

STATE OF LOUISIANA

CONTRACT

On this ___ day of _____, 2018, the State of Louisiana, Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, LA 70802, hereinafter sometimes referred to as the “OGB” or “State”, and Humana Health Benefit Plan of Louisiana, One Galleria Boulevard, Suite 1200, Metairie, LA 70001, hereinafter sometimes referred to as the “Contractor” or “Humana,” do hereby enter into a Contract under the following terms and conditions.

1 SCOPE OF SERVICES

1.1 CONCISE DESCRIPTION OF SERVICES

Humana, shall offer a Medicare Advantage Plan for Medicare-eligible OGB retired Plan Participants where it is approved to do so by the Centers for Medicare and Medicaid Services (“CMS”) in all OGB regions. These services shall include, at a minimum, all services specified in Section 1.2 and the attachments referenced therein.

1.2 STATEMENT OF WORK

The Statement of Work consists of the following:

Attachment I: Scope of Work/Services

Attachment II: Administrative Fee and Premium Rate Schedule

Attachment III: HMO Plan Design

Attachment IV: Business Associate Addendum

Attachment V: Records Retention Schedule

Attachment VI: Imaging System Survey Compliance and Records Destruction

1.3 GOALS AND OBJECTIVES

1. To provide quality, cost effective, fully-insured health care services to OGB Retirees through a Medicare Advantage Plan.
2. To establish a Contract with a fully-insured HMO Medicare Advantage Contractor.

1.4 PERFORMANCE MEASURES

The performance of the Contract, including but not limited to Attachment I: Scope of Work/Services, and/or any subsequent addendum including performance criteria and corresponding monetary penalties for Contractor’s failure to comply with the identified criteria in Section 3.6, Performance Guarantees, will be measured by the OGB Contract Supervisor. The OGB Contract Supervisor is authorized to evaluate the Contractor’s performance against these criteria.

1.5 MONITORING PLAN

The Contract Supervisor will be the OGB Medical and Pharmacy Group Benefits Administrator, who will monitor the services and performance provided by the Contractor and the expenditure of funds under this Contract. The monitoring plan is as follows:

1. The Contractor will submit various monthly, quarterly, and annual reports to the Contract Supervisor as specified in Attachment I: Scope of Work/Services.
2. The Contract Supervisor will work to ensure all deliverables are submitted timely and perform subsequent review and acceptance.
3. The Contract Supervisor will provide oversight of the implementation of the Scope of Services to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of OGB.

1.6 CONTRACTOR PROJECT MANAGEMENT

Contractor Project Management is as follows:

- A. Account Management Team.** Contractor will provide an account management team for the duration of the engagement including a project manager and any other personnel considered key to the success of the Contract.
- B. Substitution of Key Personnel.** The Contractor's personnel assigned to this Contract shall not be replaced without the prior written consent of OGB/State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to projects outside this Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in providing services. When possible, Contractor will give OGB a minimum of sixty (60) days' advance notice of any changes in OGB's account management team, and a description of the training requirements for new team members. Reasonable exceptions would apply in situations beyond Contractor's control (i.e., resignation/termination with less than 60 days' notice). OGB reserves the right to request changes to any of the assigned personnel based on unsatisfactory performance levels as determined by OGB. Additionally, OGB will be provided with the opportunity to interview any new team member(s).
- C. Account Management Team Support.** The account management team will provide support around account strategy, issue resolution, reports and other requested projects and deliverables.
- D. Coordination with other OGB Vendor(s).** Contractor will coordinate and cooperate with OGB's other administrative services provider(s) for OGB's self-insured medical plans, pharmacy benefit manager, and other vendors as needed on integration of information to or from other service providers relative to the services addressed in this Contract.

1.7 DELIVERABLES

The Contract will be considered complete when the entire scope of work has been completed and Contractor has delivered and OGB has accepted all deliverables specified in the Contract.

1.8 VETERAN-OWNED AND SERVICE-CONNECTED SMALL ENTREPRENEURSHIPS (VETERAN INITIATIVE) AND LOUISIANA INITIATIVE FOR SMALL ENTREPRENEURSHIPS (HUDSON INITIATIVE) PROGRAMS REPORTING REQUIREMENTS

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

2 DEFINITIONS

Contractor – Denotes the successful Proposer who is awarded a Contract and assumes full responsibility and liability for completion of the deliverables.

HIPAA – Denotes Health Insurance Portability and Accountability Act.

Network Provider – Denotes a health care provider that participates in the Proposer's/Contractor's established network to provide health care services to Plan Participants.

Non-Network Provider – Denotes a health care provider that does not participate in the Proposer's/Contractor's established network to provide health care services to Plan Participants.

OGB CEO– Denotes the Office of Group Benefit's Chief Executive Officer.

OSP – Denotes Office of State Procurement.

Plan Document – Denotes a formal written document for specified health benefits offered under the fully-insured plan(s) offered by the Contractor.

Plan Participant(s) – Denotes retirees and their eligible dependents who are entitled to covered benefits under the fully-insured Medicare Advantage Plan through OGB as identified in the eligibility data file prepared, maintained and as determined by OGB, and delivered to the Contractor.

Primary Plan Participant(s) – Denotes the Plan Participant whose relationship with OGB governs the coverage under the Plan.

Proposal – Denotes a response to a RFP.

Proposer – Denotes an individual or organization submitting a proposal in response to a RFP.

RFP– Denotes a Request for Proposals.

Shall, Must, Will – Denotes a mandatory requirement.

Should, May, Can – Denotes an advisable or permissible action.

State - The State of Louisiana.

3 ADMINISTRATIVE REQUIREMENTS

3.1 TERM OF CONTRACT

The initial term this Contract shall begin on or about January 1, 2019, and is anticipated to end on December 31, 2021. With all proper approvals and concurrence with the successful Contractor, OGB may also exercise a one-time option to extend the Contract for up to twenty-four (24) additional months at the same administrative fees as provided in Attachment II, terms and conditions of the initial Contract term. Prior to the extension of the Contract beyond the initial thirty-six (36)-month term prior approval by the Joint Legislative Committee on the Budget (JLCB) and/or other approval authorized by law shall be obtained. Written evidence of JLCB approval shall be submitted, along with the contract amendment, to the Office of State Procurement (OSP) to extend contract terms beyond the initial 3-year term. The total Contract term, with extensions, shall not exceed five (5) years. The continuation of this Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Contract.

3.2 OGB FURNISHED RESOURCES

OGB shall appoint a Contract Supervisor for this Contract who will provide oversight of the activities conducted hereunder. The assigned Contract Supervisor shall be the principal point of contact on behalf of OGB and will be the principal point of contact for the Contractor concerning Contractor's performance under this Contract.

3.3 TAXES AND FEES

Contractor is responsible for payment of all taxes and fees on Contractor's income, property, and entity status (i.e., permits, licenses, etc.). Contractor's federal tax identification number is _____. Contractor's seven-digit Louisiana Department of Revenue account number is _____. In accordance with R.S. 39:1624(A)(10), the Louisiana Department of Revenue ("LDR") must determine that the prospective contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the state and collected by the Department of Revenue prior to the approval of this contract by the Office of State Procurement. The prospective Contractor hereby attests to its current and/or prospective compliance, and agrees to provide its seven-digit LDR Account Number to the contracting agency so that the prospective contractor's tax payment compliance status may be verified. The prospective contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval and effectiveness of this contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to this contract without penalty and proceed with alternate arrangements should the vendor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of notification of such discrepancies.

3.4 PAYMENT TERMS

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$2,450,000.00 (Two Million Four Hundred and Fifty Thousand Dollars) for work performed during the term of this Contract. This fee is inclusive of travel

and all Contract-related expenses. Payments are predicated upon successful completion by Contractor and written approval by OGB of the described services and deliverables as provided in the Contract. Contractor will not be paid more than the maximum amount of the Contract. No payments will be made by OGB on banking or State holidays.

With respect to Plan Participants who select a Louisiana HMO for their coverage, OGB shall impose no extraordinary restrictions on their plan participation due to the selection of the Louisiana HMO. OGB shall impose on Contractor a monthly administrative fee of \$16.67 for each HMO Primary Plan Participant during the first calendar year of the contract. OGB shall impose on Contractor a monthly administrative fee of \$12.50 for each subsequent year of the Contract term. The administrative fee will be paid directly to OGB for each Primary Plan Participant and shall not be included in the premium charged. Plan Participants selecting the Louisiana HMO option shall receive the same employer contributions provided under La. R.S. 42:851, and the regulations issued thereunder, as participants who choose other health coverage options by OGB.

The Contractor will invoice OGB on the 1st of each month for payment of premiums for services provided pursuant to the resulting Contract. The invoice should include, at a minimum, the time period covered, total billed amount detailed by class of coverage, and assessed administrative fee based on total number of Primary Plan Participants. Payments will be made to the Contractor after written acceptance by the State and approval of invoice. Upon approval of each submitted invoice by OGB's Chief Executive Officer or designee under a valid Contract, OGB/State will render payment of undisputed amounts within thirty (30) days.

3.5 PERFORMANCE BOND

Unless issuance of such bond is against applicable law, Contractor shall provide a performance (surety) bond in an amount determined by OGB of no more than one hundred percent (100%) of the quarterly administrative cost and profit to ensure the successful performance under the terms and conditions of the Contract. The administrative cost and profit is fifteen percent of the per Primary Plan Participant per month premium. The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved companies which is published annually in the Federal Register, or by a Louisiana-domiciled insurance company with at least an A-rating to write individual bonds up to ten percent (10) of policyholders' surplus as shown in the latest A.M. Best's Key Rating Guide. In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least thirty (30) working days prior to the effective date of the Contract. Failure to provide the bond within the time specified may cause the Contract to be cancelled.

3.6 PERFORMANCE GUARANTEES

Contractor agrees to provide its operational performance guarantees on a client-specific basis on a quarterly basis. OGB shall have the ability to modify the performance guarantees each Contract year; however, twenty-five (25%) percent of Contractor's fees will remain at risk, and Contractor will be subject to per day and per occurrence fees for certain performance

guarantees. All guarantees must be reconciled annually and any penalties owed to OGB shall be paid within ninety (90) days after the end of the calendar year.

Performance Guarantees: The Contractor will be subject to negotiated performance standards subject to a penalty of twenty-five (25%) percent of the total contracted cost, plus per day and per occurrence fees for certain performance guarantees.

Audit: OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit.

Measurement Periods: The first period to be measured shall be January 1, 2019, through December 31, 2019. The second period will be for calendar year 2020, and the third period will be for calendar year 2021. The fourth and fifth period to be measured, subject to any option approval required by law, are calendar year 2022 and 2023, respectively.

4 TERMINATION

4.1 TERMINATION FOR CAUSE

State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the State to cure the defect.

4.2 TERMINATION FOR CONVENIENCE

OGB/State may terminate the Contract at any time by giving at least thirty (30) days' written notice to Contractor of such termination or negotiating with Contractor an effective date. Contractor shall be entitled to payment for services completed prior to receipt of such notice and deliverables in progress, to the extent work has been performed satisfactorily.

4.3 TERMINATION FOR NON-APPROPRIATION OF FUNDS

The continuation of this Contract is contingent upon the appropriation of funds by the Louisiana Legislature to fulfill the requirements of the Contract, as applicable. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced or eliminated by the veto of the Governor or by any means provided in the Appropriations Act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies

for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

5 INDEMNIFICATION AND DEFENSE

a) Contractor shall be fully liable for its own actions and the actions of its agents, employees, partners and subcontractors and shall fully protect, defend, and indemnify the State, all State departments, Agencies, Boards, and Commissions, its officers, trustees, employees, servants, subcontractors, agents, and volunteers (collectively the "State"), from and against any and all losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities of every name and description ("Claims/Costs") relating to personal injury or death to any person or damages, loss, or destruction of any real or tangible property which may occur, or in any way arise out of, any act or omission of Contractor, its employees, agents, partners, or subcontractors/vendors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.

b) Contractor shall further indemnify and defend the State from and against any Claims/Costs resulting from any violation of or failure to comply with any state or federal law, or other legal or Contract requirement to the extent caused by Contractor, its agents, employees, partners or subcontractors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.

c) Contractor shall fully protect, defend, and indemnify, the State from and against all adverse federal and state tax consequences, loss, liability, damage, expense, attorneys' fees or other obligations resulting from, or arising out of, any act or omission by Contractor in connection with this Contract, including but not limited to other obligations resulting from or arising out of any premium charge, tax, or similar assessment by federal, state, and local governmental authorities, for which Contractor is liable.

d) If applicable, Contractor will protect, defend, and indemnify, the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers, from and against all Claims/Costs which may be assessed against the State in any action for infringement of a United States Letter Patent with respect to the products furnished, or of any copyright, trademark, trade secret or intellectual property right, in relation to the Contract provided that the State shall give Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit; (ii) the opportunity to take over, settle or defend such Claim/Cost at Contractor's sole expense; and (iii) reasonable assistance in the defense of any such action at the expense of Contractor. Where a Claim/Cost arises relative to a real or anticipated infringement, the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as to such infringement claim as the State deems necessary.

e) In addition to the foregoing remedies for patent infringement Claims/Costs, if the use of the product, material, or service or part(s) thereof shall be enjoined for any reason or if Contractor believes that such use may be enjoined, Contractor shall have the right, at its own expense and sole discretion to take action in the following order of precedence: (i) to procure

for the State the right to continue using such product, material, or service or part(s) thereof, as applicable, under the same terms and conditions as provided in the Contract; (ii) to modify the product, material, or service so that it becomes a non-infringing product, material, or service of at least equal quality and performance, in the State's sole opinion; (iii) to replace the product, material, or service or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, in the State's sole opinion; or (iv) if none of the foregoing is commercially reasonable, provide monetary compensation to the State.

f) Contractor agrees to indemnify and defend the State from all Claims/Costs relating to Contractor's or its subcontractors' fault or negligence, including, but not limited to, any claims relating to the failure of Contractor to provide services or fulfill obligations as specified in the Contract due to financial hardship or insolvency.

g) Contractor agrees to investigate, handle, respond to, provide defense for and defend any Claims/Costs at its sole expense and agrees to bear all other costs and expenses related thereto, even if the Claims/Costs are groundless, false or fraudulent.

h) The State may, in addition to other remedies available to the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers at Law or equity and upon notice to Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any Claims/Costs asserted by or against the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, for which Contractor owes indemnification and/or defense pursuant to this Section.

6 FORCE MAJEURE

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. Whether a delay or failure results from a force majeure is ultimately determined by the State based on a review of all facts and circumstances. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

7 CONTRACT CONTROVERSIES

Any claim or controversy arising out of the Contract shall be resolved by the provisions of La. R.S. 39:1672.2-1672.4.

8 FUND USE

Contractor agrees not to use Contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot, nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

9 ASSIGNMENT

Contractor shall not assign any interest in this Contract by assignment, transfer, novation, or otherwise without prior written consent of the OGB CEO or his/her delegee. This provision shall not be construed to prohibit Contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment, transfer, or novation shall be furnished promptly to the State Contract Supervisor and shall not be binding upon the State until actually received by the State.

10 RIGHT TO AUDIT

The State Legislative Auditor, federal auditors, internal auditors of the Division of Administration and its designated agents, the State, OGB, or others so designated by the State/OGB shall be entitled to audit all accounts, procedures, matters, and records of any Contractor or subcontractor under any negotiated Contract or subcontract directly pertaining to the Contract for a period of five (5) years after final payment under the Contract and for the subcontractor/vendor for a period of five (5) years from the date of final payment under the subcontract or such longer period as required by applicable state and federal Law. Records, including direct read access to databases and all tables, shall be made available during normal business hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems necessary, to review all accounts, procedures, matters, and records, and Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of the Contract, Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within thirty (30) days of notification of such finding issue a remittance to the State of any payments declared to be improper or beyond the scope of the Contract. In combination therewith, or alternatively, the State may offset the amounts deemed improper or beyond the scope of the Contract against Contractor's outstanding or subsequent invoices, if any.

10.1 RECORDS

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by Contractor or its subcontractors/vendors in connection with the performance of the services under the Contract, shall become records of the State and are referred to herein as "Records."

Contractor agrees to retain all Records in accordance with all Louisiana and federal laws and regulations. Further, Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), Attachment V, until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable Law and the

Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable law or as agreed upon by the parties in writing if allowed by applicable law. The Schedules in place as of the effective date of this Contract are contained in Attachment V, Records Retention Schedule, and may be amended from time to time as deemed necessary by the State. To further ensure compliance with the Schedules and Louisiana retention laws, Contractor agrees to abide by the processes outlined in Attachment VI, Imaging System Survey Compliance and Records Destruction. Contractor shall return the Records to the State, at Contractor's expense, within seven (7) days of request or in the specific instance of termination or expiration of the Contract, within sixty (60) days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable Law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. Additionally, all State data must be sanitized from Contractor's (and its vendors') system in compliance with the most current revision of NIST SP 800-66.

10.2 CONTRACTOR'S COOPERATION

Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, or other such requested support to the State when requested. This applies even if the Contract is terminated and/or litigation ensues. Specifically, Contractor shall not limit or impede OGB's right to audit, or withhold Records.

11 CONTRACT MODIFICATIONS

No amendment or variation of the terms of this Contract shall be valid unless made in writing, signed by the parties, and approved as required by applicable law. No oral understanding or agreement not incorporated in the Contract shall be binding on any of the parties.

12 CONFIDENTIALITY OF DATA

All financial, statistical, personal, technical, and other data and information relating to the State's operation or the Contract which are made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective security and procedural requirements as are applicable to OGB and the State. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information (other than protected health information) which is or becomes publicly available through no fault of Contractor or its subcontractors, vendors, agents, or employees, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Contract, or is rightfully obtained from third parties without breach of the Contract.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this Contract or any Plan Participant without prior express written approval of the OGB CEO or his/her designee.

12.1 SECURITY/DUTIES TO MONITOR AND REPORT SECURITY EVENTS

The Contractor and its subcontractors/vendors shall maintain safeguards and take commercially reasonable technical, physical, and organizational/administrative precautions to ensure that the State's data is protected from unauthorized access, use, and disclosure, in accordance with the State's current and published Information Security Policy found at <http://www.doa.la.gov/OTS/InformationSecurity/InformationSecurityPolicy-LA-v.1.0.pdf>.

The Contractor shall implement and maintain safeguards and monitoring plans to detect unauthorized access to or use of confidential information and any attempts to gain unauthorized access to confidential information. The Contractor and its subcontractors/vendors shall provide the Contract Supervisor with immediate notification (not more than forty-eight (48) hours) of the Contractor's awareness of any Security Event, as defined in the Information Security Policy ("Security Event"), involving confidential information under this Contract and also report such Security Event to Louisiana's Information Security Team at 1.844.692.8019 (open 24 hours a day, 7 days a week) as soon as feasibly possible, not to exceed 48 hours following discovery of the Security Event. The reference to Security Event herein may include, but not be limited to, the following: attempts at gaining unauthorized access to confidential information or the unauthorized use of a system for the processing or storage of confidential information, or the unauthorized use or disclosure, whether intentional or otherwise, of confidential information.

In the event of a Security Event, the Contractor shall consult and cooperate fully with the State regarding the necessary steps to address the factors giving rise to the Security Event and to address the consequences of such Security Event. Contractor shall also provide assistance performing a risk assessment of any Security Event that occurs, if requested by the State.

Nothing in this Contract shall be deemed to affect or limit any rights an individual participant may have under any applicable state or federal law concerning privacy rights or the unauthorized access, use, or disclosure of protected health information.

12.2 THIRD PARTY REQUESTS FOR RELEASE OF INFORMATION

Should third parties request the Contractor to submit confidential information to them pursuant to an audit or other request not initiated by the Contractor, public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the State immediately upon receipt of such request. Notice shall be forwarded via e-mail to the Chief Executive Officer of OGB. The Contractor shall cooperate with the State with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of the State, the information contains confidential information which should be protected against such disclosure. The reasonable legal fees and related expenses incurred by the Contractor or its subcontractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract.

Legal service fees of law firms engaged pursuant to this Section may not be "marked up" (i.e., invoiced cost-plus) by the Contractor.

13 SUBCONTRACTORS

The Contractor may enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations, with the express prior written approval of the OGB CEO or his/her delegee. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State for any breach or deficiency in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work. The Contractor shall require subcontractors/vendors who are performing any key internal control to undergo independent assurance project/program review.

14 COMPLIANCE WITH LAWS

The Contractor must comply with all applicable laws while providing services under this Contract. Specifically, Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor or its subcontractors, or failure to comply with these statutory obligations when applicable, shall be grounds for immediate termination of this Contract.

15 INSURANCE

Contractor's Insurance: The Contractor shall not commence work under the resulting Contract until it has obtained all insurance required herein, and Contractor shall maintain the required insurance for the duration of the Contract or as further indicated herein. The date of the inception of the policy must be no later than the first date of anticipated work under the Contract. Certificates of Insurance shall be filed with the State for approval. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the State before work is commenced.

Workers' Compensation Insurance: Before any work is commenced, Contractor must have in place and shall maintain during the life of the Contract, Workers' Compensation Insurance for all of Contractor's employees and other persons for whom Contractor is required to provide Workers' Compensation Insurance under applicable law. In case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. Workers' Compensation Insurance shall be in compliance with the Workers' Compensation law of the state of the Contractor's headquarters. Employer's Liability Insurance shall be included with a minimum limit of \$500,000 per accident/per disease/per person. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employer's Liability limit increased to a minimum of \$1,000,000 per accident/per disease/per

person. A.M. Best's insurance company rating requirement may be waived for workers' compensation coverage only.

Workers' Compensation Indemnity: In the event Contractor is not required to provide or elects not to provide workers' compensation coverage, the parties hereby agree that Contractor, its owners, agents, and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers' Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents, and employees. The parties further agree that Contractor is a wholly-independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, and indemnify the State of Louisiana, its departments, agencies, agents, and employees from any such assertion or claim that may arise from the performance of this Contract.

Commercial General Liability Insurance: Contractor shall maintain during the life of the Contract such Commercial General Liability Insurance, including but not limited to Personal and Advertising Injury Liability, which shall protect it, and the State, its officers, trustees, employees, servants, and/or agents, from losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities relating to personal injury, general negligence, violation of or failure to comply with any state or federal law, regulation, or other legal mandate, and damage to real or personal tangible property to the extent caused by Contractor, its employees, officers, agents, partners or subcontractors, and which may arise from operations or services under the Contract, whether such operations or services be by Contractor or by a subcontractor, or by anyone directly or indirectly employed or procured by either of them, or in such manner as to impose liability on the State, its officers, trustees, employees, servants, and/or agents. Such insurance shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. The amount of coverage shall be as follows: Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products, with policy limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and Umbrella Liability insurance, with policy limits of not less than \$5,000,000 per occurrence and \$10,000,000 in the aggregate.

The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

Cyber/Data Breach Liability Insurance: Contractor shall have in place before commencing work under the Contract and maintain during the life of the Contract and for the extended reporting period herein, cyber/data breach liability insurance, including first-party costs, for any data breach that compromises the State's confidential data with a minimum policy limit of \$5,000,000 or self-insurance limit of \$5,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under the Contract. Claims-made coverage is acceptable. Such insurance policy shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. If self-insured, evidence of such

acceptable to the State is required. Coverage shall be provided for the duration of the Contract and shall have an expiration date no earlier than thirty (30) days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than twenty-four (24) months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premiums.

Owned, Non-Owned and Hired Motor Vehicles/Automobile Liability Insurance: Contractor shall maintain during the life of the Contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. ISO form number CA 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Such insurance shall cover and include third-party bodily injury and property damage liability for any owned, non-owned, and hired motor vehicles engaged in operations within the terms of the Contract, unless such coverage is included in insurance elsewhere specified.

Subcontractor's Insurance: Contractor shall include all subcontractors performing work required by this Contract as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates of Insurance provided for any and all subcontractors, which are not protected under the Contractor's own insurance policies, of the same nature and in the same amounts as required of Contractor. Subcontractors shall be subject to all of the requirements stated herein. The State reserves the right to request copies of subcontractor's Certificates of Insurance at any time.

Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and accepted by the State. The Contractor shall be responsible for all deductibles and self-insured retentions.

Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages
 - a. The State, OGB, its officers, agents, employees, and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Form CG 20 10 (or current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the State.
 - b. The Contractor's insurance shall be primary as respects the State, OGB, its officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by the State/OGB shall be excess and non-contributory of the Contractor's insurance.
 - c. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.
 - d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.
2. Workers' Compensation and Employer's Liability Coverage

The insurer shall agree to waive all rights of subrogation against the State/OGB, its officers, agents, employees, and volunteers for losses arising from work performed by the Contractor for the State/OGB under the Contract.

3. All Coverages

- a. Coverage shall not be cancelled, suspended, or voided by either the Contractor or the insurer or reduced in coverage or in limits, except after 30 days' written notice has been given to the OGB/State. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. Any such cancellation or reduction of coverage, if not approved in advance by the State, may result in termination of the Contract.
- b. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the OGB/State for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.

Acceptability of Insurers: All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction(s) in which the Contract or Project is performed. Insurance shall be placed with insurers with a A.M. Best's rating of A:VI or higher. This rating requirement may be waived for worker's compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the Contract.

Verification of Coverage: Contractor shall furnish the OGB/State with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the OGB/State before work commences and upon any Contract renewal thereafter.

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The OGB/State reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver, or maintain such insurance as above provided, the Contract, at the election of the OGB/State, may be suspended, discontinued, or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the Contract.

16 APPLICABLE LAW

This Contract shall be governed by and enforced in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code, as applicable) (collectively referred to as the “Law”). After exhaustion of any available administrative remedies, the exclusive venue of any action brought with regard to this Contract shall be in the Nineteenth (19th) Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

17 CODE OF ETHICS

Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101, *et. seq.*, Code of Governmental Ethics) applies to the contracting parties in the performance of services called for in this Contract. Contractor agrees to immediately notify the OGB’s CEO if violations or potential violations of the Code of Governmental Ethics by or through Contractor or its subcontractors/vendors under this Contract arise at any time during the term of this Contract.

18 SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end, the terms and conditions of this Contract are declared severable.

19 INDEPENDENT ASSURANCES

Contractor shall submit, and cause its subcontractors who perform key internal controls to submit, to certain independent audits to ascertain that processes and controls related to the contracted service are operating properly. Independent assurances may be in the form of a Service Organization Control (“SOC”) 1, Type II and/or SOC 2, Type II report resulting from an independent annual SSAE 18 engagement of the operations. The SSAE 18 engagement will be performed at least annually by an audit firm that will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures. The audit firm that will conduct the SSAE 18 engagement will submit a final report on controls placed in operation for the project and include a detailed description of the audit firm’s tests of the operating effectiveness of controls. The Contractor shall supply the State with an exact copy of the SOC report resulting from the SSAE 18 engagement within the specified timeframe.

As an alternative to a SSAE 18 engagement and resulting SOC 1, Type II and/or SOC 2, Type II report, if approved by OGB on or before January 15th of each calendar year, Contractor may provide a quality control plan [such as third party Quality Assurance (QA), an Independent Verification and Validation (IV & V)], or any other independent Contractor project or performance review or independent internal audit report.

The cost of such independent assurances will be borne solely by Contractor. Such independent assurances shall be performed at least annually during the term of the Contract. Contractor may review any audit report before delivery to the State and include with the report a supplementary statement containing facts that Contractor considers pertinent to the audit or

engagement. Contractor shall implement recommendations as suggested by the program review, audit, and/or SSAE 18 engagement within three (3) months of report issuance and at no cost to the State.

20 NOTICE

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier or hand delivery to the State/OGB; or, (ii) registered or certified mail return receipt requested, and addressed as follows:

To Humana Health Benefit Plan of Louisiana: Steven E. McCulley
Senior VP, Medicare Administration
Humana Health Benefit Plan of Louisiana
One Galleria Boulevard
Metairie, LA 70001

To OGB: Mr. Tommy Teague, CEO
Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Mr. Tommy Teague, CEO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802

The U.S. Postal Service does not make deliveries to OGB's physical location.

At any time, either party may change its addressee and/or address for notification purposes by mailing a notice stating the change and setting forth the new address.

21 HEADINGS

Descriptive headings in this Contract are for convenience only and shall not affect the construction or meaning of Contractual language.

22 CLAIMS LIABILITY AND REIMBURSEMENT

Contractor assumes full liability for funding all payments made for Plan claims on or after the effective date of this Contract, including payments remitted by Contractor to CMS in response to demand letters for the recovery of Medicare payments to Plan Participants. OGB shall not be responsible under any circumstances for ensuring Contractor's compliance with federal or state laws which may apply to the establishment and/or maintenance of those funds or Plans, or for advising Contractor of any such federal or state laws.

23 EMPLOYER GROUP WAIVER PLAN CONTRACT CLAUSES

- a. If OGB (or the participating employer) subsidizes all or part of a Plan Participant's premium, then OGB agrees that:
 - (1) OGB will only subsidize different amounts for different classes of Plan Participants if such classes are reasonable and based on objective business criteria, such as years of service, date of retirement, business location, job category, and nature of compensation (e.g., salaried vs. hourly).
 - (2) The premium for each individual within a given Plan Participant class will not vary.
 - (3) The allocation for Part D premium charged to a Plan Participant will not be greater than the sum of his or her monthly beneficiary premium attributable to basic prescription drug coverage and 100% of the monthly beneficiary premium attributable to his or her non-Medicare Part D benefits (if any).
- b. If a low income premium subsidy is allocated to a Plan Participant, then OGB and Contractor agree:
 - (1) If the low income premium subsidy amount is less than the portion of the Part D premium paid by the Part D Plan Participant, Contractor will use its best efforts to advise the Plan Participant of the consequences of enrolling in the OGB's plan compared to enrolling in another plan where the monthly premium is equal to or below the low income premium subsidy amount.
 - (2) The low income premium subsidy will be used to reduce the Plan Participant's premium by offsetting the amount of the low income premium subsidy from the Plan Participant's monthly premium. Contractor agrees to administer any low income premium subsidy offsets that may be owed to Plan Participants. OGB agrees to provide Contractor with any information that Contractor may need to process low income premium subsidy offsets for Plan Participants.
 - (3) To allocate low income premium subsidies within 45 days of receiving such payments from CMS.
- c. In the event OGB determines that a Plan Participant is no longer eligible for the Plan, or if the Contract is involuntarily terminated, Contractor agrees to the following:
 - (1) Contractor will provide a Plan Participant with at least 21 days of advance notice prior to the effective date of the disenrollment or the termination of the Contract. The notice shall contain information on the following:
 - (i) Other plan options offered by OGB for the Plan Participant and how to request enrollment,
 - (ii) Options on how to select individual plans from Contractor or a different organization,
 - (iii) That failure to make a new election will result in a disenrollment action, which will result in the Plan Participant being automatically enrolled in

Original Medicare without drug coverage, and that the Plan Participant may be subject to a late enrollment penalty.

24 ENTIRE AGREEMENT

This Contract, together with the RFP and addenda issued thereto by the State, the Proposal submitted by the Contractor in response to the applicable RFP, and any exhibits incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter hereof.

25 ORDER OF PRECEDENCE

In the event of any inconsistent or incompatible provisions, this signed Contract (excluding the RFP and the Contractor's Proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's Proposal.

26 BUSINESS ASSOCIATE ADDENDUM

A Business Associate Addendum, Attachment IV, shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") and personally-identifiable information ("PII") in compliance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, as amended from time to time.

OGB is a "Covered Entity" under HIPAA/HITECH. For the purposes of this Contract, Contractor is deemed to be a "Business Associate" of OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register, published on December 28, 2000, and the parties have executed a Business Associate Addendum attached to this Contract as Attachment IV, and made a part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and applicable law, the parties will execute such agreements in a timely manner. Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA, throughout the term of the Contract. Any fines or penalties imposed on any party related to Contractor's or its subcontractors' non-compliance will be the sole responsibility of Contractor. Contractor shall require its subcontractors' and any other vendors' processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA. Further, Contractor agrees that its organization, and that it requires that its subcontractors/vendors, will comply with all HIPAA regulations throughout the term of the Contract with respect to any issue related to the OGB Contract, plans, or Plan Participants involving PHI and PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI and PII, including but not limited to claims processing, customer service, and any other services as

provided by applicable law, shall not be sourced outside of the territorial and jurisdictional limits of the fifty (50) United States of America.

27 CONTRACTOR ELIGIBILITY

At the time of execution of this Contract, Contractor, and each tier of subcontractors/vendors, certifies that it is not on the List of Parties Excluded from Federal Procurement or Non-procurement Programs promulgated in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension" as set forth in 24 CFR Part 24. Contractor has a continuing obligation to disclose any suspensions, debarment, or investigations by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future contracting opportunities.

28 CONTINUING OBLIGATIONS

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI/PII, reporting, indemnity, insurance, records retention, and performance guarantees, shall survive such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

29 TRANSITION OF SERVICES AND DATA

Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to participants. During any such transition, Contractor will provide all of the same Records and data in the same format as provided during the term of the Contract, to OGB/State or its designee. Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve Contractor of these obligations.

30 PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL

In accordance with Executive Order Number JBE 2018-15, effective May 22, 2018, for any contract for \$100,000 or more and for any contractor with five or more employees, Contractor, or any Subcontractor, shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this contract, refrain from a boycott of Israel.

The State reserves the right to terminate this contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of the contract.

(Signature page follows)

THUS DONE AND SIGNED on the date(s) noted below:

**STATE OF LOUISIANA,
OFFICE OF GROUP BENEFITS**

**HUMANA HEALTH BENEFIT
PLAN OF LOUISIANA**

BY: _____

BY: _____

NAME: Tommy Teague

NAME: _____

TITLE: Chief Executive Officer

TITLE: _____

DATE: _____

DATE: _____

DRAFT

ATTACHMENT I: SCOPE OF WORK/SERVICES

Overview

Contractor shall provide fully-insured Medicare Advantage HMO Plan coverage in all OGB regions for Medicare eligible OGB retirees and their eligible dependents.

1.1 Task and Services

The Contractor must possess the knowledge, capability, and resourcefulness to effectively provide one or more fully-insured Medicare Advantage Plan(s) in accordance with all federal, state, and any other applicable laws, regulations, policies, OGB requirements, etc. The Contractor shall provide competent and qualified staff to work on the scope of services under the Contract. The plan of benefits and the eligibility and continued coverage requirements for the Medicare Advantage HMO plan shall be identical to the OGB's HMO Plan Design, Attachment III.

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under the resulting Contract. OGB reserves the right to modify or delete the tasks and services listed and, if appropriate, add additional tasks and services prior to and during the term of the Contract, subject to the approval of the OGB CEO, Office of State Procurement, and any other approval required by law.

At a summary level, these tasks include:

1. Implementation
2. General Support Services
3. Fully-Insured Medicare Advantage HMO Plan Services

The Contractor shall perform the following tasks and services:

Task (1): Implementation

- Assign a dedicated implementation team to manage the implementation process.
- Facilitate system programming including, but not limited to, data collection from OGB, file transfer set-up between OGB and Contractor, and data transfer of mapping. If Contractor requires file mapping and/or subsequent updates, these services will be provided by Contractor at no additional cost to OGB. **Files must be sent electronically to the OTS MOVEit DMZ Secure FTP server utilizing a security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (PKI) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of "pgp". The encryption key must have an expiration of no longer than 5 years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**
- Upon OGB request, the selected contractor(s) will be required to work with one another, the appointed OGB actuary, employees from the Division of Administration, and the Office of Group Benefits for management of the program.
- Conduct project status implementation meetings with the Contract Supervisor.

- Perform comprehensive systems testing and quality assurance audits, with results reported to OGB prior to the “Go-Live” date, at no additional cost.
- Ensure successful and timely completion of all tasks necessary to begin performance of the contract on January 1, 2019, 12:00 am CST.

Task (2): General Support Services

- Contractor shall designate one key person, the Account Executive, and shall designate at least one back-up staff member as the contacts to OGB for all daily operational questions.
- Provide knowledgeable staff to attend annual/special enrollment meetings within the regions for which Contractor is authorized to provide coverage and any other informational meetings as requested by OGB. There are approximately 36 meetings per year.
- Meet with OGB staff onsite, or via teleconference, on at least a quarterly basis to review and evaluate program administration.
- Maintain identical eligibility requirements and continued coverage provisions as the OGB, as OGB may amend from time to time. OGB will determine eligibility of Plan Participants and manage benefit enrollment information using its online system. All enrollment documents, changes, and/or terminations will be processed by OGB, including data entry into the billing and eligibility system, and transferred to Contractor daily in the form of an electronic eligibility data file. The Contractor must accept, efficiently process, and report any errors or omissions back to OGB in a timely manner.
- Notify the applicable state authority (i.e., state treasurer, etc.) and escheat any unclaimed property upon the expiration of the statutory time period for escheatment.

Task (3): Fully-Insured Medicare Advantage HMO Plan Services

- Provide a Health Maintenance Organization (HMO) Physician and Hospital Provider Network to OGB Plan Participants, including but not limited to inpatient and outpatient hospital services (including hospital based ancillary services), ambulatory surgical services (including ASC based ancillary services), physician services, mental/behavioral health, substance abuse services, prescription drugs, utilization management and medical management, and disease management (including but not limited to the five chronic diseases of focus to OGB: Asthma, Diabetes, Coronary Artery Disease, Chronic Obstructive Pulmonary Disease and Chronic Heart Failure).
- Provide at least 45 days advance written notification to OGB and its participants of any change in provider networks that will effect a 1% or greater change in the number of providers in the network or a disruption that would impact 3% or greater of participants.
- Provide a network of primary, specialty, and ancillary care providers within sixty (60) miles of a participant’s address.
- Process premium refunds to Low Income Subsidy (LIS) members enrolled in Medicare Advantage Part D plans on behalf of OGB.
- Responsible for reconciling Part D claims payments, subsidies, and rebates on an annual basis.
- Provide 21-day disenrollment notices to Plan Participants as required by CMS.

- Consult with OGB with regard to benefits provided under the Plan. No changes to said plan design shall be made during the term of the resulting Contract without the written consent of OGB.
- Accept enrollment information daily from OGB in electronic format and enroll Plan Participants, including COBRA beneficiaries, to receive benefits in accordance with OGB requirements and plan provisions.
- Staff and maintain a dedicated toll-free customer service unit and phone line to assist plan participants with questions on claims, benefits, and networks in compliance with PPACA Section 1557 and any other applicable laws. Furnish a toll-free telephone number for incoming customer service calls, including telephone technology for the hearing impaired and multi-lingual support. The customer service unit must be available for annual and any special enrollment periods.
- Provide knowledgeable staff to attend state-wide annual and special enrollment meetings within the parishes for which the Contractor is authorized to provide coverage and informational meetings as scheduled by OGB.
- Design, update, print, and/or mail all plan participant communication materials (i.e., provider directories, summary plan documents, Plan Participant education materials, etc.), advertisements and marketing materials. All such materials will be subject to OGB's approval prior to distribution and shall be in compliance with all applicable laws, including but not limited to PPACA Section 1557. The cost of preparation and distribution of any and all Plan Participant communications or promotional materials must be included in the quoted premium.
- Facilitate management of the health care services afforded OGB's Plan Participants under the plan, including but not limited to authorization services, discharge planning, verification of provided services, utilization management, and quality assurance.
- Maintain website for Plan Participant access to their claims information, benefits, order replacement ID cards, provider directories, self-care information, and other program information necessary to manage their health care needs, in compliance with all applicable laws, including but not limited to PPACA Section 1557.
- Provide 24/7 access to online portal for Plan Participants and plan sponsor for activities such as claim submission, account monitoring, reporting, communications requested and approved by OGB, etc., in compliance with PPACA Section 1557 and any other applicable laws. This portal must include adequate encryption to guarantee protection of the Plan Participant's privacy and confidential data (e.g., PHI, personal data, and banking information, as applicable). All outages in excess of one (1) hour must be reported to the OGB Contract Supervisor.
- Maintain a service disruption plan or procedure to continue customer service, portal access, and other business operations when existing service is temporarily unavailable because of scheduled or unforeseen events.
- Medical Claims Administration to include, but not limited to, the following, in compliance with all applicable laws: process claims and remit timely payment to providers; furnish to any claimant notices of payment, explanation of benefits, and/or denials for claims; provide review of plan participants' appeals and grievances; maintain medical and carved out

pharmacy claims for integrated Medical/Rx out-of-pocket maximum accumulation; adjudicate and process all claims with service dates prior to termination date.

- Submit standardized reports and/or data to OGB for the purpose of evaluating Plan Participant demographics and utilization, financial experience, and other aspects of the Contractor's performance. Format and layout must be approved by OGB.
- Prepare and distribute, at a minimum, the following required membership materials to each new Plan Participant within thirty (30) days of receipt of confirmation from OGB as to the validity of the enrollment application:

1. A member handbook, which includes information on all covered services, including, but not limited to: benefits, limitations, exclusions, copayments, coinsurances and deductibles, policies and procedures for utilizing clinical and administrative services, conditions under which an individual's membership may be terminated, procedures for registering complaints or filing grievances against the Contractor or any providers participating in a contractual agreement with the Contractor.

2. Directions to access an online directory of providers, which includes all physicians, hospitals and specialty facilities. Hard copies of provider directories and certificates of coverage must be available upon request.

3. One identification card to each Plan Participant for individual coverage or two cards for all other classes of coverage. Additional cards for family members or replacement cards shall be provided upon request and at no additional charge to OGB or the Plan Participant.

4. Summary of Benefits and Coverage and Uniform Glossary, as required by the federal Patient Protection Affordable Care Act (PPACA) and/or applicable state law and/or rules and regulations promulgated pursuant thereto, and including PPACA Section 1557. Provide printed SBC documents to OGB for distribution to eligible but not enrolled employees/retirees.

5. The following notices and any other notices required by applicable laws:

- Women's Health and Cancer Rights Act Notices. Contractor will provide a notice to Primary Plan Participant(s) under the Women's Health and Cancer Rights Act of 1998.
- HIPAA Authorized Delegate Form. Contractor will provide a HIPAA Authorized Delegate Form to Primary Plan Participant(s).
- HIPAA Privacy Notice. Contractor will provide each Primary Plan Participant(s) with Contractor(s) HIPAA privacy notice, in the event that Primary Plan Participant(s) need to contact Contractor's Privacy Department. OGB will prepare and Contractor will provide OGB's HIPAA privacy notice to Primary Plan Participant(s).
- Balance Billing Disclosure Notice. Contractor will provide a Balance Billing Disclosure Notice to Primary Plan Participant(s).

- Provide a Wellness Program that includes, at a minimum, the following components:

- 24/7 online program for plan participants and OGB
- Preventive care tracking
- Biometric data collection – onsite and PCP
- Health coaching capabilities

1.2 Deliverables

The deliverables listed in this section are the minimum required from the Contractor.

Within fifteen (15) business days after the first of each month, Contractor shall submit reports which demonstrate Plan Participant demographics and utilization, financial experience, and other aspects of the Contractor’s performance identified by OGB to include, but not limited to, the following:

- **Financial Experience:** Premium Income and Claims Utilization Experience.
- **Average Speed to Answer:** Average lag time to answer by live voice percentage of plan participants who wait over 60 seconds to speak with a live customer service representative.
- **Abandon Call Rate:** Percentage of calls where the caller hangs up before speaking to a live voice.
- **Inquiry Timeliness:** Percentage of inquiries answered within 7 business days.
- **Claims Financial Accuracy:** Percentage of claims paid correctly – dollar amount only.
- **Claims Accuracy:** Percentage of claims paid correctly the first time.
- **Claims Process Time:** Percentage of electronic and non-electronic claims paid within 30 days of receipt.
- **Eligibility Posting Timeliness:** Percentage of membership files updated within 2 business days of the receipt of the OGB enrollment file.
- **ID Card Timeliness:** Percentage of new plan participants who have ID cards issued prior to their effective date of coverage.
- **PCP Turnover Rate:** Percentage of PCPs leaving the network voluntarily or involuntarily during the month.
- **Open PCP/Participant Ratio:** Ratio of open PCPs accepting new plan participants to actual plan participants.
- Submit annual Service Organization Control (SOC1), Type II report resulting from SSAE 18 engagement no later than September 30 of each Contract year and/or other independent assurances approved by OGB by January 15 preceding the report deadline.
- Submit quarterly report that captures operational performance guarantees on a client-specific basis and report OGB’s data within forty-five (45) calendar days after close of each quarter. All performance guarantees will be reconciled annually and any penalties owed to OGB shall be paid within ninety (90) days after the end of each calendar year.

- Provide client-specific ad hoc reports within thirty (30) days of OGB request that will include data related to Contractor’s operating performance and health outcomes of OGB’s Plan Participants.
- Within fifteen (15) business days after the first of each month, Contractor shall provide to OGB a report that shows by month, premiums paid, incurred claims, paid claims, and Plan Participants enrolled.
- One hundred and twenty days (120) prior to January 1, 2020, and January 1, 2021, respectively, for the initial Contract period and 120 days prior to January 1, 2022, and January 1, 2023, respectively, for any renewal option period, the Contractor shall provide OGB with a renewal report that shows how the indicated rate adjustment for the renewal year was calculated. The renewal report shall include, at a minimum, the base period incurred claims on which the renewal projection is based, the annual trend factors used to project claims costs, the administrative fees included in the renewal calculation, adjustments due to credibility, premiums at current rates, and the indicated rate adjustment.

1.3 Performance Guarantees

The following performance guarantees are the minimum acceptable standards for the Contract. These metrics shall be reported to OGB quarterly and reconciled on an annual basis unless another time period is agreed to between OGB and Contractor.

Service Level	Fees at Risk Per Calendar Year
<u>Independent Assurance Reporting:</u> Submit annual Service Organization Control (SOC 1), Type II report resulting from SSAE 18 engagement no later than September 30 of each Contract year and/or other independent assurances approved by OGB by January 15 preceding the report deadline.	\$1,000 per day
<u>Annual Enrollment Meetings:</u> 100% attendance of state-wide annual and any special enrollment meetings within the regions for which the Contractor is authorized to provide coverage.	\$1,000 per annual or special enrollment meeting missed
<u>Average Speed to Answer:</u> Sixty (60) seconds or less. The Average Speed to Answer means the average speed for answering of the customer service telephone line by a “live” representative each plan quarter.	6.25%
<u>Abandon Call Rate:</u> 5.0% or less of all incoming calls received will be abandoned. Abandon Call Rate means the number of incoming telephone calls received by the customer service telephone line which are abandoned by the caller after a selection is made either to the Interactive Voice Response Unit or Call Representative divided by the total number of incoming	6.25%

Service Level	Fees at Risk Per Calendar Year
calls received by the customer service telephone line during such plan quarter.	
<u>Eligibility Posting Timeliness:</u> 98% of electronically transmitted eligibility updates shall be posted to the Contractor's system within two (2) business days of receipt.	6.25%
<u>Required Membership Materials:</u> Required membership materials shall be distributed by Contractor to each new Plan Participant within thirty (30) days of receipt of confirmation from OGB as to the validity of the enrollment application.	6.25%

DRAFT

ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE

All pricing is fully burdened and inclusive of travel and all Contract-related expenses. Commissions or finder’s fees are not payable under this Contract.

Administrative Fee

Monthly Administrative Fee Per Primary Plan Participant Per Month
\$16.67 Calendar Year 1 of Contract Term
\$12.50 Each Subsequent Calendar Year of Contract Term

Regional Premium

The Contractor will submit proposed rates for each subsequent twelve (12)-month period of the Contract no later than August 31st of the preceding year, beginning on August 31, 2019. **Premium rates proposed for each twelve (12)-month period must be approved by the Centers for Medicare and Medicaid Services (CMS). Additionally, for each twelve (12)-month period, the Contractor must document, through a written certification from its actuary, that the proposed rates for each twelve (12)-month period are calculated on the basis of sound actuarial principles, reasonable in relation to the benefits provided and the population anticipated to be covered, and are neither excessive nor deficient.**

Parishes Included in OGB Region 1	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$75.00

Parishes Included in OGB Region 2	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$150.00

Parishes Included in OGB Region 3	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$115.00

Parishes Included in OGB Region 4	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$150.00

Parishes Included in OGB Region 5	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$130.00

Parishes Included in OGB Region 6	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$175.00

Parishes Included in OGB Region 7	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$225.00

Parishes Included in OGB Region 8	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$205.00

Parishes Included in OGB Region 9	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$220.00

ATTACHMENT III: HMO PLAN DESIGN

Office visit copay	
PCP	\$5 copay
SCP	\$20 copay
Preventive care	
Routine physical exam Well Woman Care Immunizations	100%
Inpatient hospital	
Semi-private room, ancillary services and physician visits	100% after \$50 copay per day for first ten days
Pre-admission testing	100%
Outpatient hospital care	100%
Emergency room	100% after \$50 copay
Ambulatory surgical care center	100%
Physical therapy, respiratory, occupational or speech	100%
Home health care	100% per date of service
Durable Medical Equipment	100% after 5% coinsurance
Skilled nursing	100% for days 1-20 100% after \$25 copay per day (days 21-100)
Ambulance	100% after \$50 copay
Hospice Care	100%
Immediate Care	100% after \$10 copay
Mental Health	
Inpatient	100% after \$25 copay per day for first five days
Outpatient	100% after \$10 copay
Partial hospitalization	100% after \$20 copay per day
Alcohol/Substance Abuse	
Inpatient	100% after \$25 copay per day for first five days
Outpatient	100% after \$20 copay
Prescription Drug	
Retail (30 days)	
Level One	\$ 5 (low cost generic)
Level Two	\$10 (higher cost generic)
Level Three	\$25 (low cost brand)
Level Four	\$50 (higher cost brand)
Level Five	20% (specialty)
Mail Order (90 days)	
Level One	\$0
Level Two	\$0
Level Three	\$50
Level Four	\$100
Level Five	20%

ATTACHMENT IV: BUSINESS ASSOCIATE ADDENDUM

State of Louisiana
Office of Group Benefits
HIPAA Business Associate Addendum

THIS HIPAA BUSINESS ASSOCIATE ADDENDUM (the “Addendum”) is entered into effective the _____ day of _____, 2018 (the “Effective Date”), by and between Humana Health Benefit Plan of Louisiana (“Business Associate”) and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the “Covered Entity”), and adds to the Agreement or Contract dated _____, 20____, entered into between Covered Entity and Business Associate (the “Agreement”).

WHEREAS, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information and personally-identifiable information that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity (“PHI”); and

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services (“HHS”), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act (“HITECH”) (collectively “HIPAA”).

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. Definitions. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.
2. Compliance with Applicable Law. The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.
3. Uses and Disclosures of PHI. Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:
 - (a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
 - (b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the

person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

- (c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.
- (d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.
- (e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. Required Safeguards To Protect PHI. Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (“ePHI”) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. Reporting to Covered Entity. Business Associate shall immediately report to Covered Entity any use or disclosure of PHI not provided for by this Addendum, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any security incident of which it becomes aware. Business Associate shall cooperate with Covered Entity’s investigation, analysis, notification and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities.

6. Mitigation of Harmful Effects. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

7. Agreements with Third Parties. Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate

must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

8. Access to Information. Within ten (10) days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five (5) days forward such request to Covered Entity.

9. Availability of PHI for Amendment. Within ten (10) days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

10. Documentation of Disclosures. Business Associate agrees to document 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 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

11. Accounting of Disclosures. Within ten (10) days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five (5) days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

12. Other Obligations. To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation.

13. Availability of Books and Records. Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to

the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for five years following the final payment under the Agreement.

14. Effect of Termination of Agreement. Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within sixty (60) days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

15. Breach of Contract by Business Associate. In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

16. Indemnification. Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section 16 of the Addendum shall survive the termination of the Agreement or this Addendum.

17. Exclusion from Limitation of Liability. To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section 17 of the Addendum shall survive the termination of the Agreement and this Addendum.

18. Injunctive Relief. Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

19. Third Party Rights. The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

20. Owner of PHI. Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

21. Changes in the Law. Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.

22. Judicial and Administrative Proceedings. In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments. Covered Entity shall have the right to control Business Associate's response to such request.

23. Conflicts. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

IN WITNESS WHEREOF, the parties have executed this Addendum effective the day and year first above written.

**STATE OF LOUISIANA
OFFICE OF GROUP BENEFITS**

**HUMANA HEALTH BENEFIT
PLAN OF LOUISIANA**

By: _____
Signature

By: _____
Signature

Tommy Teague
Printed Name

Printed Name

Title: Chief Executive Officer

Title: _____

Date: _____

Date: _____

ATTACHMENT V: RECORDS RETENTION SCHEDULE

Records Retention Schedule

Louisiana Secretary of State, Division of Archives, Records Management and History
 Post Office Box 94125, Baton Rouge, LA 70804

http://www.sos.la.gov

SS ARC 932 (3/12)

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ADDENDUM PAGE

Remarks

Item Number	Records Series Title	Retention Period		Security	Archival	State Records Center	Vital	Agency Abbreviations
		In Office	In Storage					
1	Unit Audit Reports (Information Accuracy Checks)	ACT + 1 CY		M	S	N	I	
2	Health Insurance Portability and Accountability Act Privacy and Security Policies and Procedures	ACT + 6 CY		M	S	N	I	ACT = until end of CY in which administrative need ends ACT = until end of CY in which revised or superseded and agency ceases to operate
3	Notice of Privacy Practices	ACT + 6 CY		M	S	N	V	ACT = until the end of the CY created or received
4	HIPAA Compliance Documentation	ACT + 6 CY		M	S	N	V	ACT = until the end of the CY created or received

Permitted Retention Period Abbreviations
 ACT - Active Period (when used define term in remarks column)
 FY - Fiscal Year (July 1 - June 30)
 CY - Calendar Year (Jan 1 - Dec 31)
 AY - Academic Year (Aug 1 - July 31)
 FFY - Federal Fiscal Year (Oct 1 - Sept 30)
 MO - Months WK - Week DY - Day(s)
 PERM - Permanent

Security Status Codes
 P - Public Record
 M - May Contain Confidential Information
 C - Confidential Information

State Records Center Use
 Y - Yes
 N - No

Vital Record Identification Code
 V - Vital
 I - Important
 U - Useful

Agency Abbreviations

Agency Approval

Date Signed

Secretary of State, State Archives & Records Services

Date Approved

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Agency Abbreviations
		In Office	In Storage	Total Retention					
1	Internal Audit records (audited documents, reports, work papers, legislative audit reports)	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the CY in which report issued/project closed
2	Board and Committee Minutes	PERM		PERM	M	R	N	V	
3	Strategic Plan	ACT + 5 CY		ACT + 5 CY	P	S	N	I	ACT = until the end of the CY in which agency ceases to operate
4	Legal Files	ACT + 1 CY	9 CY	ACT + 10 CY	M	S	Y	V	ACT = until end of CY in which file is closed out
5	Board Election Materials	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until end of CY in which election results are certified
6	Publications	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to exist
7	Records Management Files (Retention Schedules, Disposal Requests, Transmittals)	ACT + 10 CY		ACT + 10 CY	M	S	N	V	ACT = until end of CY in which agency ceases to exist

Permitted Retention Period Abbreviations:
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Security Status Codes:
 P - Public Record
 M - May Contain Confidential Information
 C - Confidential Information
 Archival Processing Codes:
 A - Transfer to State Archives
 R - Retain in Agency Archives
 S - Review by State Archives
 O - Other (Specify in Remarks)

State Records Center Use:
 Y - Yes
 N - No
 Vital Record Identification Code:
 V - Vital
 I - Important
 U - Useful

Agency Approval: *[Signature]*
 Date Signed: 12-30-14

Secretary of State, State Archives & Records Services: *[Signature]*
 Date Approved: 1/7/15

Records Retention Schedule

Item Number	Records Series Title	Retention Period		Security	Archival	State Records Center	Vital	Agency Abbreviations
		In Office	In Storage					
1	Special order forms, Personnel Action Requests, Travel Requests/Expense reports, requisitions and related correspondence/memos.	ACT + 2 CY	1 CY	M	S	Y	I	ACT = until end of the CY in which created or received.
2	General Correspondence (not related to other record series)	ACT + 2 CY	1 CY	M	S	Y	I	ACT = until end of the CY in which created or received.
3	Supervisor Files	ACT + 1 CY	1 CY	M	S	Y	I	ACT = until end of CY in which supervisor ends
4	Visitor sign-in/Sign - Out Sheets	ACT + 2 CY	3CY	M	S	Y	U	ACT = until end of CY in which created or received.
5	Time and Attendance Reports/Vendor Reports, PES, PPR, Leave requests, Overtime documentation and related correspondence/memos	ACT + 2 CY	3 CY	M	S	Y	V	ACT = until end of CY in which created or received.
6	Mail, Fax, Postage & Tracked Logs	ACT + 1 CY	2 CY	M	S	Y	I	ACT = until end of CY created or received.
7	Budget records	ACT + 5 CY		P	S	N	I	ACT = until the end of the CY created or received.
8	Contracts and agreements (including contract approval backup material)	ACT + 3 CY	7 CY	M	S	N	V	ACT = until end of CY in which contract or agreement expires or terminates.
9	Notice of Intent to Contract (NIC), Request for Proposals and Reports	ACT + 3 CY		M	S	N	V	ACT = until end of CY in which contract is awarded.

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 C - Confidential Information
 Archival Processing Codes
 A - Transfer to State Archives
 R - Retain in Agency Archives
 S - Review by State Archives
 O - Other (Specify in Remarks)

State Records Center Use
 Y - Yes
 N - No
 Vital Record Identification Code
 V = Vital
 I = Important
 U = Useful

Agency Abbreviations
 PES = Personnel Evaluation System
 PPR = Personnel Performance Rating

Agency Approval

[Signature]
 Date Signed: 12-18-14

[Signature]
 Secretary of State, State Archives & Records Services

Date Approved: 12/18/14

Records Retention Schedule

Http://www.sos.la.gov

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 RENEWAL

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Remarks

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Automatic Call Distribution Reports/Performance Indicator Reports	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to operate.
2	Filing Deadline Mail Records	ACT + 3 CY		ACT + 3 CY	M	S	N	V	ACT = until end of CY in which created or received.
3	Live and Event Claim records	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
4	Field and Audit Reports	ACT + 1 CY	4 CY	ACT + 5 CY	M	S	Y	I	ACT = until end of CY report is issued.

Agency Approval: 

Date Signed: 12/18/14

Secretary of State, State Archives & Records Services: 

Date Approved: 12/18/14

Records Retention Schedule

SS ARC 932 (01/12)

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Health Claims (including supplemental claims)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
2	Explanation of Benefits (EOBs)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
3	Medical Records	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
4	Pre-determinations	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
5	Case Management	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
6	Medical Necessities	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
7	Paid-In Vouchers	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
8	Flexible Benefit Forms	ACT + 5 CY		ACT + 5 CY	C	S	N	V	ACT = until end of CY in which suspended, cancelled or revoked.
9	Flexible Benefit Master File	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.

Permitted Retention Period Abbreviations:
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Security Status Codes
 P - Public Record
 M - May Contain Confidential Information
 C - Confidential Information
 Archival Processing Codes
 A - Transfer to State Archives
 R - Retain in Agency Archives
 S - Review by State Archives
 O - Other (Specify in Remarks)

State Records Center Use
 Y - Yes
 N - No
 Vital Record Identification Code
 V = Vital
 I = Important
 U = Useful

Agency Approval: *[Signature]* Date Signed: 01-18-14 Secretary of State, State Archives & Records Services Date Approved: 12/18/14

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 REPLACEMENT PAGE
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 Remarks

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Agency Abbreviations
		In Office	In Storage	Total Retention					
1	Eligibility Records for Life and Health Insurance	ACT + 3 CY	PERM	PERM	M	R	N	V	ACT = until end of CY created or received. Microfilm after 3 years.
2	Life Insurance Beneficiary Forms (OGB and Outside agencies held by OGB)	PERM	PERM	PERM	C	R	N	V	
3	Hospital Audits, Statistical Reports and Work papers	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to operate.
4	Fraud and Abuse Case files and logs	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
5	Health Claim Audits and work papers (including over \$500 plan member check audits)	ACT + 5 CY		ACT + 5 CY	C	S	N	I	ACT = until end of CY in which audit is completed.
6	Special Reports (Outlier, Check Cycle)	ACT + 5 CY		ACT + 5 CY	M	S	N	I	ACT = until end of CY in which report is run.
7	Reviews (Medical and Chiropractic)	ACT + 10 CY		ACT + 10 CY	C	S	N	I	ACT = until end of CY in which agency ceases to exist.

Permitted Retention Period Abbreviations
 ACT - Active Period (when used define term in remarks column)
 FY - Fiscal Year (July 1 - June 30)
 CY - Calendar Year (Jan 1 - Dec 31)
 AY - Academic Year (Aug 1 - July 31)
 FFY - Federal Fiscal Year (Oct 1 - Sept 30)
 MO - Months WK - Week DY - Days
 PERM - Permanent

Security Status Codes
 P - Public Record
 M - May Contain Confidential Information
 C - Confidential Information

Archival Processing Codes
 A - Transfer to State Archives
 R - Retain in Agency Archives
 S - Review by State Archives
 O - Other (Specify in Remarks)

State Records Center Use
 Y - Yes
 N - No

Vital Record Identification Code
 V - Vital
 I - Important
 U - Useful

Agency Abbreviations

Agency Approval: 
 Date Signed: 12-18-14
 Secretary of State, State Archives & Records Services
 Date Approved: 12/18/14

Records Retention Schedule

SS ARC 922 (01/12)

Louisiana Secretary of State, Division of Archives, Records Management and History
Post Office Box 94125, Baton Rouge, LA 70804

<http://www.sos.la.gov>

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ADDENDUM PAGE

Remarks

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Preferred Provider Option/Exclusive Provider Option Contracts	ACT + 5 CY		ACT + 8 CY	M	S	N	V	ACT = until end of CY in which agency ceases to exist
2	Logic Approvals	ACT + 3 CY	7 CY	ACT + 10 CY	M	S	N	V	ACT = until the end of the CY in which plan expires.
3	Adjusted Batch Listings	ACT + 7 CY		ACT + 7 CY	M	S	N	I	ACT = until the end of the CY in which plan expires.

Permitted Retention Period Abbreviations
ACT - Active Period (When used define term in remarks column)

FY - Fiscal Year (July 1 - June 30)
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FFY - Federal Fiscal Year (Oct 1 - Sept 30)

MO - Months WK - Week DY - Day(s)

PERM - Permanent

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Vital Record Identification Code
V = Vital
I = Important
U = Useful

State Records Center Use
Y - Yes
N - No

Agency Abbreviations

Agency Approval

Date Signed
12-18-14

Secretary of State, State Archives & Records Services
Caitlin Matthews

Date Approved
12/18/14

Louisiana Secretary of State, Division of Archives, Records Management and History
 Post Office Box 94125, Baton Rouge, LA 70804

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 Remarks

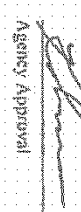
Records Retention Schedule

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Agency Abbreviations
		In Office	In Storage	Total Retention					
003	Division of Administration / Office of Group Benefits - Administration - General								
1	Daily work papers (includes copies of printouts and non-essential notes with PHI or contact information used for customer service work).	ACT		ACT	M	S	N	U	ACT = until end of DY in which created or received

Permitted Retention Period Abbreviations
 ACT - Active Period (When used define term in remarks column)
 FY - Fiscal Year (July 1 - June 30)
 CY - Calendar Year (Jan 1 - Dec 31)
 AY - Academic Year (Aug 1 - July 31)
 FFY - Federal Fiscal Year (Oct 1 - Sept 30)
 MO - Months WK - Week DY - Days

Security Status Codes
 P - Public Record
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 C - Confidential Information
 Archival Processing Codes
 A - Transfer to State Archives
 R - Retain in Agency Archives
 S - Review by State Archives
 O - Other (Specify in Remarks)

State Records Center Use
 Y - Yes
 N - No
 Vital Record Identification Code
 V - Vital
 I - Important
 U - Useful

Agency Approval 

Date Signed 12-30-14

Secretary of State, State Archives & Records Services Louise Mathis-Cox

Date Approved 1/7/15

ATTACHMENT VI: IMAGING SYSTEM SURVEY COMPLIANCE AND RECORDS DESTRUCTION

In connection with OGB's electronic records retention requirements and within thirty (30) days of the Contract's effective date, Contractor shall complete a State Archives Imaging System Survey ("System Survey") and forward to OGB.Records@la.gov¹, or as otherwise directed by OGB. According to LAC 4:XVII.1305(A), the System Survey must contain the following information:

1. A list of all OGB records series² maintained/managed by Contractor's system;
2. The hardware and software used including model number, version number and total storage capacity;
3. The type and density of media used by Contractor's system;
4. The type and resolution of images being produced (TIFF class 3 or 4 and dpi);
5. Contractor's quality control procedures for image production and maintenance;
6. Contractor's system's back up procedures including location of back-up (on or off-site) and number of existing images; and
7. Contractor's migration plan for purging images from the system that have met their retention period.

OGB shall review the System Survey to make an initial determination of conformity with LAC 4:XVII.1305(A). Once OGB determines that Contractor's System Survey contains the requisite information, OGB will forward the System Survey to the Secretary of State. As a continuing requirement, any system changes necessitating a revised System Survey response must be submitted to the Secretary of State within ninety (90) days of the change. To ensure compliance with this rule, Contractor shall notify the Records Officer of these changes within sixty (60) days so that he or she may forward the appropriate information to the Secretary of State.

Further, to ensure compliance with OGB's Schedules (Attachment V) and applicable laws, Contractor shall not destroy any OGB records unless records are converted to digital images and thereafter approved for destruction or other disposition by the Secretary of State. Contractor shall request expedited authority to destroy or otherwise dispose of converted records by email to disposals@sos.louisiana.gov with "EDR_I2014-009 OGB [Humana]" in the subject line, carbon copy to the Records Officer and OGB.Records@la.gov, and a description of the subject records per the OGB Schedules (such as "Documents, scanned and inspected, for the week/month of X") in the body. Upon receiving approval of the Secretary of State to destroy or otherwise dispose of the requested records, Contractor shall commence destruction or other approved disposition of said records. Contemporaneously therewith, Contractor shall complete a Certificate of Destruction (SSARC 933) form which shall be forwarded to the Records Officer. All SSARC forms can be found on the Louisiana Secretary of State's website <http://www.sos.la.gov/HistoricalResources/ManagingRecords/GetForms/Pages/default.aspx>.

¹ If OGB makes a different designation, OGB will notify Contractor of the change and provide updated contact information.

² A records series is a group of related or similar records that may be filed together as a unit, used in a similar manner, and typically evaluated as a unit for determining retention periods. LAC 4:XVII.301(A). The records series listed in Contractor's imaging survey should correspond to the records series listed on the OGB official Record Retention Schedule, Attachment V.