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]		<i>Denise DeGabelle - Lindberg</i>	
1.13.2 Name and Title of Notary or Justice of the Peace <u>Denise DeGabelle - Lindberg Administrative Assistant II</u>			
1.14 State Agency Signature <i>Roger Seigny</i>		1.15 Name and Title of State Agency Signatory <u>ROGER SEIGNY, Commissioner</u>	
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>J Christopher Marshall</i> Assistant Atty General On: <u>1/2/13</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").  
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.  
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.  
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.  
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.  
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.  
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.  
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

**8. EVENT OF DEFAULT/REMEDIES.**

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

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

**9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

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

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

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

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

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

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

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

**14. INSURANCE.**

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

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

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be

attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

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

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

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

**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.

# **Agreement with the University of Massachusetts Medical School (UMMS) on behalf of its Center for Health Law and Economics**

## **2012-RRG-12 Provider Payment Reform**

### **Exhibit A**

#### **Scope of Services**

**The Contractor's primary responsibility will be to**

1. Provide a background analysis of how the current provider contracting system works, a thorough assessment of how the system affects prices, and a preliminary discussion of what parts of the system appear most amendable to reform, particularly in areas subject to regulation by the Department.
2. Provide a draft of a final response and a presentation.
3. Work set out in the response to the RFP (attached).

**State of New Hampshire**  
New Hampshire Insurance Department

**TECHNICAL PROPOSAL**

**Proposal to Provide Consulting Services to the New  
Hampshire Insurance Department**

**Response to RFP 2012 RRG-12**

**November 1, 2012**

Submitted by



## Introduction

The Center for Health Law and Economics at the University of Massachusetts Medical School (UMMS) and its partner Freedman HealthCare, LLC (FHC) are pleased to present this proposal to the New Hampshire Insurance Department (NHID) in response to Request for Proposal (RFP) 2012 RRG-12. The UMMS and FHC team have extensive experience in analyzing health insurance data, engaging with stakeholders, and providing recommendations to public agencies.

### A. Contractor Experience and Qualifications

#### *The Center for Health Law and Economics (CHLE)*

The Center for Health Law and Economics (CHLE) is a sought-after partner among public agencies, non-profit organizations and foundations seeking health policy analysis and striving for health care system improvement. The staff at CHLE is dedicated to improving access to and quality of health care for uninsured and underserved populations. CHLE's collective expertise lies at the intersection of health law, finance and policy, and we bring decades of experience to the challenges faced by our clients in serving vulnerable populations. Access to high-quality, cost-effective health care is enhanced through CHLE's interdisciplinary expertise in areas necessary for health care reform, including health law and economics, policy impact analysis, and structuring new policy, legal and financial frameworks.

CHLE assembled a team of UMMS experts to bring the New Hampshire Insurance Department (NHID) unparalleled expertise in health policy analysis. The team brings knowledge of commercial insurance and Medicare payment systems, the New Hampshire health insurance and delivery system, and experience analyzing factors that contribute to rising health costs and insurance premiums. Key members of the UMMS team, Ms. London, Mr. Grenier, and Mr. Friedman, recently completed an evaluation on behalf of the New Hampshire Insurance Division of the variation in prices paid by commercial health insurance carriers to New Hampshire health care providers attributable to the relative proportion of Medicare, Medicaid, and uninsured patients, to the sickness and complexity of patient populations, and to other factors.

The CHLE team will include:

- **Michael Grenier, MPA, Senior Associate.** Mr. Grenier will serve as the overall project manager for this engagement. Mr. Grenier brings over 17 years of experience in the areas of health care financing, policy development and analysis, and project management. Immediately prior to joining the Center, Mr. Grenier was a Pricing Policy Manager at the Massachusetts Division of Health Care Finance and Policy. While at the Division, Mr. Grenier provided analytical support for two public commissions comprised

of state officials and stakeholder representatives, the Massachusetts Special Commission on the Health Care Payment System and the Massachusetts Special Commission on Provider Price Reform. These Commissions specifically examined factors that contribute to rising health care costs and premiums. In addition, he managed the Division's initiative to collect total medical expense and relative price data from commercial carriers. Mr. Grenier also supervised the development of payment policies and rates for the Massachusetts Medicaid and Health Safety Net (charity care) programs for a wide array of health care services, including hospitals, nursing facilities, and community based providers. In this role, Mr. Grenier oversaw the implementation of a Medicare-based payment method for the Health Safety Net program.

- **Thomas Friedman, MPA, Health Policy Associate.** Mr. Friedman will serve as the lead data analyst for this project. Mr. Friedman has rich experience working with multiple aspects of the New Hampshire healthcare system. Since 2010, Mr. Friedman has worked with New Hampshire Medicaid on the calculations of Uncompensated Care Costs, Disproportionate Share Hospital limits, and determining the Upper Payment Limit for New Hampshire hospitals. He has also supported the development of communications to New Hampshire hospitals and the development of new policies and working with CMS on receiving approvals. Mr. Friedman was previously an analyst at Towers Perrin (now Towers Watson).
- **Javeeria Ghani, MPH, Policy Analyst.** Ms. Ghani will serve as a data analyst for this project and will work under Mr. Friedman's supervision. Ms. Ghani has analyzed large medical and financial datasets at UMass and at the National Institute for Occupational Safety and Health (NIOSH). She is experienced in manipulating and merging large datasets from Medicare, Medicaid, and All Payer Claims databases to address research and policy questions. In addition, Ms. Ghani is serving as a lead analyst on a project for the Massachusetts Executive Office of Elder Affairs to determine the impact of changes in assessment status on member utilization in various Elder Affairs programs. Previously at NIOSH, Ms. Ghani conducted epidemiological analyses of the relationship between lifestyle and environmental factors and disease states.
- **Amanda Littell-Clark, JD, MPH, Senior Associate.** Ms. Littell-Clark will provide legal policy analysis for this project related to areas subject to regulation by the NHID. Ms. Littell-Clark brings over ten years' experience advising health care providers and organizations on legal and policy issues. At CHLE, she focuses on federal and state laws and regulations that impact health policy, care delivery and payment reform. In recent months, Ms. Littell-Clark analyzed new Massachusetts legislation related to health care cost containment, accountable care organizations and alternative payment methods. She also has experience with Medicaid programs related to provider payments, shared savings, and payment reform. Prior to joining CHLE, Ms. Littell-Clark practiced health care law with a private law firm and a large pharmaceutical company.

- **Katharine London, MS, Principal Associate.** Ms. London will serve as a technical and policy advisor on this project. Ms. London has over 20 years' experience directing complex projects for government agencies, analyzing health care data, developing payment methodologies, collecting and compiling complex data, and presenting results in consumer-friendly formats. Prior to joining CHLE, she served as Executive Director of the Massachusetts Health Care Quality and Cost Council, established under the 2006 Massachusetts health reform law. Ms. London managed this 16-member public-private council, establishing statewide goals to improve health care quality, contain health care costs, and reduce racial and ethnic disparities. Ms. London served as Director of Health Policy at the Massachusetts Attorney General's Office from 2003 to 2007. In this role, she advised the Attorney General on health policy issues; identified financially distressed hospitals and health plans and ensured they developed viable turnaround plans; and analyzed the effects of potential mergers and acquisitions on the health care market.
- **Jean Sullivan, JD, Center Director.** Ms. Sullivan will provide executive leadership and direction for the project and will be available as a consultant as needed. In the last three years, Ms. Sullivan led major efforts in the state of New Hampshire Department of Health and Human Services, including analytic and programmatic research of the DSH program and related Medicaid Enhancement Tax (MET) in New Hampshire under a grant for the Endowment for Health.

#### *Freedman HealthCare*

For this engagement, CHLE has partnered with FHC. Team members from CHLE and FHC have worked closely together on a number of projects over many years. We therefore anticipate a strong collaborative relationship.

FHC was established in 2005 to create a more efficient health care system and ensure broad community buy-in to a future vision of health care delivery. Through FHC's work with state health organizations, health care providers, payers and policy makers, the firm assists diverse stakeholder groups in adopting policies and programmatic changes that can drive quality improvement and cost containment.

The firm understands both the clinical and business aspects of a more transparent system of care, and has demonstrated expertise with health planning, data analytics, measurement methodology, and public reporting. Clients benefit from FHC's objectivity, senior-level expertise, market knowledge, and creative problem solving. The team's analytical proficiency allows the firm to help clients determine the most efficient and effective methods to measure and improve the health care system.

FHC is unaffiliated with any vendor, analytic or technical solutions provider. Therefore, the firm offers unbiased assistance to clients. FHC identifies emerging “best practices,” encourages clients to build on others’ successes, and helps them navigate through more complex territory.

The team brings specific knowledge and expertise in provider contracting, risk sharing, and analysis of factors that contribute to rising health care costs. Specifically, members of the FHC team led the MassHealth unit responsible for developing managed care financial contract provisions, including capitation rate development, negotiation strategy, and coordination of federal approvals. The team has experience conducting annual rate negotiation sessions with contractors and supporting the development of procurement documents and proposal reviews.

Freedman’s expert team for this project will include:

- **Linda Green, MPA** has 30 years of experience in state and local government addressing complex public policy questions, including those related to effective health care services and contracting. Ms. Green serves as FHC’s Project Lead for All-Payer Claims Database (APCD) engagements, including Alaska, Colorado, Rhode Island, Tennessee and Connecticut requiring her to gather and synthesize a range of qualitative to effectively advise clients. Ms. Green has overseen the stakeholder interview process for a range of health policy initiatives that included developing an interview tool, conducting one-on-one interviews and focus groups, and compiling interview notes into meaningful reports. As the former Director of Health Data for the Massachusetts Division of Health Care Finance and Policy, Ms. led the team responsible for the process and requirements development for the first (Health Care Quality and Cost Council Massachusetts all payer claims database. She successfully streamlined the agency’s data release operation, and developed a similar process for the Health Care Quality and Cost Council. She also managed the team responsible for intake, processing and reporting of the Hospital Discharge Data and Emergency Room Datasets. Her prior experience as Director of the Managed Care Reimbursement Unit for Commonwealth’s MassHealth Office of Acute and Ambulatory Care included responsibility for capitation rate setting; risk adjustment and administrative efficiency and oversight of payments for the state’s \$1.7B Medicaid Managed Care Program.
- **John Freedman MD, MBA** has 20 years’ experience in performance measurement & improvement, provider evaluation, performance incentives and managed care. Dr. Freedman served as Medical Director for Quality at Kaiser Permanente in Colorado, and subsequently as Medical Director for Specialty Services at one of the Northeast’s largest neighborhood health centers, overseeing 40 physicians in 16 specialties. Dr. Freedman was responsible for quality and medical management at Tufts Health Plan, helping them achieve NCQA’s #2 ranking nationwide. While at Tufts Health Plan, Dr. Freedman gained in depth knowledge about various risk adjustment tools. Dr. Freedman shares his expertise in the private insurance market as Associate Medical Director and Faculty member of the Tufts Health Care Institute and as a lecturer at the Harvard School of

Public Health. After practicing internal medicine and geriatrics for 10 years, Dr. Freedman combines clinical knowledge with expertise in healthcare financing, performance improvement and health IT to help clients solve complex business, strategy and implementation challenges. Dr. Freedman served as a Board Member at MA Health Quality Partners (which includes all major MA health plans as board members) and Network Health, Inc., a leading MA MMCO.

- Missy Garrity, MBA** has 20 years of health care related experience and a proven ability to implement complex strategic initiatives that drive organizations to realize their strategic vision and achieve business results. As a project manager, she has successfully led projects related to the development of new health care quality, utilization and cost reporting systems, the creation of new analytic perspectives, the development and implementation of new provider contracting models, and clinical program implementation. Prior to joining the FHC team, Ms. Garrity held leadership positions at Blue Cross Blue Shield of Massachusetts and Tufts Health Plan that required deep knowledge of managed care and insurance contracting. Ms. Garrity earned a BA in Biology from Regis College and an MBA from Northeastern University. She is President of the Women in Health Care Management Board of Directors and is a member of the Project Management Institute’s local Mass Bay Chapter. She is certified as a Project Management Professional (PMP) by the Project Management Institute.

*Summary of Team Qualifications*

Firm	Consultant	Area of Expertise						
		Provider contracting	Risk Sharing	Commercial Insurance	Medicare Payment Systems	Insurance laws	NH insurance and health care delivery system	Factors contributing to premium increases
CHLE	Michael Grenier			X	X		X	X
	Katharine London			X	X		X	X
	Thomas Friedman		X	X	X		X	X
	Javeeria Ghani			X				X
	Amanda Littell-Clark	X	X			X		
	Jean Sullivan		X		X	X	X	X
FHC	John Freedman	X	X	X				
	Linda Green	X	X		X			X
	Missy Garrity		X	X				

## **B. Plan of Work-Analysis**

### *Project Management*

Michael Grenier will serve as the overall lead and will provide strong project management to maintain the work schedule, leverage expertise across the UMMS project team, and build efficiency across tasks. Mr. Grenier will work with NHID to ensure that appropriate staff is dedicated to specific sub-tasks and to add consultant assistance if necessary.

We anticipate an initial kick-off meeting with NHID in Concord within a week of the start date to discuss the project plan, the interview questions and process, and available datasets to be used in supplemental analysis. Mr. Grenier and Ms. Green will hold bi-weekly calls with NHID to provide updates on progress and to obtain direction from NHID staff. The team will share initial results and draft work products with NHID staff as needed to keep the NHID apprised of the team's progress.

The CHLE and FHC teams will set up recurring check-in meetings to ensure effective communication among team members. Project roles for each of the team members will be clearly defined to ensure seamless collaboration. As discussed previously, the FHC team will primarily be responsible for the interview phase of the project. However, the entire team will review all work products and have input at each critical project step.

### *Project Plan*

The project plan includes the following key components, which are described in greater detail in this proposal:

- Background analysis
- Structured interviews
- Analysis of responses and other data
- Draft final report and presentation

### **Background Analysis**

As an initial step, the team will conduct preliminary analysis of the New Hampshire insurance market. This analysis will include a review of carrier rate filings and other public documents submitted by carriers to the NHID. In addition, the team will review transcripts from the premium rate hearings held in 2011 and 2012. This analysis will help inform the discussions with stakeholders and identify areas for further questions.

To frame conversations with stakeholders, FHC will also develop a short briefing paper that summarizes health care provider payment reform in general, and the role provider contracting plays in the current health care and health insurance markets. The briefing paper would be distributed to stakeholder interview participants in advance and summarized at the beginning

of each interview. This stakeholder briefing paper would be provided to NH Insurance Department staff for their review and approval before interviews take place.

**Structured Interviews**

FHC will lead the structured interview phase of this project. These interviews will enable the team to analyze how the current provider contracting system works in New Hampshire and its impact on health insurance premium rates and health care costs generally. FHC will work closely with the NH Insurance Department to develop a stakeholder roster for potential interview participants to understand the effects of provider contracting in the current health care and health insurance markets.

The FHC team will develop an interview tool that includes general questions to be asked of all groups to explore the issues discussed in the briefing paper, such as

- What is your understanding of the health service provider payment system in NH?
- What impact do you think the system has had on health insurance premium rates?
- What impact do you think the system has had on health care costs?
- How have accountable care organizations impacted the provider payment system?
- How do you think incentive systems for using low-cost providers for certain services will impact the provider payment system?
- How do you feel network disruptions caused by the termination of large provider contracts, and, more generally, the effect that the necessity of acquiring a provider network has on carriers’ decisions about market participation?
- What efforts do you know of in NH or elsewhere in the country that offer promise of cost control if implemented in NH statewide?

In addition, the firm will develop specific questions related to each stakeholder group that probe into particular challenges and opportunities of payment reform.

<b>STAKEHOLDERS</b>	<b>POTENTIAL PARTICIPANTS</b>	<b>Examples of Questions</b>
<b>State Officials and Regulators</b>	<ul style="list-style-type: none"> <li>• DOI</li> <li>• Medicaid</li> </ul>	<ul style="list-style-type: none"> <li>• What is the state’s understanding of the provider contracting process?</li> </ul>
<b>Insurers</b>	<ul style="list-style-type: none"> <li>• Harvard Pilgrim</li> <li>• CIGNA</li> <li>• Anthem NH</li> <li>• United</li> <li>• Matthew Thornton</li> <li>• MVP</li> <li>• Celtic Insurance</li> <li>• Chesapeake</li> </ul>	<ul style="list-style-type: none"> <li>• What are the different types of provider payment/ contracting arrangements in use? (Note: we will create a checklist of descriptive elements).</li> <li>• How many covered lives are under each payment arrangement?</li> <li>• What are the differences in</li> </ul>

STAKEHOLDERS	POTENTIAL PARTICIPANTS	Examples of Questions
	<ul style="list-style-type: none"> <li>• New Hampshire Health Plan</li> </ul>	<p>contracting for different types of providers?</p> <ul style="list-style-type: none"> <li>• What proportion of your contracts with larger provider networks?</li> <li>• What is your definition of “high value” health care?</li> <li>• What has had the largest effect on your ability to negotiate competitive prices with different provider types?</li> <li>• What has been your organization’s experience with:               <ul style="list-style-type: none"> <li>• ACOs</li> <li>• High value networks</li> <li>• Changes in network composition</li> </ul> </li> <li>• What are the most important recent trends in provider contracting?</li> <li>• What has been your organization’s experience with high deductible HSA or high co-pay products?</li> </ul>
<p><b>Brokers and Small Businesses</b></p>	<ul style="list-style-type: none"> <li>• TBD</li> <li>• Business and Industry Association of NH</li> </ul>	<ul style="list-style-type: none"> <li>• What are employers’ concerns about emerging insurance products such as limited provider networks?</li> <li>• What is the feedback when provider networks get smaller?</li> <li>• Do employers see an opportunity to drive care to high quality, low cost health care?</li> <li>• Can employers play a role in steering consumers to high value health care?</li> </ul>
<p><b>Primary Care Providers</b></p>	<ul style="list-style-type: none"> <li>• Physicians</li> <li>• Dentists</li> <li>• Pharmacies</li> <li>• Home health providers</li> <li>• Hospital Association</li> </ul>	<ul style="list-style-type: none"> <li>• What different types of payment/contracting arrangements are in use?</li> <li>• What is your definition of high value health care?</li> <li>• What has had the largest effect on your ability to negotiate with insurance companies?</li> <li>• Would you consider your organization to be an ACO? If so, describe.</li> <li>• Are you part of a high value network?</li> <li>• What are the most important recent</li> </ul>

STAKEHOLDERS	POTENTIAL PARTICIPANTS	Examples of Questions
		<p>trends in provider contracting?</p> <ul style="list-style-type: none"> <li>• What has been your organization's experience with high deductible HSA or high co-pay products?</li> <li>• How do your contracts differ from insurer to insurer?</li> <li>• What works well?</li> <li>• What needs to change?</li> <li>• How can a contracting strategy effectively change how care is delivered? Or, how costs are managed?</li> </ul>
<p><b>Safety Net Providers</b></p>	<ul style="list-style-type: none"> <li>• Federally Qualified Health Centers</li> </ul>	<p>Do you have any commercial contracts? (Note: Follow similar questions for primary care physicians)</p>

In stakeholder interviews, FHC will follow an outline of questions as well as allow ample time for interviewees to share concerns and offer recommendations.

Given the value of face-to-face engagement with stakeholders FHC has included three multi-day trips to New Hampshire to conduct interviews. FHC's preliminary recommendation is to conduct 25 stakeholder interviews. Stakeholder interviews typically last 45 minutes each. The team will make an audio tape of each interview after assuring participants that this tape will only be used in the preparation of the findings report and that the firm will not attribute specific comments or recommendations to any one person. For those unable to meet in person, FHC will arrange for telephone calls.

At the conclusion of the interviews, FHC will synthesize findings in a stakeholder report that will be incorporated into the final analysis. The CHLE and FHC team will communicate frequently during the report writing phase, to ensure that interview responses are accurately presented.

**Analysis of responses and other data**

The UMMS team will lead the data analysis component for this engagement. The team expects to draw on various data sources, most notably rate filings from carriers, analysis previously completed by NHID, and New Hampshire Comprehensive Health Care Information System (CHIS) data. The data analysis will include an assessment of the current landscape of the New Hampshire insurance market. Once the interviews have been completed, the team will also summarize the results of the interviews.

The team proposes to acquire data needed to produce the following analyses:

- Market share by payer
- Insured population by product type
- Number of contracts by payment arrangement by carrier
- Summary of the dollar and membership attributable to various payment arrangements
- Summary of the number and coverage of tiered network products
- Summary of the number and coverage of high deductible or high copay products
- Comparison of average prices and discounts by carrier, product, and contracting arrangement
- Differences in utilization among carriers and contracting arrangements
- Price variation among carriers and contracting arrangements, leveraging work the UMMS team completed previously in 2012 for NHID

In addition, the team anticipates that during the structured interview process, specific issues will emerge that lend themselves to additional data analysis. Whenever possible, the UMMS team will conduct analysis to validate (or refute) observations made by stakeholders.

#### **Draft final report and presentation**

Upon completion of the analysis phase, the team will draft a final report, an accompanying PowerPoint presentation, and a two-page document summarizing the results of the project. The team will share initial drafts of the report and presentation with the NHID to provide an opportunity for comments and revisions.

The report will compile the data analysis and findings from the interviews, identify trends, highlight areas of agreement and disagreement among the interviewees, and quote de-identified sources to support points. The team will provide analyses and reports in narrative, tabular, and graphical formats that make the information and findings accessible, meaningful, and useful to a wide variety of users including, but not limited to, NHID and other state officials, insurers, health care providers, and the general public. In developing the report, the team will be objective, cite sources where applicable, and draw conclusions that are soundly grounded in analysis.

The draft outline of the report is as follows:

1. Executive Summary
2. Introduction  
*The introduction will identify the objective of the RFP and provide an overview of the structured interview process and analyses completed.*

3. Summary of the New Hampshire insurance market  
*This will include a narrative describing the New Hampshire insurance market and identifying recent developments and trends. Tables and graphs will be included to summarize market share, different penetration of contracting arrangements, and other key points.*
4. Summary and results from structured interviews  
*This section will describe the interview process, identify the stakeholders interviewed, and provide a narrative and tables highlighting key observations from the interviews.*
5. Summary of supplemental data analysis  
*This section will include summaries of additional data analysis, such as differentials in discounts or costs that may be attributable to different carriers or contracting arrangements and any additional areas that were analyzed based on interview responses.*
6. Identification of areas for potential reform  
*This section will identify areas that are amenable to reform and highlight those areas that are subject to regulation by the NHID.*
7. Conclusion
8. Technical appendices as needed  
*Additional appendices will be included as needed, such as more detailed interview results and analysis method summaries.*

### **C. Conflict of Interest Statement**

UMass and Freedman HealthCare do not believe they possess any affiliations or interests that would present a conflict of interest in any manner or degree with the performance of services pursuant to a contract resulting from this RFP.

However, to be conservative about any *perceived* conflicts, UMass discloses that one of the UMass executives, Joyce A. Murphy, Executive Vice Chancellor, Commonwealth Medicine, is a member of the Board of Directors of Harvard Pilgrim Health Care. Ms. Murphy would not be involved in the delivery of contracted services and we do not believe her position on the Board presents a conflict.

## D. References

### *UMMS - Center for Health Law and Economics*

1. **Kathleen A. Dunn**, Director, Office of Medicaid Business and Policy, New Hampshire Department of Health and Human Services. Several members of the UMMS CHLE team have worked closely with Ms. Dunn, analyzing hospital data and developing Disproportionate Share Hospital payment policy. Ms. Dunn can be reached by phone at 603-271-5258 and by email at [kdunn@dhhs.state.nh.us](mailto:kdunn@dhhs.state.nh.us).
2. **Robin Lunge**, Director of Health Care Reform, State of Vermont Agency of Administration. UMMS CHLE is currently under contract with the State of Vermont to develop cost estimates and a financing plan for the implementation of Green Mountain Care, the state's proposed single payer plan. Ms. Lunge can be reached by phone at 802-828-3322 and by email at [Robin.Lunge@state.vt.us](mailto:Robin.Lunge@state.vt.us).
3. **Stephen P. McCabe**, Assistant Commissioner, Massachusetts Division of Health Care Finance and Policy. Mr. McCabe worked with several members of the team for many years, notably on projects in support of statewide Special Commissions, collection of data from insurers, and various health care financing projects. Mr. McCabe can be reached by phone at 617-988-3192 and by email at [steve.mccabe@state.ma.us](mailto:steve.mccabe@state.ma.us).

### *Freedman HealthCare*

1. **Barbra Rabson**, Executive Director, Massachusetts Health Quality Partners. Ms. Rabson worked with several members of the FHC team to provide annual updates to the quality and cost measurement metrics used for the Massachusetts Health Care Quality and Cost Council (QCC). Ms. Rabson can be reached by phone at 617- 600-4954 and by email at [rabson@mhqp.org](mailto:rabson@mhqp.org).
2. **Phil Kalin**, Executive Director, Colorado's Center for Improving Value in Health Care (CIVHC). Mr. Kalin selected FHC to provide strategic planning and subject matter expertise during its APCD planning phase. A component of this work was conducting stakeholder interviews and developing meaningful findings reports. Mr. Kalin can be reached by phone at 303-953-3692 and by email at [pkalin@civhc.org](mailto:pkalin@civhc.org).
3. **Thomas O'Brien**, Assistant Attorney General / Chief, Health Care Division, Massachusetts Attorney General's Office. Mr. O'Brien worked closely with the FHC team on the annual examinations of health care cost and market trends for which FHC provided extensive strategic, clinical and analytical consulting expertise. Mr. O'Brien can be reached by phone at 617-963-2455 and by email at [Thomas.M.O'Brien@state.ma.us](mailto:Thomas.M.O'Brien@state.ma.us).

## E. Timeframe and Deliverables

	<b>Timeframe</b>	<b>Task &amp; Deliverable</b>
<b>1</b>	<b>Ongoing</b>	<b>Project Management</b>
1.1		Kickoff meeting
1.2		Biweekly calls, including prep
1.3		Misc. consulting
<b>2</b>	<b>Dec 2012, Jan 2013</b>	<b>Background analysis &amp; prep</b>
2.1		Obtain NHCHIS and other data
2.2		Clean data, data maintenance
2.3		Initial analysis of rate filings
2.4		Review of NHID hearing transcripts & other docs
2.5		Review of NHID regulatory authority
<b>3</b>	<b>Feb-Mar 2013</b>	<b>Structured interviews</b>
3.1		Check-ins, review with FHC
3.2		Intelligence Gathering
3.3		Stakeholder Roster
3.4		Create an interview tool
3.5		Create a briefing document
3.6		Stakeholder
3.7		Interviews
3.8		Conduct Follow Up Telephone interviews
3.9		Create a findings report from interviews
3.10		Support development of final analysis
<b>4</b>	<b>Feb-Apr 2013</b>	<b>Analysis of Data and Responses</b>
4.1		Analysis plan development
4.2		Analysis of NHCHIS data
4.3		Analysis of Rate Filings
4.4		Summarize results, determine reform options
4.5		Present prelim findings to NHID, revise as needed
<b>5</b>	<b>May-June 2013</b>	<b>Draft Final Report and Presentation</b>
5.1		Draft report, presentation
5.2		Review with NHID, revise as needed
5.3		Presentation to NHID

## F. Cost Proposal

Staff	Organization	Rate	Total Hours	Total Cost
Michael Grenier	UMMS CHLE	\$155	147	\$22,785
Katharine London	UMMS CHLE	\$200	41	\$8,200
Thomas Friedman	UMMS CHLE	\$125	125	\$15,625
Javeeria Ghani	UMMS CHLE	\$85	122	\$10,370
Amanda Littel-Clark	UMMS CHLE	\$155	31	\$4,805
Jean Sullivan	UMMS CHLE	\$245	8	\$1,960
John Freedman	Freedman HealthCare	\$307	20	\$6,134
Linda Green	Freedman HealthCare	\$260	63	\$16,405
Missy Garrity	Freedman HealthCare	\$174	88	\$15,277
<b>Subtotal: Personnel Cost</b>			<b>645</b>	<b>\$101,561</b>
Travel Cost				\$1,850
<b>TOTAL COST</b>				<b>\$103,411</b>

### By Task:

	Task & Deliverable	Expected Cost
1	Project Management	\$8,515
2	Background analysis & prep	\$10,845
3	Structured interviews	\$40,391
4	Analysis of Data and Responses	\$29,370
5	Draft Final Report and Presentation	\$12,440
	Travel	\$1,850
<b>TOTAL BID</b>		<b>\$103,411</b>

**Total cost of proposal will not exceed \$105,000.**

## **G. Resumes**

See additional PDF document for resumes of all team members.

**Agreement with the University of Massachusetts  
Medical School (UMMS) on behalf of its Center for  
Health Law and Economics**

**2012-RRG-12 Provider Payment Reform**

**Exhibit B  
Form of Payment**

The services will be billed at the rates set forth in the cost proposal included in the attached *Proposal to Provide Consulting Services to the NH Insurance Department, Response to RFP 2012 RRG-12* dated November 1, 2012.

The cost will not exceed a total contract price of \$105,000. The services shall be billed at least monthly and the invoice for the service shall identify the person or persons providing the service. Payment shall be made within 30 days of the date the service is invoiced. Payments will be made in the name of the University of Massachusetts and will be sent to: Office of the Bursar, University of Massachusetts, 55 Lake Avenue North, Worcester, MA 01655.

# **Agreement with the University of Massachusetts Medical School (UMMS) on behalf of its Center for Health Law and Economics**

## **2012-RRG-12 Provider Payment Reform**

### **Exhibit C**

#### **Special Provisions – Modifications, Additions, and/or Deletions to Form P-37 and Standard Exhibit I**

Subparagraph 13/Indemnification of Form P-37 is hereby deleted in its entirety and replaced with the following:

“INDEMNIFICATION: Contractor shall comply with any and all requirements of this Agreement; in the event that the Contractor fails to comply with any such requirements, including, but not limited to, disclosure of any PHI in violation of this Agreement, the State may pursue all available remedies, at law and in equity, including without limitation any damage or losses it suffers from Contractor’s breach of this Agreement. The respective rights and obligations of Contractor under this Agreement shall survive termination of this Agreement.”

Subparagraph 14.1.2 of Form P-37 is deleted in its entirety.

Subparagraph 14.3 of Form P-37 is hereby amended to read:

“The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement as soon as reasonable after policy renews. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide notice in accordance with the policy provisions. The Contractor shall 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.”

Note: Certificate of liability insurance attached

Note: Self-insured workers’ compensation insurance letter attached

Section (6) f/Survival in the Standard Exhibit I executed in connection with the Agreement is hereby amended to read:

“Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section 3 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, as amended, shall survive the termination of the Agreement.”

Acknowledgement of Confidentiality - NAIC Data and Data Systems

Under the Agreement, Contractor is currently performing certain services to assist the New Hampshire Insurance Department (“NHID”) in improving the health insurance premium rate review process, upon the terms and conditions specified in the Agreement and in consideration of payments by NHID of certain sums specified therein.

Section 9 of the General Provisions of the Agreement requires that Contractor maintain the confidentiality of, among other things, data and data systems to which it has access in order to perform the tasks specified in the Agreement.

As part of its work under the Agreement, Contractor is required to use SERFF or I-SITE to review carrier annual report information and other data stored in National Association of Insurance Commissioners (“NAIC”) data systems.

The NHID’s access to and use of NAIC data systems is governed generally by a Master Information Sharing and Confidentiality Agreement (executed November 12, 2003) and by a Certificate of Confidentiality to the NAIC (executed May 13, 2008) certifying that the NHID has the ability under New Hampshire law to maintain the confidentiality of data available through NAIC proprietary systems and applications, including I-SITE.

Contractor acknowledges that under Section 9 of the General Provisions of the Agreement, it, and/or its subcontractors, are bound to maintain the confidentiality of all data sources, and specifically agrees that it is bound by the confidentiality provisions of the Master Agreement and the Certificate of Confidentiality with respect to any NAIC data or data systems to which it is given access.



Commonwealth Medicine  
University of Massachusetts Medical School  
333 South Street  
Shrewsbury, MA 01545-2732 USA  
508.856.6222 (office) 508.856.6100 (fax)

### **Alternative Documentation Provided in lieu of Certificate of Good Standing**

A Certificate of Good Standing from the State of New Hampshire is not applicable to the University of Massachusetts. The University of Massachusetts is a public university created by the legislature of the Commonwealth of Massachusetts under statute M.G.L. ch. 75.

### **TAX STATUS OF THE UNIVERSITY OF MASSACHUSETTS**

**TAX-EXEMPT STATUS:** The University of Massachusetts is tax-exempt under section 115 of the Internal Revenue Code and/or under the doctrine of intergovernmental tax immunity. Section 115 provides tax-exemption for "income derived from the exercise of any essential governmental function." In Revenue Ruling 75-436, the Internal Revenue Service recognized that citizen education was an essential governmental function.

**CONTRIBUTIONS TO THE UNIVERSITY:** For income tax purposes, section 170 provides that donations made for exclusively public purposes, to or for the use of a state or political subdivision, are deductible against the taxable income of individuals, corporations, and other taxpayers, subject to various limitations. For estate tax purposes, section 2055(a) provides that bequests, legacies, devises, or transfers made by an estate for exclusively public purposes, to or for the use of any state or political subdivision, are deductible from the value of the gross estate subject to various limitations. For gift tax purposes, section 2522(a) provides that transfers made for exclusively public purposes, to or for the use of any state or political subdivision, are deductible in computing taxable gifts subject to various limitations. The Internal Revenue Service has ruled (Private Letter Rulings 8336068, 8935012, and 9017014) that contributions to state universities qualify as being made for "exclusively public purposes" and "to or for the use of" a state. Although private letter rulings cannot be relied upon as legal precedent, they give a good indication of how the IRS would rule on a similar fact pattern. If donors prefer to contribute to a tax-exempt organization with an IRS determination letter and with section 501(c)(3) tax-exempt status, they should contribute to the University of Massachusetts Foundation, Inc.

#### **Federal Tax Identification Numbers:**

**UNIVERSITY OF MASSACHUSETTS: 043167352**

**COMMONWEALTH OF MASSACHUSETTS: 04-6002284**

(The Commonwealth of Massachusetts F.E.I.N. is used for payroll tax purposes.)



CERTIFICATION  
PROGRAM

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
PHILADELPHIA, PA 19255

Date: June 25, 2012



000182

Taxpayer: UNIVERSITY OF MASSACHUSETTS  
TIN: 04-3167352  
Tax Year: 2012

I certify that the above-named entity is a State, or political ~~subdivision of a State~~, or an agency, instrumentality, or public educational organization of a State or political subdivision, which is exempt from U.S. tax under the Internal Revenue Code, and is a resident of the United States of America for purposes of U.S. taxation.

P. J. Bazick  
Field Director, Accounts Management

**EXTRACT FROM THE RECORDS OF  
UNIVERSITY OF MASSACHUSETTS**

DEC 28 2012

**Granting Authority to Execute Contracts and All Other Instruments**

**I, Barbara DeVico, Secretary of the Board of Trustees of the University of Massachusetts,** do hereby certify that the following is a true and complete copy of a vote duly adopted by the Board of Trustees of the University of Massachusetts at a meeting duly called and held on the fifth day of February, nineteen hundred and ninety-seven at the University of Massachusetts, Chancellor's Conference Room, Boston, Massachusetts:

“Further, to affirm that, except as to matters governed by the University of Massachusetts Intellectual Property Policy (Doc. T96-040), the Treasurer of the University of Massachusetts or his designee shall be the sole contracting officer of the University with the Authority to execute all contract, grants, restricted gifts (excluding endowments), and amendments thereto for sponsored programs in instruction, research, or public service, unless and until otherwise voted by the Board of Trustees.”

I further certify that the Senior Vice President for Administration & Finance and Treasurer of the University, Christine M. Wilda, has retained the right to remain the sole contracting officer of the University of Massachusetts, but in her absence, she has designated Philip J. Marquis, Assistant Vice President for Central Administrative Services and Associate Treasurer.

I further certify that effective December 20, 2012, the following is a list of designated individuals authorized in accordance with the afore referenced votes to review and execute all grants and contracts for sponsored programs in instruction, research and public service that are applicable to and received on behalf of the University of Massachusetts for their respective campuses.

**Amherst Campus**

**Kumble R. Subbaswamy**, Chancellor, Amherst Campus, Amherst, Massachusetts,  
**John Dubach**, Deputy Chancellor, Amherst Campus, Amherst, Massachusetts,  
**Michael Malone**, Vice Chancellor, Amherst Campus, Amherst, Massachusetts,  
**Carol P. Sprague**, Director of the Office of Grants and Contracts Administration, Amherst Campus, Amherst, Massachusetts,  
**Jennifer A. Donais**, Director of Research Compliance, Amherst Campus, Amherst, Massachusetts,  
**Theresa W. Girardi**, Assistant Director, Amherst Campus, Amherst, Massachusetts,  
**Nancy E. Stewart**, Assistant Director, Amherst Campus, Amherst, Massachusetts,  
**James B. Ayres**, Assistant Director, Amherst Campus, Amherst, Massachusetts,  
**Laura J. Howard**, Associate Director, Division of Continuing Education, Amherst Campus, Amherst, Massachusetts

**Boston Campus**

**J. Keith Motley**, Chancellor, Boston Campus, Boston, Massachusetts,  
**Ellen M. O'Connor**, Vice Chancellor for Administration & Finance, Boston Campus, Boston, Massachusetts,  
**Winston Langley**, Provost & Vice Chancellor for Academic Affairs, Boston Campus, Boston, Massachusetts,

**Zong-Guo Xia**, Vice Provost for Research and Strategic Initiatives, Boston Campus, Boston, Massachusetts,

**Matthew L. Meyer**, Associate Vice Provost for Research and Director of the Office of Research & Sponsored Programs, Boston Campus, Boston, Massachusetts,

**Paul M. Mullane**, Deputy Director of the Office of Research and Sponsored Programs, Boston Campus, Boston, Massachusetts

### **Dartmouth Campus**

**Divina Grossman**, Chancellor, Dartmouth Campus, Dartmouth, Massachusetts,

**Alex Fowler**, Provost & Vice Chancellor for Academic & Student Affairs, Dartmouth Campus, Dartmouth, Massachusetts,

**Deborah McLaughlin**, Vice Chancellor for Administrative and Fiscal Services, Dartmouth Campus, Dartmouth, Massachusetts,

**Joanne Zanella-Litke**, Director, Office of Research Administration, Dartmouth Campus, Dartmouth, Massachusetts,

**Michelle M. Plaud**, Manager of Pre and Post Award Administration, Dartmouth Campus, Dartmouth, Massachusetts,

### **Lowell Campus**

**Martin T. Meehan**, Chancellor, Lowell Campus, Lowell, Massachusetts,

**Joanne Yestramski**, Vice Chancellor for Administration, Finance, Facilities & Technology, Lowell Campus, Lowell, Massachusetts,

**Jacqueline F. Moloney**, Executive Vice Chancellor, Lowell Campus, Lowell, Massachusetts,

**Ahmed Abdelal**, Provost, Lowell Campus, Lowell, Massachusetts,

**Steven O'Riordan**, Associate Vice Chancellor for Financial Services, Lowell Campus, Lowell, Massachusetts,

**Linda Concino**, Proposal Development Manager, Lowell Campus, Lowell, Massachusetts,

**Julie Chen**, Interim Vice Provost for Research, Lowell Campus, Lowell, Massachusetts,

### **President's Office**

**Tom Chmura**, Vice President for Economic Development, President's Office, Boston, Massachusetts,

**Lynn Griesemer**, Associate Vice President for Economic Development and Executive Director for the Donahue Institute, President's Office, Boston, Massachusetts,

**Eric Heller**, Deputy Director for the Donahue Institute, President's Office, Boston, Massachusetts,

### **Worcester**

**Michael F. Collins, MD**, Chancellor, University of Massachusetts Medical School, Worcester, Massachusetts,

**Robert Jenal**, Executive Vice Chancellor for Administration & Finance, University of Massachusetts Medical School, Worcester, Massachusetts,

**Joyce A. Murphy**, Executive Vice Chancellor for Commonwealth Medicine, University of Massachusetts Medical School, Worcester, Massachusetts,

**Nancy E. Vasil**, Associate Vice Chancellor for Administration & Finance, University of Massachusetts Medical School, Worcester, Massachusetts,

**Margaret L. Johnson**, Director, Office of Clinical Research, University of Massachusetts Medical School, Worcester, Massachusetts,

**Bethanne Giehl**, Assistant Director of Research Funding, University of Massachusetts Medical School, Worcester, Massachusetts,

**Gina Shaughnessy**, Assistant Director of Contracts, University of Massachusetts Medical School, Worcester, Massachusetts,

**Bhavna Bhatia**, Grants Administrator III, University of Massachusetts Medical School, Worcester, Massachusetts,

**Diego R. Vazquez**, Assistant Vice Provost for Research Funding Services, University of Massachusetts Medical School, Worcester, Massachusetts

I further certify that Christine M. Wilda, Philip J. Marquis, Kumble R. Subbaswamy, John Dubach, Michael Malone, Carol P. Sprague, Jennifer A. Donais, Theresa W. Girardi, Nancy E. Stewart, James B. Ayres, Laura J. Howard, J. Keith Motley, Ellen M. O'Connor, Winston Langley, Zong-Guo Xia, Matthew L. Meyer, Paul M. Mullane, Divina Grossman, Alex Fowler, Deborah McLaughlin, Joanne Zanella-Litke, Michelle M. Plaud, Martin T. Meehan, Joanne Yestramski, Jacqueline F. Moloney, Ahmed Abdelal, Steven O'Riordan, Linda Concino, Julie Chen, Tom Chmura, Lynn Griesemer, Eric Heller, Michael F. Collins, MD, Robert Jenal, Joyce A. Murphy, Nancy E. Vasil, Margaret L. Johnson, Bethanne Giehl, Gina Shaughnessy, Bhavna Bhatia and Diego R. Vazquez are members of the University Administration with its principal office located at 333 South Street, Shrewsbury, County of Worcester, in the Commonwealth of Massachusetts

Date: DECEMBER 27, 2012

  
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Barbara DeVico, Secretary to the  
Board of Trustees





To Whom It May Concern:

The University of Massachusetts, as an entity of the Commonwealth of Massachusetts, is self-insured for Worker's Compensation in accordance with Chapter 152 of the Massachusetts General Laws.

If you have any questions or concerns, please contact me at (774) 455-7590.

Sincerely,

A handwritten signature in black ink that reads "Andrew W. Russell". The signature is fluid and cursive, with the first name being the most prominent.

Andrew W. Russell  
Director of Risk Management  
And Insurance

## STANDARD EXHIBIT I

The Contractor identified as “UMMS” agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates. As defined herein, “Business Associate” shall mean 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 New Hampshire Insurance Department.

### **BUSINESS ASSOCIATE AGREEMENT**

(1) **Definitions.**

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

- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, 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.

(2) **Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services 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 Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
- c. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- d. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section (3)b and (3)k herein. The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- f. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- g. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- h. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- i. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

- j. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. 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.
- k. 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 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 standard provision #10 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, and the HITECH Act as 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 and the HITECH Act.
- 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

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

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The State

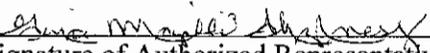
  
\_\_\_\_\_  
Signature of Authorized Representative

ROBERT SEIGNY  
\_\_\_\_\_  
Name of Authorized Representative

COMMISSIONER  
\_\_\_\_\_  
Title of Authorized Representative

12/27/12  
\_\_\_\_\_  
Date

University of Massachusetts Medical School  
\_\_\_\_\_  
Name of the Contractor

  
\_\_\_\_\_  
Signature of Authorized Representative  
**GINA MARZILLI SHAUGHNESSY**  
**ASST. DIRECTOR, CONTRACTS**  
**RESEARCH FUNDING**

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

12.21.12  
\_\_\_\_\_  
Date