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Frank Edelblut
Commissioner

Paul K. Leather
Deputy Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
101 Pleasant Street
Concord, N.H. 03301
TEL. (603) 271-3495
FAX (603) 271-1953

April 24, 2017

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

REQUESTED ACTION

Authorize the New Hampshire Department of Education to enter into a contract with Stone Network, Inc., Chalfont, PA (Vendor Code 221111), in an amount not to exceed \$100,000.00 to provide services for the New Hampshire Disability Determination Service, effective from July 1, 2017 or upon Governor and Counsel approval, whichever is later, through June 30, 2019. 100% Federal funds.

Funding to support this request are anticipated to be available in the account titled Disability Determination Services, contingent upon legislative approval of the next biennial budget.

<u>Account No.</u>	<u>FY'18</u>	<u>FY'19</u>
06-56-56-565010-40400000-235-500784 (Transcription Services)	\$50,000.00	\$50,000.00

EXPLANATION

The Division of Career Technology and Adult Learning, Disability Determination Service Bureau, provides medical transcription services to medical and psychological consultants in order to expedite the processing of Social Security Disability claims.

Contracting with outside resources for Transcription Services allows us the efficiency needed to process SSD claims in a timely manner.

The Department of Education/Disability Determination Service prepared and published a Request for Proposals (RFP) in the Union Leader, for the period December 11, December 12 and December 13, 2016 and posted on the Department website.

His Excellency, Governor Christopher Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301
Page Two
April 24, 2017

A review committee consisting of Lisa Beck, Administrator IV, Anne Prehemo, Program Specialist IV and Marie Colby, Technical Team Leader Supervisor, reviewed the (6) proposals received by the deadline: Stone Network Inc., proposal met the criteria of the Request for Proposals (Attachment A).

The Department of Education would like to contract with Stone Network Inc. This transcription service vendor has provided service with excellent turn-around time and responsiveness to both agency and consultant requests for several years. A toll-free telephone number is provided for access, which is used by most of the physicians in the State who provide medical reports to this agency.

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

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Frank Edelblut', written in a cursive style.

Frank Edelblut
Commissioner of Education

Attachment A

SCORING FOR REVIEW OF FY 18/19 TRANSCRIPTION SERVICE.

Proposal Criteria in the RFP

Statement of Need	20 points
Project Description/Sustainability	40 points
Organizational Capacity	20 points
Budget	<u>20 points</u>
Possible Points	100 points

Six (6) RFPs' were received and scored.

	Consensus
Oak Transcription	99
Stone Network, Inc.	99
Mediscribes	97.5
Hypertype	95
ACCUtype	93.5
Acusis	68.5

Transcription Service Pricing per Line

Stone Network	0.0785 per line for two contract years.
ACCUtype	0.0896 per line for two contract years.
Acusis.	0.0948 per line for two contract years.
Hypertype	0.1200 per line for two contract years.
Mediscribes	0.1230 per line for two contract years
Oak Transcription	0.9990 per line for two contract years.

While Oak Transcription and Stone Network Inc., scored the same Stone Network Inc., had a lower price per line.

An RFP review occurred on Tuesday, February 22, 2017. The RFP review panel consisted of the following employees from the Department of Education/Disability Determination.

Lisa Beck, Administrator IV. Mrs. Beck brings seven years of Administrative & Supervisory experience developing and monitoring contracts for the state. She offers a wide range of experience related to providing service to the public.

Anne Prehemo, Program Specialist IV. Ms. Prehemo oversees the medical and psychological service vendors who provide staff services and consultative exam services to the disability process. As Professional Relations Officer, she serves as the liaison with the medical community having done so successfully for twelve years.

Marie Colby, Technical Team Leader Supervisor. Ms. Colby supervises Case Technicians who process the dictated reports resulting from consultative examinations. In her seven years with the DOE, she has considerable experience reviewing and rating proposals.

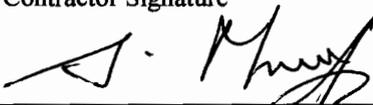
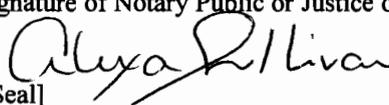
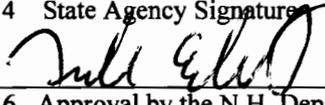
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Education, DDS		1.2 State Agency Address 21 S. Fruit St., Suite 30, Concord, NH 03301	
1.3 Contractor Name Stone Network, Inc.		1.4 Contractor Address 1600 Horizon Drive, Suite 115, Chalfont, PA 18914	
1.5 Contractor Phone Number (215) 712-2400	1.6 Account Number 565510-4040-0235-500784	1.7 Completion Date June 30, 2019	1.8 Price Limitation \$100,000.00
1.9 Contracting Officer for State Agency Paul K. Leather, Deputy Commissioner of Education		1.10 State Agency Telephone Number (603) 271-3341	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory S. Mani, President	
1.13 Acknowledgement: State of Pennsylvania County of Montgomery On March 27, 2017, 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]		COMMONWEALTH OF PENNSYLVANIA NOTARIAL SEAL Alexa Sullivan, Notary Public Hatfield Twp., Montgomery County My Commission Expires Oct. 5, 2019 MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES	
1.13.2 Name and Title of Notary or Justice of the Peace Notary			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory FRANK Edelblut, Commissioner of EDUCATION Date: 4-25-17	
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) (if applicable) By:  On: 5/22/17			
1.18 Approval by the Governor and Executive Council (if applicable) 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, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("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. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. 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

Contractor Initials

Date

X
03/27/17

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 notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and 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 \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form 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 thirty (30) 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 provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) 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 unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

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


2/27/17

EXHIBIT A

The Services

1. The Contractor shall furnish authorized providers of medical evidence and the Department of Education, Disability Determination Service staff access to the Contractor's telerecorder equipment, which shall record reports and/or letters.
2. The Contractor shall transcribe these documents and then electronically transmit them to the Disability Determination Service (DDS) each working day at a time mutually agreed upon by the DDS and the Contractor. The Contractor currently transmits completed reports to the SSA's Electronic Records Express (ERE) secure website. The Contractor is currently established in this system, is familiar with this process and currently process reports through this system on a daily basis for the DDS.
3. The Contractor shall transcribe and transmit all reports daily with an accompanying detailed log sheet-showing claimant's name, Social Security number, number of lines per report, type of report, name of originating source and date of dictation. Additionally, the Contractor shall mail two copies of the dictated report to each provider for their review and signature; one copy to be signed and returned to the DDS, and the other for the provider's file.
4. The Contractor shall provide sufficient dictating units and personnel to service the needs of the agency efficiently and expeditiously.
5. The work is to be performed at the Contractor's place of business, not in the homes of employees.
6. The contractor is responsible for safeguarding PII (Personally Identifiable Information) and immediately reporting any loss to the appropriate State Agency (DDS) official. The contractor shall ensure that all employees report lost or possibly lost PII immediately. The contractor should gather the following information to report the loss of PII: Contact information, description of loss (including time and location), what safeguards were used, which components (divisions or areas) were involved, whether external organizations were contacted, and whether other reports have been filed (e.g., law enforcement).
7. Reports which are judged by the agency as being unsatisfactory shall be returned to the Contractor within twenty-four (24) hours for retyping. Such reports will be retyped and delivered without additional cost to the Agency within twenty-four (24) hours after receipt by the Contractor.

TDD Access: Relay NH 711
EQUAL OPPORTUNITY EMPLOYER-EQUAL EDUCATIONAL OPPORTUNITIES

Contractor Initials _____
Date _____

A
3/27/17

EXHIBIT B

ESTIMATED Budget:

\$.0785 per line X a maximum of 1,273,885 lines = \$100,000.00

Limitations on Price:

This contract will not exceeds \$100,000.00.

Source of Funding:

Funding for this contract is 100% Federal Funds from the account titled Disability Determination Services as follows:

010-056-40400000-235-500784	<u>FY 18</u>	<u>FY 19</u>
Transcription Services	\$50,000.00	\$50,000.00

Method of Payment:

Payment to be made twice monthly on the basis of itemized invoices which are supported by a summary of transcribed documents, individual line price and postage costs incurred in mailing documents to providers. If otherwise correct and acceptable, payment will be made for 100% of the expenditures listed. Invoices should be submitted to Cheryl Hobart at 21 South Fruit Street, Suite 30, Concord, NH 03301 or cheryl.hobart@ssa.gov. If for any reason, the services are interrupted or terminated, payment will be made only for work thus far completed.

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Contractor Initials
Date 05/27/17

EXHIBIT C

Provisions

1. No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the purchasing agency with the names, qualifications, and experience of their proposed subcontractors. The Contractor, shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of this contract. The subcontractor must adhere to the same facility requirements as the Contractor. Additionally, any subcontracts formed must also contain the information specified herein.

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Contractor Initials 

Date

3/27/17

EXHIBIT D

Confidentiality of Information – Contractor Responsibilities

1. If the Contractor, in the performance of the contract, uses any information subject to the Privacy Act of 1974, 5 U.S.C. 552a, and/or section 1106 of the Social Security Act, 42 U.S.C. 1306, the Contractor must follow the rules and procedures governing proper use and disclosure set forth in the Privacy Act, section 1106 of the Social Security Act, and the Commissioner's regulations at 20 C.F.R. Part 401 with respect to that information. Whenever the Contractor is uncertain how to properly handle any material under the contract, or if the material in question is subject to the Privacy Act and/or section 1106 of the Social Security Act, the Contractor must contact the State Agency (DDS) and receive written permission prior to any use, release, disclosure, dissemination or publication of the material.

The Contractor must not disclose any confidential information without the prior written consent of the individual, institution, or organization. The Contractor must assure that its subcontractor(s) and their employees or any successor subcontractor(s) and their employees with access to SSA confidential information know the prescribed rules of conduct. For knowingly disclosing SSA's confidential information any subcontractor(s) and their employees or successor subcontractor(s) and their employees may be subject to criminal penalties as described in section 1106 of the Social Security Act (42 U.S.C. 1306) and the Privacy Act (5 U.S.C. 552a).

The transmission of a consultative exam report and/or PII (Personally Identifiable Information) via email is strictly prohibited unless it is encrypted; and should only be transmitted when essential to the scope of work. The Contractor must make all reasonable efforts to safeguard the report and/or PII when transporting the information from a secure area (i.e., use of locked briefcases, laptops that are encrypted and/or password protected, etc.).

2. Neither the contractor nor any of the Contractor's employees involved in processing reports shall disclose any information that identifies the claimant, physician, or facility without documented permission of the DDS. Such disclosures will subject the Contractor to the penalties of the Federal Privacy Act. The Contractor must also certify compliance with the Health Insurance Portability and Accountability Act (HIPAA) of 1996. Sensitive records ready for disposal must be destroyed by burning, pulping, shredding, macerating, or other suitable similar means that ensures the information in the record is definitively destroyed. Definitively destroying the records means the material cannot be reassembled and used in an inappropriate manner in violation of law and regulation. Sensitive records are records that are national security classified or exempted from disclosure by statute, including the Privacy Act, or regulation. Electronic

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Contractor Initials *[Signature]*
Date 03/27/17

records must be definitively destroyed in a similar manner that prevents reconstruction as well.

3. During the term of this contract and thereafter, the Contractor shall respect the confidentiality of confidential data, information, and other such matters disclosed and entrusted to him/her in the contract, or upon termination thereof, the Contractor shall return to the State agency (DDS), all such confidential matters in their possession belonging to the other party, and further, agrees not to use such information without the expressed written permission of the State agency (DDS).

4. The DDS maintains the right to conduct periodic onsite visits/reviews to ensure compliance with contract specifications and procedures. Furthermore, the DDS recommends that the Contractor have appropriate forms of suitability and systems monitoring safeguards in place. Contractor positions should be designated at the proper risk/sensitivity levels commensurate with the public trust or national security responsibilities and attributes of the position as they relate to the efficiency of the service. They should be ranked in accordance with the degree of potential adverse impact on the efficiency of service that an unsuitable person could cause. Suitability refers to whether the conduct of an individual may reasonably be expected to interfere with or prevent effective performance in his/her position or prevents effective performance of the duties and responsibilities of the employing agency. Contractors must ensure that employment of an individual in a sensitive or public trust position is appropriate. Documentation of the rationale underlying risk designation decisions should be retained for potential audit purposes.

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Contractor Initials
Date

[Handwritten Signature]
03/27/17

Non-Disclosure Agreement for Removal of DDS/SSA Sensitive Information

The undersigned Stone Networks Inc., official agrees to the following limitations on access to and use of dictated medical and psychological reports of SSI/SSDI claimants provided from DDS/Social Security Administration Records. Specifically it is agreed:

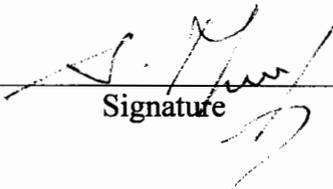
This information contained in these documents (paper or electronic), can potentially assist unauthorized individuals to gain access to the Social Security Administration's computer systems, which contain records about individuals which are protected by the Privacy Act.

That the information provided by DDS/SSA will remain the property of DDS/SSA and will be held by the undersigned only so long as necessary for evaluation and shall be returned to DDS/SSA immediately thereafter.

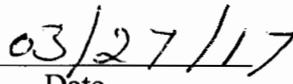
That the information provided by DDS/SSA shall not be duplicated or disseminated in whole or in part, in any manner.

That the information provided in any format by DDS/SSA, is to be stored in a secure manner. For paper documents, this should be an immovable container (such as a four-drawer safe) accessible only to the Private Secretary, Inc. officials who signed this statement. Further, it must be transported in a secured locked container. For electronic documents/data, this information should be stored with security/access controls that meet SSA security requirements. Refer to ISSH SSA Sensitive Systems Plans and Certification Program chapter for security level requirements.

That the undersigned understand that civil and/or criminal sanctions may cover any disclosure on his/her part.



Signature



Date

Signature

Date

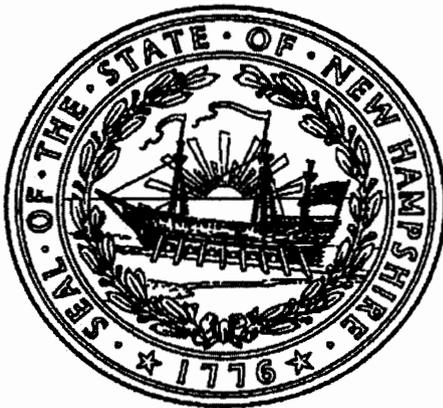
State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that STONE NETWORK, INC. is a Pennsylvania Profit Corporation registered to transact business in New Hampshire on May 13, 2011. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 649533



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 4th day of April A.D. 2017.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

Certificate of Vote

I, S. Mani, hereby certify that I am the sole member of the company known as Stone Network, Inc. I hereby further certify and acknowledge that the State of New Hampshire will rely on this certification as evidence that I have full authority to bind Stone Network, Inc. and that no corporate resolution, shareholder vote, or other document or action is necessary to grant me such authority.

IN WITNESS WHEREOF, I have here unto set my hand as the Clerk/Secretary of the Corporation this 27 day of March, 2017.



Signature

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF Montgomery

On March 27th, 2017, before the undersigned officer personally appeared the person identified in the foregoing certificate, known to me (or satisfactorily proven) to be the Clerk/Secretary of the corporation identified in the foregoing certificate, and acknowledge that he executed the foregoing certificate.

In witness whereof, I hereto set my hand and official seal.

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Alexa Sullivan, Notary Public
Hatfield Twp., Montgomery County
My Commission Expires Oct. 5, 2019
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES



Notary Public/Justice of the Peace



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/27/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER The Blystone Company PO Box 94 Hatfield PA 19440	CONTACT NAME: John Blystone PHONE (A/C, No, Ext): (215) 695-5770 E-MAIL ADDRESS: john@blystoneinsurance.com	FAX (A/C, No): (215) 695-5537
	INSURER(S) AFFORDING COVERAGE	
INSURED Stone Network Inc 1600 Horizon Dr Suite 115 Chalfont PA 18914	INSURER A: The Hartford NAIC # 11000	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** CL1732701692 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			39SBAUP1879	12/1/2016	12/1/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			39SBAUP1879	12/1/2016	12/1/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			39SBAUP1879	12/1/2016	12/1/2017	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	39WECCC2436	12/1/2016	12/1/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER State of New Hampshire Department of Education 21 South Fruit Street Suite 20 Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE John Blystone/EWM 

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ACCOUNTING OFFICES

MAYUR MEHTA & CO., P. C.

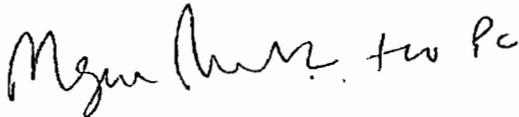
CERTIFIED PUBLIC ACCOUNTANTS
853 SECOND STREET PIKE ♦ SUITE B-107
RICHBORO, PA 18954
TEL: (215) 396 2950 ♦ FAX: (215) 396 2951

To the Board of Directors
Stone Network Inc.
Chalfont, PA 18914

We have compiled the accompanying balance sheet of Stone Network Inc. (Income tax basis) as of December 31, 2015 and the related statement of Income and Retained Earnings (Income tax basis) for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplemental schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplemental schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



Richboro, Pennsylvania

September 13, 2016

STONE NETWORK INC.

BALANCE SHEET
DECEMBER 31, 2015

ASSETS

Current Assets:		
Cash in Bank		\$ 125,580
Loan to Shareholder		<u>165,214</u>
Total Current Assets		<u>290,794</u>
Other Assets:		
Rent Deposit		<u>5,949</u>
Total Assets		\$ <u>296,743</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities		
LOC Payable	\$	245,502
Payroll Taxes Payable		6,264
Pension Payable		<u>35,000</u>
Total Current Liabilities		<u>286,766</u>
Total Liabilities		<u>286,766</u>
Stockholders' Equity:		
Capital Stock		1,000
Retained Earnings		148,977
Distributions to Shareholders		<u>(140,000)</u>
Total Stockholders' Equity		<u>9,977</u>
Total Liabilities and Stockholder's Equity	\$	<u>296,743</u>

STONE NETWORK INC.

STATEMENT OF OPERATIONS AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

Income:	
Consulting Income	\$ <u>1,599,129</u>
Operating Expenses:	
Auto Expense	\$ 10,368
Auto Rental	19,854
Bank Charges	6,544
Charitable Contributions	601
Computer Supplies	2,781
Equipment Rental	23,182
Employee Benefits	34,078
Insurance - Other	15,782
Interest Expense	8,085
Marketing	9,692
Office Supplies	7,020
Outside services	896,095
Payroll and other Taxes	11,898
Payroll, Officers	110,000
Payroll, Others	30,000
Payroll Services	1,701
Pension Contributions	35,000
Postage and Delivery	15,215
Professional Fees	10,725
Promotions	11,642
Supplies	12,095
Rent	90,865
Repairs and Maintenance	1,178
Telephone and Internet	71,159
Travel	23,215
Utilities	<u>18,129</u>
 Total Operating Expenses	 \$ <u>1,476,904</u>
Income before Depreciation	122,225
Depreciation expense	<u>-0-</u>
Net Income	122,225
Retained Earnings, Beginning	<u>26,752</u>
Retained Earnings, Ending	\$ <u>148,977</u>