

State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

25 Jm

LINDA M. HODGDON
Commissioner
(603) 271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603) 271-3204

June 18, 2014

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

Sole Source

REQUESTED ACTION

Authorize the Department of Administrative Services (DAS) to enter into a **sole source** one year Cooperative Project Agreement with the University of New Hampshire Institute for Health Policy and Practice (IHPP), Durham, NH (Vendor # 177867) in the amount not to exceed \$33,000 to provide semi-annual updates to the New Hampshire Hospital Scorecard, claims reporting, and to provide facilitation services to the members of the New Hampshire Purchasers Group on Health (NHPGH), upon Governor and Council approval, for the period effective July 1, 2014 through June 30, 2015. **Approximately 57% General Funds, 16% Federal, 15% Enterprise Funds, 12% Other (Highway, Turnpike) Funds.**

Funding is available in the DAS, Employee and Retiree Benefit Risk Management Fund, contingent upon availability and continued appropriation as follows:

| | <u>SFY15</u> |
|------------------------------------|-----------------|
| 01-14-14-140560-66000000 | |
| 102-500674 Other Expenses Actives | \$ 22,156 |
| 01-14-14-140560-66600000 | |
| 102-500674 Other Expenses Troopers | \$ 802 |
| 01-14-14-140560-66500000 | |
| 102-500678 Other Expenses RU65 | \$ 3,039 |
| 102-500679 Other Expenses RO65 | <u>\$ 7,003</u> |
| Total | \$ 33,000 |

EXPLANATION

This request is a **sole source** cooperative agreement because the UNH Institute for Health Policy and Practice (IHPP) is uniquely situated to provide these services to the DAS. The IHPP provides facilitation services to the members of the NH Purchasers Group on Health. DAS is authorized pursuant to RSA 21-1: 28, to enter into contracts with any organization to administer the health benefits program. This Agreement is made pursuant to the State's Master Agreement with the University System of New Hampshire that was approved by Governor and Council on November 13, 2002 and follows prior agreements approved by Governor and Council.

The NHPGH is a collaboration of the state's four largest public health care purchasers, representing more than 120,000 covered individuals and nearly three quarters of a billion dollars in annual health care expenditures. The members of the Purchasers Group include the State of New Hampshire Employee and Retiree Health Benefits Program, the University System of New Hampshire, HealthTrust and the New Hampshire School Healthcare Coalition (SchoolCare). The combined forces of the NHPGH work to impact the quality, efficiency and effectiveness of health care provided to our workforce. DAS's membership in the NHPGH to date has been supported by the Citizens Health Initiative through a grant from the Endowment for Health.

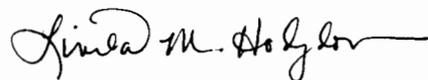
The NHPGH envisions a system for health in New Hampshire that centers on the whole person, is well coordinated, of high value and quality, and makes effective use of resources. The IHPP supports the NHPGH's vision by providing a location to convene and acting as an impartial resource to keep the group apprised of the current trends in health care cost containment strategies and quality initiatives.

The NHPGH relies on IHPP for coordinated data analytics, project management, research and administrative support. Efforts continue toward the development of common reporting and comparative information so that the respective governmental units can target health cost drivers for appropriate health promotion and purchasing interventions in a coordinated fashion. The resulting output, multi-year claims experience analysis with public sector benchmarks for comparison, allow DAS to more effectively direct wellness and vendor management efforts.

Currently, the NHPGH, in conjunction with the IHPP, is playing a key role in at least three initiatives managed by the NH Citizens Health Initiative. Those projects include MapNH Health, the Accountable Care Project, and the Medical Home Project. These projects as well as data analytics and statistical analysis of data assist the NHPGH's work toward achieving its vision.

In summary, with continued funding of the agreement, the IHPP is able to assist the NHPGH in providing local and national information on value-based purchasing strategies; provide a central point of contact; coordinate data analytics activities; and manage group projects, such as coordinated wellness programs and access to statistical and predictive modeling tools. DAS believes the services outlined in this agreement will assist the State in responding to an evolving health care system.

Respectfully submitted,



Linda M. Hodgdon
Commissioner

COOPERATIVE PROJECT AGREEMENT

between the

STATE OF NEW HAMPSHIRE, **Department of Administrative Services**

and the

University of New Hampshire of the UNIVERSITY SYSTEM OF NEW HAMPSHIRE

- A. This Cooperative Project Agreement (hereinafter "Project Agreement") is entered into by the State of New Hampshire, **Department of Administrative Services**, (hereinafter "State"), and the University System of New Hampshire, acting through **University of New Hampshire**, (hereinafter "Campus"), for the purpose of undertaking a project of mutual interest. This Cooperative Project shall be carried out under the terms and conditions of the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002, except as may be modified herein.
- B. This Project Agreement and all obligations of the parties hereunder shall become effective on the date the Governor and Executive Council of the State of New Hampshire approve this Project Agreement ("Effective date") and shall end on **6/30/15**. If the provision of services by Campus precedes the Effective date, all services performed by Campus shall be performed at the sole risk of Campus and in the event that this Project Agreement does not become effective, State shall be under no obligation to pay Campus for costs incurred or services performed; however, if this Project Agreement becomes effective, all costs incurred prior to the Effective date that would otherwise be allowable shall be paid under the terms of this Project Agreement.
- C. The work to be performed under the terms of this Project Agreement is described in the proposal identified below and attached to this document as Exhibit A, the content of which is incorporated herein as a part of this Project Agreement.

Project Title: **New Hampshire Purchasers Group on Health Facilitation**

- D. The Following Individuals are designated as Project Administrators. These Project Administrators shall be responsible for the business aspects of this Project Agreement and all invoices, payments, project amendments and related correspondence shall be directed to the individuals so designated.

State Project Administrator

Name: Catherine A. Keane
 Address: 25 Capitol Street
 State House Annex
 Room 412
 Concord, NH 03301-6312
 Phone: 603-271-2059

Campus Project Administrator

Name: Dianne Hall
 Address: University of New Hampshire
 Sponsored Programs Administration
 51 College Rd. Rm 116
 Durham, NH 03824
 Phone: 603-862-1942

- E. The Following Individuals are designated as Project Directors. These Project Directors shall be responsible for the technical leadership and conduct of the project. All progress reports, completion reports and related correspondence shall be directed to the individuals so designated.

State Project Director

Name: Catherine A. Keane
 Address: 25 Capitol Street
 State House Annex
 Room 412
 Concord, NH 03301-6312
 Phone: 603-271-2059

Campus Project Director

Name: Josephine B. Porter
 Address: University of New Hampshire
 IHPP
 4 Library Way, Hewitt Hall Ste. 202
 Durham, NH 03824
 Phone: 603-862-2964

Campus Authorized Official 
 Date 10/27/14

F. Total State funds in the amount of **\$33,000** have been allotted and are available for payment of allowable costs incurred under this Project Agreement. State will not reimburse Campus for costs exceeding the amount specified in this paragraph.

Check if applicable

Campus will cost-share _____ % of total costs during the term of this Project Agreement.

Federal funds paid to Campus under this Project Agreement are from Grant/Contract/Cooperative Agreement No. _____ from _____ under CFDA# _____. Federal regulations required to be passed through to Campus as part of this Project Agreement, and in accordance with the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002, are attached to this document as Exhibit B, the content of which is incorporated herein as a part of this Project Agreement.

G. Check if applicable

Article(s) _____ of the Master Agreement for Cooperative Projects between the State of New Hampshire and the University System of New Hampshire dated November 13, 2002 is/are hereby amended to read:

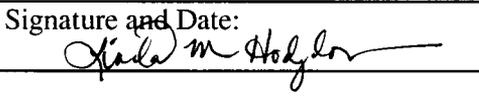
H. State has chosen **not to take** possession of equipment purchased under this Project Agreement.
 State has chosen **to take** possession of equipment purchased under this Project Agreement and will issue instructions for the disposition of such equipment within 90 days of the Project Agreement's end-date. Any expenses incurred by Campus in carrying out State's requested disposition will be fully reimbursed by State.

This Project Agreement and the Master Agreement constitute the entire agreement between State and Campus regarding this Cooperative Project, and supersede and replace any previously existing arrangements, oral or written; all changes herein must be made by written amendment and executed for the parties by their authorized officials.

IN WITNESS WHEREOF, the University System of New Hampshire, acting through the **University of New Hampshire** and the State of New Hampshire, **Department of Administrative Services** have executed this Project Agreement.

By An Authorized Official of:
University of New Hampshire
Name: Karen M. Jensen
Title: Manager, Sponsored Programs Administration
Signature and Date:  6/2/14

By An Authorized Official of: the New Hampshire Office of the Attorney General
Name: Christen Lavers
Title: Attorney
Signature and Date:  6/5/14

By An Authorized Official of:
Department of Administrative Services
Name: Linda Hodgdon
Title: Commissioner
Signature and Date: 

By An Authorized Official of: the New Hampshire Governor & Executive Council
Name: _____
Title: _____
Signature and Date: _____

EXHIBIT A

A. Project Title: New Hampshire Purchasers Group on Health Facilitation

B. Project Period: 7/1/14 through 6/30/15

C. Objectives: The NH Purchasers Group on Health, currently comprised of leadership from the State of NH Employee and Retiree Benefits Program, the University System of New Hampshire, the NH Local Government Center HealthTrust, and the New Hampshire School Healthcare Coalition, is seeking outside facilitation services that will accomplish the following:

Provide an impartial resource to convene and advise the group on local and national trends in value-based purchasing including health care cost containment strategies, employer coalition initiatives, contracting strategies and score carding.

Provide a central point of contact for communications and media relations, including the ongoing implementation of a strategic communications plan, and the update and ongoing maintenance of a hospital scorecard website.

Coordinate data analytics activities.

Manage group projects as required.

Provide convening space and services.

Offer research, management and administrative staff support, as required.

D. Scope of Work:

1. **Facilitation and Staff Services.** The Campus will provide facilitation and staff services in accordance with the service objectives outlined above. Additional services will include annual web hosting and ten (10) hours per year of website development and/or maintenance. Costs for web development beyond the 10 hours per year included in Facilitation and Services will be billed on a pass-through basis. The Campus staff involved in this project will include Ned Helms, Callie Carr and Jo Porter. Callie Carr will serve as the key point of contact.
2. Coordinate data analytics activities, including development of report formats, cleansing and formatting data, producing reports on agreed schedule, and presentation of results.
3. Securely housing the NHPGH member's data via direct feeds to the UNH Center for Health Analytics from the carriers or from the Comprehensive Health Insurance System (CHIS) or a combination of both, whichever format is more complete and expedient.
4. Complete templates and a suite of standard reports, including standard utilization review measures, provider and care management reports, as well as statewide and regional comparisons, as applicable and as agreed by the NHPGH and the Campus staff.

E. Deliverables Schedule: The Campus will provide ongoing facilitation and staffing services, as outlined in the scope of work, for the contract period. Data analysis will be provided as follows:

| Data Received by CHA | Date of Report Delivery | Reporting Timeframe |
|----------------------|-------------------------|---------------------|
| July 2014 | Sept 2014 | 01/2013 - 12/2013 |
| January 2015 | March 2015 | 07/2013 - 06/2014 |

F. Budget and Invoicing Instructions: Campus will submit invoices on regular Campus invoice forms in the amount of \$8,250 each quarter. Total not to exceed \$33,000. State will pay invoices within 30 days of receipt.

| Budget Items | State Funding | Cost Sharing (if required) | Total |
|-----------------------------|---------------|----------------------------|--------|
| 1. Salaries & Wages | 17,914 | 0 | 17,914 |
| 2. Employee Fringe Benefits | 6,897 | 0 | 6,897 |
| 3. Travel | 985 | 0 | 985 |
| 4. Supplies and Services | 2,900 | 0 | 2,900 |
| 5. Equipment | 0 | 0 | 0 |
| 6. Facilities & Admin Costs | 4,304 | 0 | 4,304 |
| Subtotals | 33,000 | 0 | 33,000 |
| Total Project Costs: | | | 33,000 |

STANDARD EXHIBIT I

The Contractor identified as "University of New Hampshire" in Section A of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 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 State of New Hampshire, Department of Administrative Services

Project Title: New Hampshire Purchasers Group on Health Facilitation

Project Period: 7/1/14 through 6/30/15

BUSINESS ASSOCIATE AGREEMENT

(1) **Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164.
- 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” shall have the same meaning given such term in section 164.402 of Title 45, Code of Federal Regulations.
- 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 45 CFR 164.410, 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. If Covered Entity does not object to such disclosure within five (5) business days of Business Associate’s notification, then Business Associate may choose to disclose this information or object as Business Associate deems appropriate.
- 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 reasonable 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 45 CFR 164.410. If such information is known to Business Associate, Business Associate shall identify the individuals whose PHI has, or is reasonably believed to have been, the subject of the Breach. Covered Entity or Business Associate, as determined by Covered Entity, shall promptly notify individuals (and the federal Office for Civil Rights and the media, as necessary) about the Breach as soon as possible but not later than 60 calendar days after discovery of the Breach, except where a law enforcement official determines that a notification would impede a criminal investigation. Each party shall provide additional information concerning such Breach to the other, as reasonably requested in order to carry out the provisions of this paragraph.
- b. The Business Associate shall comply with all applicable and required sections of the Privacy and Security Rule as set forth in 45 CFR Parts 160 and 164.
- 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 codified at 45 CFR Parts 160 and 164 and 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 under the Agreement.
- 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.

**By An Authorized Official of:
University of New Hampshire**

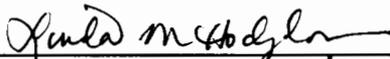
Name: Karen M. Jensen

Title Manager, Sponsored Programs Administration

Signature and Date:

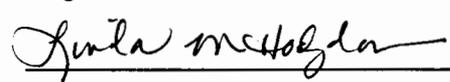
 6/2/14

By An Authorized Official of:

Name: 

Title: Commissioner Admin. Services

Signature and Date:

 6/5/14