



**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET**  
STATE CAPITOL  
P.O. BOX 44294, CAPITOL STATION  
BATON ROUGE, LOUISIANA 70804  
**(225) 342-2062**

**SENATOR BODI WHITE**  
CHAIRMAN

**REPRESENTATIVE ZERINGUE**  
VICE-CHAIRMAN

**REVISED**

**NOTICE OF MEETING**

October 20, 2021

9:00 A.M.

House Committee Room 5

**A G E N D A**

**ADDED AGENDA ITEM #17**

**I. CALL TO ORDER**

**II. ROLL CALL**

**III. BUSINESS**

1. Fiscal Status Statement and Five-year Baseline Budget in accordance with R.S. 39:75(A.)(2)
2. BA-7 Agenda
3. Facility Planning and Control Agenda
4. In accordance with the provisions of R.S. 24:653(E), interpretation of the legislative intent for certain funding allocations contained in the 2021/2022 appropriation bills of the 2021 Regular Legislative Session of the Legislature.
5. Review and approval of amendments to the contract between the Coastal Protection and Restoration Authority (CPRA) and Jacobs Engineering Group, Inc., in accordance with the provisions of R.S. 39:1615(J).
6. Review and approval of amendments to the contract between the Office of Technology Services, Division of Administration, and Celerian Consulting, Inc. in accordance with R.S. 39:1615(J).
7. Review and approval of amendments to extend contracts for community placement of residents of the Eastern Louisiana Mental Health System within the Louisiana Department of Health, Office of Behavioral Health, in accordance with the provisions of R.S. 39:1615(J):

- A. Amendment for a two-year extension of the contract between Louisiana Department of Health, Office of Behavioral Health - Eastern Louisiana Mental Health System and Grace Outreach Center for secure supervised transitional living arrangement services for up to 44 individuals with severe and persistent mental illness.
  - B. Amendment for a two-year extension of the contract between Louisiana Department of Health, Office of Behavioral Health - Eastern Louisiana Mental Health System and Options Foundation, Inc., for a supervised shelter care group home, not to exceed 20 beds, for adult males with severe and persistent mental illness.
8. Review and approval of the Fiscal Year 2021-2022 operating budget for the Greater New Orleans Expressway Commission.
9. Review and approval of the format for the monthly status report on expenditures and offender population to be submitted by Corrections Services for its data and for Local Housing of State Adult Offenders data, as provided in the departmental preamble of Schedule 08A - Corrections Services in Act 119 of the 2021 Regular Session of the Legislature.
10. Review of amendments to the contracts between the Office of Group Benefits ("OGB") and the following entities, in accordance with LA R.S. 39:1615(J)
  - A. Humana Health Benefit Plan of Louisiana, for the provision of a fully insured Medicare Advantage plan
  - B. New Orleans Regional Physician Hospital Organization, LLC, d/b/a Peoples Health, for the provision of a fully insured Medicare Advantage plan
  - C. HMO Louisiana, Inc.; a subsidiary of Blue Cross and Blue Shield of Louisiana, for the provision of a fully insured Medicare Advantage plan
  - D. Vantage Health Plan, Inc., for the provision of fully insured Medicare Advantage plans
  - E. Vantage Health Plan, Inc., for the provision of a fully insured Louisiana-domiciled Health Maintenance Organization ("HMO") plan
11. Review of the contract between OGB and DataPath Administrative Services Inc., for the provision of Flexible Spending Arrangement ("FSA") and Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") administrative services, in accordance with LA R.S. 42:802(D)(1).
12. Review of the emergency contract between OGB and Express Scripts, Inc., for the provision of pharmacy benefit manager administrative services, in accordance with LA R.S. 42:802(D)(1).
13. Review of amendments to the contract between the Department of State and PCC Technology Inc. for continued improvement and upgrade of geauxBIZ, the state's one-stop business portal, pursuant to LA R.S. 39:1615(J).
14. Review of the amendments to extend by one year the contracts for Self-Direction Fiscal/Employer Agent services under the self-direction option for the provision of Medicaid home and community-based personal care services, in accordance with the provisions of R.S. 39:1615(J):
  - A. Amendment for a one-year extension of the contract between Louisiana Department of Health, Medical Vendor Administration and Acumen Fiscal Agent, L.L.C.



- B. Amendment for a one-year extension of the contract between Louisiana Department of Health, Medical Vendor Administration and Morning Sun Financial Services.
- 15. Discussion and update on the Louisiana Emergency Rental Assistance Program implemented by the Division of Administration and the Louisiana Housing Corporation.
- 16. Update from the Louisiana Workforce Commission on unemployment and layoff notifications.
- 17. **In accordance with the provisions of R.S. 24:653(E), interpretation of the legislative intent for the purposes of processing CARES Act funds.**

#### **IV. CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE COMMITTEE**

#### **V. ADJOURNMENT**

Persons who do not feel comfortable giving testimony in person may submit a prepared statement in accordance with Senate Rule 13.79, in lieu of appearing before the committee. Statements may be emailed to [gasconr@legis.la.gov](mailto:gasconr@legis.la.gov) and must be received by the committee secretary at least three hours prior to the meeting to be included in the record for this committee meeting.

Audio/visual presentations, such as PowerPoint, must be received by the committee secretary at [gasconr@legis.la.gov](mailto:gasconr@legis.la.gov) at least twenty-four hours PRIOR to the scheduled start of the committee meeting for review and prior approval. Thumb drives will NOT be accepted.

Persons desiring to participate in the meeting should utilize appropriate protective health measures and observe the recommended and appropriate social distancing.

***THIS NOTICE CONTAINS A TENTATIVE AGENDA AND MAY BE REVISED PRIOR TO THE MEETING.***

**BODI WHITE, CHAIRMAN**

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET  
GENERAL FUND FISCAL STATUS STATEMENT  
FISCAL YEAR 2021-2022  
(\$ in millions)**

**October 20, 2021**

	<u>SEPTEMBER 2021</u>	<u>OCTOBER 2021</u>	<u>OCTOBER 2021 Over/(Under) SEPTEMBER 2021</u>
<b><u>GENERAL FUND REVENUE</u></b>			
Revenue Estimating Conference, May 18, 2021	\$9,887.500	\$9,887.500	\$0.000
FY 21-21 Revenue Carried Forward into FY 21-22	\$183.621	\$183.621	\$0.000
<b>Total Available General Fund Revenue</b>	<b><u>\$10,071.121</u></b>	<b><u>\$10,071.121</u></b>	<b><u>\$0.000</u></b>
<b><u>APPROPRIATIONS AND REQUIREMENTS</u></b>			
<b>Non-Appropriated Constitutional Requirements</b>			
Debt Service	\$434.030	\$434.030	\$0.000
Interim Emergency Board	\$1.323	\$1.323	\$0.000
Revenue Sharing	\$90.000	\$90.000	\$0.000
<b>Total Non-Appropriated Constitutional Requirements</b>	<b><u>\$525.353</u></b>	<b><u>\$525.353</u></b>	<b><u>\$0.000</u></b>
<b>Appropriations</b>			
General (Act 119 of 2021 RS)	\$9,260.639	\$9,260.639	\$0.000
Ancillary (Act 113 of 2021 RS)	\$0.000	\$0.000	\$0.000
Judicial (Act 116 of 21 RS)	\$164.008	\$164.008	\$0.000
Legislative (Act 117 of 21 RS)	\$73.610	\$73.610	\$0.000
Capital Outlay (Act 485 of 2021 RS)	\$43.332	\$43.332	\$0.000
<b>Total Appropriations</b>	<b><u>\$9,541.590</u></b>	<b><u>\$9,541.590</u></b>	<b><u>\$0.000</u></b>
<b>Total Appropriations &amp; Non-Appropriated Constitutional Requirements</b>	<b><u>\$10,066.942</u></b>	<b><u>\$10,066.942</u></b>	<b><u>\$0.000</u></b>
<b>General Fund Revenue Less Appropriations and Requirements</b>	<b><u>\$4.179</u></b>	<b><u>\$4.179</u></b>	<b><u>\$0.000</u></b>

## II. FY 2020-2021 Fiscal Status Summary:

In accordance with Act 1092 of the 2001 Regular Session and Act 107 of the 2002 First Extraordinary Session (R.S. 39:75), the first budget status report presented after October 15th shall reflect the fund balance for the previous fiscal year. "At the first meeting of the Joint Legislative Committee on the Budget after publication of the Comprehensive Annual Financial Report for the state of Louisiana, the commissioner of administration shall certify to the committee the actual expenditures paid by warrant or transfer and the actual monies received and any monies or balances carried forward for any fund at the close of the previous fiscal year which shall be reflected in the budget status report."

### FY21 GENERAL FUND DIRECT SURPLUS/DEFICIT - ESTIMATED (millions)

<b>FY20 Surplus/(Deficit)</b>		<b>270.434</b>
<b>Other Obligations Against Cash Carried Over from FY20 to FY21</b>		
General Fund - Direct Carryforward	67.251	
Unappropriated FY17 & FY18 Surpluses	1.234	
FY19 Surplus Transferred Out in FY21	105.938	
Transfer from Budget Stabilization Fund per HCR 1 of 2020 1ES	90.063	
<b>Total Other Obligations Against Cash Carried Over from FY20 to FY21</b>		<b>264.486</b>
<b>FY21 General Fund - Adjusted Direct Revenues:</b>		<b>10,695.872</b>

<b>Total General Funds Available for Expenditure in FY21</b>	<b>11,230.792</b>
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### FY21 General Fund - Direct Appropriations & Requirements:

Draws of General Fund - Direct Appropriations	(9,090.377)	
General Obligation Debt Service	(429.052)	
Transfer to the Revenue Sharing Fund (Z06) - Constitution 7:26	(90.000)	
Transfer to Coastal Protection & Restoration Fund (Z12) - R.S. 49:214.5.4	(7.230)	
Transfer to Revenue Stabilization Fund (Z25) - Constitution 7:10.15	(205.422)	
Transfers - Legislative Actions	(152.212)	
Transfers - Other	(3.016)	
Use of Prior Year(s) Surplus - Appropriated or Transferred	(377.606)	
<b>Total FY21 General Fund - Direct Appropriations &amp; Requirements</b>		<b>(10,354.914)</b>

<b>General Fund Direct Cash Balance</b>	<b>875.878</b>
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### Obligations Against the General Fund Direct Cash Balance

General Fund - Direct Carryforwards from FY21 to FY22	(183.621)	
FY20 adjustments completed in FY21	(24.824)	
Capital Outlay/Fund corrections made in FY22	2.860	
<b>Total Obligated General Fund Direct</b>		<b>(205.584)</b>

<b>Net General Fund Direct Surplus/(Deficit)</b>	<b>670.294</b>
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## III. Current Year Items Requiring Action

## IV. Horizon Issues Not Contained in 5-Year Plan

### Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP)

State share owed to FEMA upon the final closeout of various disasters, including Hurricane Katrina, for public assistance (state, local and private non-profits) and hazard mitigation projects. Final closeouts of the various disasters are not expected until FY22 at the earliest and Katrina FY23, but could extend beyond the 5-year baseline projection window.

<b>FIVE YEAR BASE LINE PROJECTION STATE GENERAL FUND SUMMARY APPROPRIATED</b>					
	<b>Prior Fiscal Year 2020-2021</b>	<b>Official Current Fiscal Year 2021-2022</b>	<b>Projected Fiscal Year 2022-2023</b>	<b>Projected Fiscal Year 2023-2024</b>	<b>Projected Fiscal Year 2024-2025</b>
<b>REVENUES:</b>					
Taxes, Licenses & Fees	\$12,264,200,000	\$12,296,300,000	\$12,610,100,000	\$12,831,900,000	\$13,024,900,000
Less Dedications	(\$2,454,300,000)	(\$2,408,800,000)	(\$2,445,700,000)	(\$2,473,800,000)	(\$2,595,900,000)
<b>TOTAL REC REVENUES</b>	<b>\$9,809,900,000</b>	<b>\$9,887,500,000</b>	<b>\$10,164,400,000</b>	<b>\$10,358,100,000</b>	<b>\$10,429,000,000</b>
<b>ANNUAL REC GROWTH RATE</b>		<b>0.79%</b>	<b>2.80%</b>	<b>1.91%</b>	<b>0.68%</b>
<b>Other Revenues:</b>					
Carry Forward Balances	\$67,251,068	\$183,620,801	\$0	\$0	\$0
Use of Budget Stabilization Fund	\$90,062,911	\$0	\$0	\$0	\$0
<b>Total Other Revenue</b>	<b>\$157,313,979</b>	<b>\$183,620,801</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL REVENUES</b>	<b>\$9,967,213,979</b>	<b>\$10,071,120,801</b>	<b>\$10,164,400,000</b>	<b>\$10,358,100,000</b>	<b>\$10,429,000,000</b>
<b>EXPENDITURES:</b>					
General Appropriation Bill (Act 119 of 2021 RS)	\$8,509,867,982	\$9,077,018,132	\$10,356,916,583	\$10,512,861,124	\$10,292,204,750
Ancillary Appropriation Bill (Act 113 of 2021 RS)	\$0	\$0	\$17,098,864	\$21,681,710	\$26,424,956
Non-Appropriated Requirements	\$519,801,757	\$525,352,685	\$533,894,467	\$543,798,375	\$561,667,758
Judicial Appropriation Bill (Act 116 of 2021 RS)	\$154,508,439	\$164,008,439	\$167,681,713	\$169,671,836	\$169,671,825
Legislative Appropriation Bill (Act 117 of 2021 RS)	\$61,242,871	\$73,610,173	\$73,622,833	\$73,619,416	\$73,615,904
Special Acts	\$0	\$0	\$25,162,436	\$25,162,436	\$25,162,436
Capital Outlay Bill (Act 485 of 2021 RS)	\$0	\$43,331,996	\$0	\$0	\$0
<b>TOTAL ADJUSTED EXPENDITURES (less carryforwards)</b>	<b>\$9,245,421,049</b>	<b>\$9,883,321,425</b>	<b>\$11,174,376,896</b>	<b>\$11,346,794,897</b>	<b>\$11,148,747,629</b>
<b>ANNUAL ADJUSTED GROWTH RATE</b>		<b>6.90%</b>	<b>13.06%</b>	<b>1.54%</b>	<b>-1.75%</b>
<b>Other Expenditures:</b>					
Carryforward BA-7s Expenditures	\$67,251,068	\$183,620,801	\$0	\$0	\$0
Supplemental Bill (Act 120 of 21RS)	\$558,537,575	\$0	\$0	\$0	\$0
Funds Bills (Act 10 of 20 1ES and Acts 114 and 448 of 21 RS)	\$95,937,064	\$0	\$0	\$0	\$0
27th Pay Period occurring in FY22-23	\$0	\$0	\$62,508,941	\$0	\$0
<b>Total Other Expenditures</b>	<b>\$721,725,707</b>	<b>\$183,620,801</b>	<b>\$62,508,941</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$9,967,146,756</b>	<b>\$10,066,942,226</b>	<b>\$11,236,885,837</b>	<b>\$11,346,794,897</b>	<b>\$11,148,747,629</b>
<b>PROJECTED BALANCE</b>	<b>\$67,223</b>	<b>\$4,178,575</b>	<b>(\$1,072,485,837)</b>	<b>(\$988,694,897)</b>	<b>(\$719,747,629)</b>
Oil Prices included in the REC forecast.	\$51.00	\$58.93	\$59.41	\$61.36	\$62.54

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET**

**BA-7 AGENDA**

**October, 2021**

**A. Fiscal Status Statement**

**B. 5-Year Base Line Projection**

**C. Regular BA-7s**

1	OREQ	Other Requirements (20-945) State Aid to Local Government Entities
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Christopher A. Keaton  
Legislative Fiscal Officer

## STATE OF LOUISIANA

Legislative Fiscal Office  
BATON ROUGE

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Capitol Station  
Baton Rouge, Louisiana 70804  
Phone: 225.342.7233  
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To: The Honorable Mack "Bodi" White, Chairman  
Joint Legislative Committee on the Budget  
The Honorable Members of the Joint Legislative Committee on the Budget

From: Christopher A. Keaton, Legislative Fiscal Officer *CAK*  
Alan Boxberger, LFO Staff Director *AMB*

Date: October 13, 2021

Subject: Joint Legislative Committee on the Budget  
Meeting October 20, 2021

Attached is the Legislative Fiscal Office BA-7 (Budget Adjustment) write-up for the October 20th meeting of the Joint Legislative Committee on the Budget.

The LFO recommends approval of the BA-7.

Also attached is the Greater New Orleans Expressway Commission (GNOEC) budget analysis for FY 22.

Please contact me if you have questions or need additional information.

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

**DEPARTMENT:** Other Requirements

**AGENDA NO.:** 1

**AGENCY:** State Aid to Local Govt. Entities

**ANALYST:** Kimberly Fruge

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T.O.</u>
State General Fund:	\$0	State Aid to Local Govt. Entities	\$81,391	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$81,391			
Federal Funds:	\$0			
<b>Total</b>	<b>\$81,391</b>	<b>Total</b>	<b>\$81,391</b>	<b>0</b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 request is to increase the budget for the Bossier Parish Truancy Program Fund in the amount of \$81,391. This increase would make the total budget \$311,452 for FY 22. The funds will be disbursed to the 26th Judicial District Court Truancy Program.

The Bossier Parish Truancy Program Fund is funded by a portion of taxable net slot machine proceeds collected by licensed eligible facilities in Bossier Parish. Monies in the fund are to be used by the district attorney in the 26th Judicial District to support a truancy program and truancy-related matters in Bossier and Webster Parishes. The program is designed to identify and provide services such as hearings and counseling to help improve school attendance. For the 2019-2020 school year, the Department of Education reported 7,599 (31.66%) truant students in Bossier Parish and 1,747 (28.22%) truant students in Webster Parish.

The FY 22 budget appropriated \$230,061 for the 26th Judicial District Court Truancy Program. This BA-7 request will increase the budget to \$311,452, which would match the existing operating budget from FY 21. These funds will be used for the expenses of the program. The proposed total budget of \$311,452 is projected to be allocated as follows:

Gross Salaries	\$ 224,846
Related Benefits	\$ 28,525
Travel	\$ 3,000
Operating Services:	
Rentals	\$ 6,000
Dues and Subscriptions	\$ 9,000
Telephone and Internet Services	\$ 7,000
Other	\$ 15,000
<u>Office Supplies</u>	<u>\$ 18,081</u>
<b>Total</b>	<b>\$ 311,452</b>

**II. IMPACT ON FUTURE FISCAL YEARS**

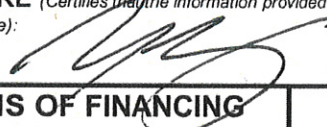
Approval of this BA-7 request will have no impact on future fiscal years. However, the appropriation of \$81,391 out of the Bossier Parish Truancy Program Fund will increase appropriations from this Statutory Dedication to a total of \$311,452 for FY 22 and decrease the fund balance of the Statutory Dedication by an equal amount. The fund balance at the end of FY 21 was \$252,805.52 and was carried forward into FY 22. In addition, REC estimates approximately \$230,000 in revenue will be deposited into the fund in FY 22.

**III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request.



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: State Treasury		FOR OPB USE ONLY				
AGENCY: <b>Miscellaneous State Aid to Local Govt Entities</b>		OPB LOG NUMBER		AGENDA NUMBER		
SCHEDULE NUMBER: 20-945		80		1		
SUBMISSION DATE: 8/20/21		Approval and Authority:				
AGENCY BA-7 NUMBER: 22-03						
HEAD OF BUDGET UNIT: Nancy Keaton						
TITLE: First Assistant State Treasurer						
SIGNATURE (Certifies that the information provided is correct and true to the best of your knowledge): 						
MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-2022			
<b>GENERAL FUND BY:</b>						
DIRECT	\$76,769,318		\$76,769,318			
INTERAGENCY TRANSFERS	\$0	\$0	\$0			
FEES & SELF-GENERATED	\$0	\$0	\$0			
Regular Fees & Self-generated	\$0	\$0	\$0			
Subtotal of Fund Accounts from Page 2	\$0	\$0	\$0			
STATUTORY DEDICATIONS	\$75,885,202	\$81,391	\$75,966,593			
[Select Statutory Dedication]	\$0	\$0	\$0			
Subtotal of Dedications from Page 2	\$15,033,331	\$81,391	\$15,114,722			
Subtotal of Dedications from Page 3	\$60,851,871	\$0	\$60,851,871			
FEDERAL	\$0	\$0	\$0			
<b>TOTAL</b>	<b>\$152,654,520</b>	<b>\$81,391</b>	<b>\$152,735,911</b>			
AUTHORIZED POSITIONS	0	0	0			
AUTHORIZED OTHER CHARGES	0	0	0			
NON-TO FTE POSITIONS	0	0	0			
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>PROGRAM EXPENDITURES</b>						
<b>PROGRAM NAME:</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>
Miscellaneous State Aid	\$152,654,520	0	\$81,391	0	\$152,735,911	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
Subtotal of programs from Page 2:	\$0	0	\$0	0	\$0	0
<b>TOTAL</b>	<b>\$152,654,520</b>	<b>0</b>	<b>\$81,391</b>	<b>0</b>	<b>\$152,735,911</b>	<b>0</b>



STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

<b>DEPARTMENT:</b> State Treasury	<b>FOR OPB USE ONLY</b>	
<b>AGENCY:</b> Miscellaneous State Aid	OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER:</b> 20-945		
<b>SUBMISSION DATE:</b> 8/20/21	<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER:</b> 22-03		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.  
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-2022
<b>GENERAL FUND BY:</b>			
<b>FEES &amp; SELF-GENERATED</b>			
[Select Fund Account]	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>STATUTORY DEDICATIONS</b>			
St. Landry Parish Excellence Fund (E29)	\$357,229	\$0	\$357,229
Calcasieu Parish Fund (E30)	\$939,651	\$0	\$939,651
Tobacco Tax Health Care Fund (E32)	\$11,432,037		\$11,432,037
Bossier Parish Truancy Program Fund (E33)	\$230,061	\$81,391	\$311,452
Beautification and Improvement of the New Orleans City Park Fund (G13)	\$1,279,353		\$1,279,353
Greater New Orleans Sports Foundation (G14)	\$795,000	\$0	\$795,000
<b>SUBTOTAL (to Page 1)</b>	<b>\$15,033,331</b>	<b>\$81,391</b>	<b>\$15,114,722</b>



Use this section for additional Program Names, if needed.  
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

<b>DEPARTMENT:</b> State Treasury	<b>FOR OPB USE ONLY</b>	
<b>AGENCY:</b> Miscellaneous State Aid	OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER:</b> 20-945		
<b>SUBMISSION DATE:</b> 8/20/21	<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER:</b> 22-03		

Use this section for additional Statutory Dedications, if needed.  
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)	REVISED FY 2021-20220
<b>GENERAL FUND BY:</b>			
<b>STATUTORY DEDICATIONS</b>			
G15 Algiers Economic Dev Foundation Fd	145,567		145,567
Beautification Project for New Orleans		\$0	100,000
G17 Neighborhoods Fund	100,000		125,000
G18 Friends of NORD	125,000		100,000
G21 Gentilly Development District	100,000	\$0	100,000
RVA Sports Facility Assistance Fund	100,000	\$0	100,000
S06 Rehabilitation for the Blind and Visually Impaired	2,402,635		2,402,635
STF Fiscal Administrator Revolving Loan Fund	455,646	\$0	455,646
STN Louisiana Main Street Recovery Fund	14,500,000	\$0	14,500,000
STP Louisiana Nonprofit Assistance Fund	10,000,000	0	10,000,000
HWH Regional Maintenance and Improvement Fund	2,923,023	\$0	2,923,023
STO Southwest La Hurrican Recovery Fund	30,000,000	0	30,000,000
<b>PAGE 2 SUBTOTAL (to Page 1)</b>	<b>\$60,851,871</b>	<b>\$0</b>	<b>60,851,871</b>

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?  
 This BA-7 is to request an increase in the budget from the Bossier Parish Truancy Program Fund in the amount of \$81,391. This will increase the total budget to \$311,452. The funds will be disbursed to the 26th Judicial District Court Truancy Program. The cash balance in the fund at the end of FY 21 was \$252,805.52. This cash balance has been carried forward into FY 22 and is available for expenditure. The Revenue Estimating Conference estimates approximately \$230,000 in revenue will be deposited into the fund in FY 22. This estimated revenue will be added to the beginning cash balance of \$252,805.52 and available for expenditure in FY 22.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
<b>GENERAL FUND BY:</b>					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$81,391	\$0	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$81,391</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

3. If this action requires additional personnel, provide a detailed explanation below:  
 This action does not require additional personnel.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.  
 The funds are for FY 22 expenses of the 26th Judicial District Court Truancy Program.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.  
 This is not an after the fact BA-7.



**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT**

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

There are no programmatic impacts.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. (Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)

OBJECTIVE:

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2021-2022	ADJUSTMENT (+) OR (-)	REVISED FY 2021-2022

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. (For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)

There are no performance impacts.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

There are no performance impacts.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

There are no performance impacts.



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: Miscellaneous State Aid

MEANS OF FINANCING:	CURRENT	REQUESTED	REVISED	ADJUSTMENT OUTYEAR PROJECTIONS			
	FY 2021-2022	ADJUSTMENT	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
<b>GENERAL FUND BY:</b>							
Direct	\$76,769,318		\$76,769,318	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Statutory Dedications **	\$75,885,202	\$81,391	\$75,966,593	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL MOF</b>	<b>\$152,654,520</b>	<b>\$81,391</b>	<b>\$152,735,911</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>							
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$152,654,520	\$81,391	\$152,735,911	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$152,654,520</b>	<b>\$81,391</b>	<b>\$152,735,911</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>							
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
[Select Statutory Dedication]	\$15,033,331	\$81,391	\$15,114,722	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$60,851,871	\$0	\$60,851,871	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: Miscellaneous State Aid

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	\$81,391	\$0	\$81,391

EXPENDITURES:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$81,391	\$0	\$81,391
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$81,391</b>	<b>\$0</b>	<b>\$81,391</b>

OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
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POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## QUESTIONNAIRE ANALYSIS

(Please reference question numbers, provide detailed information and use continuation sheets as needed.)

### GENERAL PURPOSE

This BA-7 is to request an increase in the budget from the Bossier Parish Truancy Program Fund in the amount of \$81,391. This will increase the total budget to \$311,452.

### REVENUES

The cash balance in the fund at the end of FY 21 was \$252,805.52. This cash balance has been carried forward into FY 22 and is available for expenditure. The Revenue Estimating Conference estimates approximately \$230,000 in revenue will be deposited into the fund in FY 22. This estimated revenue will be added to the beginning cash balance of \$252,805.52 and available for expenditure in FY 22.

### EXPENDITURES

The funds will be disbursed to the 26th Judicial District Court Truancy Program and used for expenses of the program.

### OTHER

Further information can be provided by Laura Lapeze, Chief Financial Officer, who can be reached at 342-0051 or [llapeze@treasury.state.la.us](mailto:llapeze@treasury.state.la.us).

BA-7 SUPPORT INFORMATION

Page \_\_\_\_\_

**DIVISION OF ADMINISTRATION**  
**Facility Planning & Control**

**JOINT LEGISLATIVE COMMITTEE**  
**ON THE**  
**BUDGET**

**Briefing Book**

**FOR**

**October 2021**



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<ul style="list-style-type: none"> <li>1) Interior Renovations East Louisiana State Hospital Jackson, Louisiana Project Nos. 09-332-00B-01, Part 04; WBS F.09000004 01-107-18-02; WBS F.01004054 Supplement</li> <li>2) Welding Facility River Parishes Community College, Reserve Campus Reserve, Louisiana Project No. 01-107-06-17; WBS F.01003925</li> <li>3) Central Utility Plant Repairs and Mitigation of Building Functions and Mechanical, Electrical and Plumbing Systems Louisiana Health Sciences Center New Orleans, Louisiana Project No. 01-107-05B-13, Part XF; WBS F.01000888</li> <li>4) MEB and CSRB Permanent Repairs &amp; Mitigation of Building Functions and Critical MEP Systems &amp; Equipment Restoration of Main Campus Louisiana State University Health Sciences Center New Orleans, Louisiana Project No. 01-107-05B-13, Part BC; WBS F.01000293</li> </ul>	

Office of the Commissioner  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 27, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Supplemental Funds Request  
Interagency Transfer  
Pond Restoration  
Southeast Louisiana Veterans Home  
Reserve, Louisiana  
Project No. 03-136-20-02**

Dear Chairman White:

Act 2 of 2020 appropriated \$225,000 of interagency transfers for improvements to an existing pond at the Southeast Louisiana Veterans Home. The Veterans department is requesting to increase the scope of the project to include cleaning out the waterway and constructing ADA compliant gazebos and fishing piers. An additional \$400,000 is required to complete the added scope of work. The additional funding is from the Joyce S. Mudd Foundation, a non-profit charitable foundation.

Facility Planning and Control requests approval to receive supplemental funds in the amount of \$400,000. Please place this item on the agenda for the next meeting of the Committee.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
Mr. Samuel Roubique, OPB  
Mr. Paul Fernandez, OPB  
Ms. Linda Hopkins, House Fiscal Division  
Mr. Mark Mahaffey, House Fiscal Division  
Mr. Daniel Waguespack, House Fiscal Division  
Ms. Dazia Briscoe, House Fiscal Division  
Ms. Martha Hess, Senate Counsel  
Ms. Bobbie Hunter, Senate Fiscal Division  
Ms. Debra Vivien, Senate Fiscal Division  
Ms. Raynel Gascon, Senate Fiscal Division  
Mr. Perry Sims, FPC  
Mr. Rainier Simoneaux, FPC

Office of the Commissioner  
State of Louisiana  
Division of Administration

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JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 27, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Supplemental Funds Request  
Replacement of Walk-in Coolers and Freezer  
Northeast Louisiana Veterans Home  
Department of Veterans Affairs  
Monroe, Louisiana  
Project No. 03-132-17-02; F.03000030**

Dear Chairman White:

On June 4, 2021 the Joint Legislative Committee on the Budget approved Facility Planning and Control's request to supplement a project for replacement of walk-in coolers and freezer in the Northeast Louisiana Veterans Home. Bids were received for the project on March 5, 2021 and the low bid of \$103,000 exceeds the available funding. An additional \$40,000 is required to award the construction contract.

Facility Planning and Control's April 27, 2021 letter inadvertently stated that "The Department of Veterans Affairs has sufficient funds available in self-generated revenues from federal funds." This letter is intended to correct the language as follows, "The Department of Veterans Affairs has sufficient funds available in federal funds via Interagency Transfer", rather than self-generated funds.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Handwritten signature of Jason D. Sooter in blue ink.

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Handwritten signature of Mark A. Moses in blue ink.  
Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Handwritten signature of Jay Dardenne in blue ink, circled in blue.  
Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
Mr. Samuel Roubique, OPB  
Mr. Paul Fernandez, OPB  
Ms. Linda Hopkins, House Fiscal Division  
Mr. Mark Mahaffey, House Fiscal Division  
Mr. Daniel Waguespack, House Fiscal Division  
Ms. Dazia Briscoe, House Fiscal Division  
Ms. Martha Hess, Senate Counsel  
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Ms. Raynel Gascon, Senate Fiscal Division



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State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 27, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Supplemental Funds Request  
Student Success Center  
Louisiana State University at Alexandria  
Alexandria, Louisiana  
Project No. 19-602-21-01; WBS F.19002361**

Dear Chairman White:

Act 485 of 2021 appropriated \$1,000,000 of non-recurring State General Funds (Direct) and \$5,000,000 of General Obligation Bonds for the construction of a new 30,000 square foot Student Success Center building to be located on the LSU-Alexandria Campus. The facility will include an admissions/recruiting office, financial aid, cashiering, career development center, classrooms, computer labs, and conference rooms. It will be a "one-stop-shop" for students from initial entry to learning and final exit to their career path.

LSU Alexandria is requesting to supplement the project with \$5,000,000 of self-generated funds from private donations.

Facility Planning and Control is requesting approval of supplemental self-generated funds in the amount of \$5,000,000 in order to proceed with design of the project.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
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State of Louisiana  
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JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 27, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Supplemental Funds Request  
Replace Two Water Control Structures  
Pointe Aux Chenes Wildlife Management Area  
Montegut, Louisiana  
Project No. 16-513-15-06, Part 01; WBS F.16000070**

Dear Chairman White:

Act 4 of 2017 appropriated \$1,440,000 in funding for the Replacement of Two Water Control Structures at the Point Aux Chenes Wildlife Management Area. The new water control structures will replace existing structures that maintain water elevation and salinity in the impoundment to improve habitat conditions for wildlife with an emphasis on waterfowl. Bids were received on July 29, 2021 with the low bid of \$1,826,397 exceeding the available funding. An additional \$800,000 is required to award the construction contract.

Facility Planning and Control is requesting authorization to accept RK2 Rockefeller Trust & Protection funds in the amount of \$800,000 from the Department of Wildlife and Fisheries.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval:

Mark A. Moses  
Assistant Commissioner

Approved:

Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
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Ms. Raynel Gascon, Senate Fiscal Division

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JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 27, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Supplemental Funds Request  
Hurricanes Laura and Delta Levee Repairs  
Rockefeller Wildlife Refuge  
Department of Wildlife and Fisheries  
Grand Chenier, Louisiana  
Project No. 01-107-05B-13; WBS F.01004211**

Dear Chairman White:

As a result of damages caused by Hurricanes Laura and Delta, Facility Planning and Control has been asked to assist the Department of Wildlife and Fisheries with its formal request for public assistance through the Federal Emergency Management Agency (FEMA) in order to complete necessary repairs to approximately 85 miles of the Rockefeller Wildlife Refuge earthen levee system.

FEMA assistance for this disaster declaration will be at a 90/10 cost share. The Department of Wildlife and Fisheries will be responsible for the 10% cost share portion of the project. Based on preliminary aerial topographic information, the Department of Wildlife and Fisheries' share of project costs is estimated to be \$2,750,000.

Facility Planning and Control is requesting authorization to accept Rockefeller Wildlife Refuge and Game Preserve #RK1 Funds in the amount of \$2,750,000 from the Department of Wildlife and Fisheries.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Jay Dardenne  
Commissioner of Administration

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Ms. Lisa Smeltzer, FPC  
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Ms. Raynel Gascon, Senate Fiscal Division

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State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 27, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Request for an Act 959 Project  
Roof Replacement on Student Union Building  
Louisiana State University  
Baton Rouge, Louisiana  
Project No. 01-107-06-17; WBS F.01004247**

Dear Chairman White:

Pursuant to R.S. 39:128 B. (4) Louisiana State University has requested approval to undertake the planning, design and construction to replace the 106,000 square foot roof at the Student Union Building. The existing roof has exceeded its life expectancy and current leaks are causing damage to the interior spaces. The total project cost is \$2,400,000 and will be funded by self-generated food and beverage sales, and leases. This request has been approved by the LSU Board of Supervisors on June 18, 2021, the Board of Regents on September 22, 2021, the Division of Administration and Facility Planning and Control

LSU is requesting approval to create this project without including it in the Capital Outlay bill in order to immediately proceed with design and construction.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
Mr. Samuel Roubique, OPB  
Mr. Paul Fernandez, OPB  
Ms. Linda Hopkins, House Fiscal Division  
Mr. Mark Mahaffey, House Fiscal Division  
Mr. Daniel Waguespack, House Fiscal Division  
Ms. Dazia Briscoe, House Fiscal Division  
Ms. Martha Hess, Senate Counsel  
Ms. Bobbie Hunter, Senate Fiscal Division  
Ms. Debra Vivien, Senate Fiscal Division  
Ms. Raynel Gascon, Senate Fiscal Division  
Mr. Bobby Boudreaux, FPC  
Mr. Danny Mahaffey, LSU



Office of the Commissioner  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 27, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Request for an Act 959 Project  
Bayou Region Incubator  
Nicholls State University  
Thibodaux, Louisiana  
Project No. NOCD-BRI-0821-23**

Dear Chairman White:

Pursuant to R.S. 39:128 B. (4) Nicholls State University has requested approval to undertake the planning, design and construction of a new 8,000 square foot business incubator facility. The total project cost is \$2,600,000 and will be funded by the Louisiana Office of Community Development utilizing a LCDBG-CV grant (Cares Act Program). This request has been approved by the University of Louisiana System Board, the Board of Regents for Higher Education, the Division of Administration and Facility Planning and Control (FP&C).

Nicholls State University is requesting permission to create this project without including it in the capital outlay bill in order to immediately proceed with design and construction.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
Mr. Samuel Roubique, OPB  
Mr. Paul Fernandez, OPB  
Ms. Linda Hopkins, House Fiscal Division  
Mr. Mark Mahaffey, House Fiscal Division  
Mr. Daniel Waguespack, House Fiscal Division  
Ms. Dazia Briscoe, House Fiscal Division  
Ms. Martha Hess, Senate Counsel  
Ms. Bobbie Hunter, Senate Fiscal Division  
Ms. Debra Vivien, Senate Fiscal Division  
Ms. Raynel Gascon, Senate Fiscal Division  
Mr. Bobby Boudreaux, FPC  
Mr. Terry Braud, NSU



Office of the Commissioner  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 4, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Request for Approval of Change Order over \$100,000  
MEB and CSRB Permanent Repairs & Mitigation of Building Functions and Critical MEP  
Systems & Equipment  
Restoration of Main Campus  
Louisiana State University Health Sciences Center  
New Orleans, Louisiana  
Project No. 01-107-05B-13, Part BC; WBS F.01000293**

Dear Chairman White:

On March 8, 2019, a contract was awarded to Woodward Design+Build, LLC in the amount of \$89,270,000 for Hurricane Katrina repairs and improvements for the Medical Education Building and the Clinical Sciences Research Building the LSU Health Sciences Building in New Orleans.

Facility Planning and Control is requesting approval of a change order in the amount of \$260,621 to the current contract for additional Animal Management Care System electrical, mechanical and system components for the CSRB building. Project contingency funds are available to cover the cost of this additional work. This cost is eligible for FEMA reimbursement.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
Mr. Samuel Roubique, OPB  
Mr. Paul Fernandez, OPB  
Ms. Linda Hopkins, House Fiscal Division  
Mr. Mark Mahaffey, House Fiscal Division  
Mr. Daniel Waguespack, House Fiscal Division  
Ms. Dazia Briscoe, House Fiscal Division  
Ms. Martha Hess, Senate Counsel  
Ms. Bobbie Hunter, Senate Fiscal Division  
Ms. Debra Vivien, Senate Fiscal Division  
Ms. Raynel Gascon, Senate Fiscal Division

Office of the Commissioner  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 4, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
P. O. Box 44294 Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Request for Approval of Change Order over \$100,000  
MEB and CSRB Permanent Repairs & Mitigation of Building Functions and Critical MEP  
Systems & Equipment  
Restoration of Main Campus  
Louisiana State University Health Sciences Center  
New Orleans, Louisiana  
Project No. 01-107-05B-13, Part BC; WBS F.01000293**

Dear Chairman White:

On March 8, 2019, a contract was awarded to Woodward Design+Build, LLC in the amount of \$89,270,000 for Hurricane Katrina repairs and improvements for the Medical Education Building and the Clinical Sciences Research Building the LSU Health Sciences Building in New Orleans.

Facility Planning and Control is requesting approval of a change order in the amount of \$299,621 to the current contract for repairs needed to various existing metal doors and frames and associated modifications to existing masonry walls in the Medical Education Building. Project contingency funds are available to cover the cost of this additional work. This cost is eligible for FEMA reimbursement.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval: \_\_\_\_\_

Mark A. Moses  
Assistant Commissioner

Approved: \_\_\_\_\_

Jay Dardenne  
Commissioner of Administration

CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
Mr. Samuel Roubique, OPB  
Mr. Paul Fernandez, OPB  
Ms. Linda Hopkins, House Fiscal Division  
Mr. Mark Mahaffey, House Fiscal Division  
Mr. Daniel Waguespack, House Fiscal Division  
Ms. Dazia Briscoe, House Fiscal Division  
Ms. Martha Hess, Senate Counsel  
Ms. Bobbie Hunter, Senate Fiscal Division  
Ms. Debra Vivien, Senate Fiscal Division  
Ms. Raynel Gascon, Senate Fiscal Division

Office of the Commissioner  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

September 30, 2021

The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 44294, Capitol Station  
Baton Rouge, Louisiana 70804

RE: Reporting of Change Orders over \$50,000 and under \$100,000  
Facility Planning and Control

Dear Chairman White:

In accordance with R.S. 39:126 any change order in excess of fifty thousand dollars but less than one hundred thousand dollars shall be submitted to the Joint Legislative Committee on the Budget for review but shall not require committee approval. Pursuant to this authority Facility Planning and Control has issued change orders that are itemized on the attached list.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

Jason D. Sooter  
Director

Recommended for Approval:

Mark A. Moses  
Assistant Commissioner

Approved:

Jay Dardenne  
Commissioner of Administration



CC: Mr. Stephen Losavio, FPC  
Ms. Lisa Smeltzer, FPC  
Ms. Sue Gerald, FPC  
Ms. Ternisa Hutchinson, OPB  
Mr. Samuel Roubique, OPB  
Mr. Paul Fernandez, OPB  
Ms. Linda Hopkins, House Fiscal Division  
Mr. Mark Mahaffey, House Fiscal Division  
Mr. Daniel Waguespack, House Fiscal Division  
Ms. Dazia Briscoe, House Fiscal Division  
Ms. Martha Hess, Senate Counsel  
Ms. Bobbie Hunter, Senate Fiscal Division  
Ms. Debra Vivien, Senate Fiscal Division  
Ms. Raynel Gascon, Senate Fiscal Division

1) **Interior Renovations**  
**East Louisiana State Hospital**  
**Jackson, Louisiana**  
**Project Nos. 09-332-00B-01, Part 04; WBS F.09000004**  
**01-107-18-02; WBS F.01004054 Supplement**  
**Date of Contract: March 12, 2021**

<b>Original Contract Amount:</b>	<b>\$1,434,250.00</b>
<b>Contract amount increased by Change Order 1:</b>	<b>\$ 84,249.00</b>
<b>New contract sum:</b>	<b>\$1,518,499.00</b>

**Change Order 1** increases the project amount due to the need to phase construction. The user agency informed Facility Planning and Control that all occupants of the building could not be relocated all at one time to facilitate the hazardous material abatement process. The building houses the administrative staff for the East Louisiana State Hospital and needs to be fully operational at all times. Due to space limitations for staff relocation, and the difficulty to move the entire staff into one space as a result of COVID-19 concerns, it was determined the only way to move forward with construction was to phase the project.

This phasing added 168 days to the project and included the added costs directly related to General Conditions. This amount is covered by the construction contingency.

2) **Welding Facility**  
**River Parishes Community College, Reserve Campus**  
**Reserve, Louisiana**  
**Project No. 01-107-06-17; WBS F.01003925**  
**Date of Contract: August 25, 2020**

<b>Original Contract Amount:</b>	<b>\$700,000.00</b>
<b>Changes by previous change orders:</b>	<b>\$ 53,092.00</b>
<b>Contract amount increased by Change Order 1:</b>	<b>\$ 62,147.00 (02/26/21)</b>
<b>Contract amount increased by Change Order 3:</b>	<b>\$ 72,727.00 (03/18/21)</b>
<b>Contract amount increased by Change Order 5:</b>	<b>\$ 83,917.00 (06/24/21)</b>
<b>New contract sum:</b>	<b>\$ 971,883.00</b>

**Change Order 1** increases the contract amount for furnishing and installing 31 Adjustable Fume Extractor Arms to allow for the removal of fumes in the welding area.

**Change Order 3** increases the contract amount for furnishing and installing 31 welding booth stations that were originally to be owner furnished.

**Change Order 5** increases the contract amount for a new 400-amp electrical panel board in the shop area to replace an existing smaller panel due to an increased electrical load.

All change orders were funded with project contingency.

- 3) **Central Utility Plant**  
**Repairs and Mitigation of Building Functions and Mechanical, Electrical and Plumbing Systems**  
**Louisiana Health Sciences Center**  
**New Orleans, Louisiana**  
**Project No. 01-107-05B-13 Part XF; WBS F.01000888**  
**Date of Contract: April 9, 2020**
- |   |                       |
|---|-----------------------|
| <b>Original Contract Amount:</b>                    | <b>\$6,629,000.00</b> |
| <b>Contract Amount increased by Change Order 1:</b> | <b>\$ 86,180.00</b>   |
| <b>New contract sum:</b>                            | <b>\$6,715,180.00</b> |

**Change Order 1** increases the project amount for installation of a new 18" air/dirt separator and all associated components and adjustments to the 20" piping system to suit existing field conditions and to provide proper clearance to maintain the system properly. This amount is covered by the construction contingency and is FEMA eligible.

- 4) **MEB and CSRB Permanent Repairs & Mitigation of Building Functions and Critical MEP Systems & Equipment**  
**Restoration of Main Campus**  
**Louisiana State University Health Sciences Center**  
**New Orleans, Louisiana**  
**Project No. 01-107-05B-13, Part BC; WBS F.01000293**  
**Date of Contract: March 8, 2019**
- |  |                        |
|--|------------------------|
| <b>Original Contract Amount:</b>                     | <b>\$89,270,000.00</b> |
| <b>Changes by previous change orders:</b>            | <b>\$ 1,300,524.00</b> |
| <b>Contract Amount increased by Change Order 33:</b> | <b>\$ 91,829.00</b>    |
| <b>New contract sum:</b>                             | <b>\$90,662,353.00</b> |

**Change Order 33** was executed in the amount of \$91,829 for electrical system bus duct not needed, removal of a bed dump station, modification to existing chase wall due to existing field conditions, relocation of CMU wall to suit field conditions, additional electrical and mechanical rough-in on floors 3, 4 and 5 and addition of 57 days to contract time due to weather related days. The change order is paid with project funds and is FEMA eligible.

**Amendment to Agreement between State of Louisiana**  
Coastal Protection and Restoration Authority  
AND  
JACOBS Engineering Group, Inc.  
100 North Street  
Suite 901  
Baton Rouge, LA 70802  
Tel. No. 225-572-9639  
Vendor # 95-4081636

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**Amendment Provisions**

**CHANGE FROM:**

**TERM OF CONTRACT**

This Contract shall begin on November 1, 2019 and shall terminate on October 31, 2022. The State shall have the right to contract for up to thirty-six (36) months with the concurrence of the Contractor and all appropriate approvals. With all proper approvals and concurrence with the successful Contractor, agency may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, 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) or other approval authorized by law shall be obtained. Such 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 the contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

**CHANGE TO:**

**TERM OF CONTRACT**

This Contract shall begin on November 1, 2019 and shall terminate on October 31, 2024. The State shall have the right to contract for up to thirty-six (36) months with the concurrence of the Contractor and all appropriate approvals. With all proper approvals and concurrence with the successful Contractor, agency may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, 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) or

other approval authorized by law shall be obtained. Such 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 the contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

**CHANGE FROM:**

**COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT**

In consideration of the services required by this Contract, CPRA hereby agrees to pay the Contractor a maximum fee of \$12,000,000.00. Payments are predicated upon successful completion of the services described in Scope of Work and acceptance of deliverables described in negotiated task orders; receipt of an invoice; and written approval of the Contract Monitor.

**CHANGE TO:**

**COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT**

In consideration of the services required by this Contract, CPRA hereby agrees to pay the Contractor a maximum fee of \$19,000,000.00. Payments are predicated upon successful completion of the services described in Scope of Work and acceptance of deliverables described in negotiated task orders; receipt of an invoice; and written approval of the Contract Monitor.

**Amendment becomes effective:** November 1, 2019

**Justification:**

CPRA is extending the term of contract for two additional years, per Article 5 of the original contract. This request extends the term of contract beyond its original 3-year term in order to complete ongoing work. A budget increase is also needed to complete ongoing and future tasks.

No amendment shall be valid until it has been executed by all parties and approved by the Division of Administration, Office of State Procurement.



This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties. IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below:

CONTRACTOR SIGNATURE

STATE AGENCY SIGNATURE

\_\_\_\_\_  
JACOBS Engineering Group, Inc.  
Title: \_\_\_\_\_

\_\_\_\_\_  
Lawrence B. Haase  
Title: Executive Director, CPRA

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

**Amendment to Contract between State of Louisiana**  
Division of Administration  
Office of Technology Services  
AND  
Celerian Consulting, Inc  
LaGov vendor number 0310083042

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**Amendment Provision**

**1. Section 2.1 Term of Contract**

**Currently reads:**

This Contract shall begin on November 1, 2018 and shall end on October 31, 2021. With all proper approvals and concurrence with the CONTRACTOR, agency may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, 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) or other approval authorized by law shall be obtained. Such 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.

**Changed to read:**

This Contract shall begin on November 1, 2018 and shall end on October 31, 2023. The continuation of this Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Contract.

**2. Section 5.0 Compensation and Maximum Amount of Contract**

**Currently reads:**

**5.1** In consideration of the services required by this Contract, STATE hereby agrees to pay to CONTRACTOR a maximum fee of \$37,000,000.00. CONTRACTOR's hourly billing rates are provided in Attachment VI. The hourly rate includes labor, per diem, travel, overhead, account management, and any other costs related to providing the services. Travel time is not part of contracted services and is not reimbursable.

**5.2** CONTRACTOR will submit invoices to the STATE monthly, which must be for work that was assigned by STATE Project Manager-approved task orders; and supported by time sheets indicating effort expended by CONTRACTOR personnel on each task order. The format of the invoice is subject to STATE approval.

**5.3** Upon approval of accurate invoices by the CIO or his designee, the STATE will make every reasonable effort to make payments within thirty (30) calendar days of the receipt of invoice.

**5.4** In the event of a disputed invoice, STATE will make every reasonable effort to notify CONTRACTOR of the disputed portion within ten (10) business days of its receipt of the invoice. CONTRACTOR will review the invoice and if appropriate, will resubmit a corrected invoice as soon as practical. Upon receipt of an accurate and undisputed invoice, STATE will make payment in accordance with section 5.3 above.

**Changed to read:**

**5.1** In consideration of the services required by this Contract, STATE hereby agrees to pay to CONTRACTOR a maximum fee of **\$49,000,000.00**. CONTRACTOR's hourly billing rates are provided in Attachment VI. The hourly rate includes labor, per diem, travel, overhead, account management, and any other costs related to providing the services. Travel time is not part of contracted services and is not reimbursable.

**5.2** CONTRACTOR will submit invoices to the STATE monthly, which must be for work that was assigned by STATE Project Manager-approved task orders; and supported by time sheets indicating effort expended by CONTRACTOR personnel on each task order. The format of the invoice is subject to STATE approval.

**5.3** Upon approval of accurate invoices by the CIO or his designee, the STATE will make every reasonable effort to make payments within thirty (30) calendar days of the receipt of invoice.

**5.4** In the event of a disputed invoice, STATE will make every reasonable effort to notify CONTRACTOR of the disputed portion within ten (10) business days of its receipt of the invoice. CONTRACTOR will review the invoice and if appropriate, will resubmit a corrected invoice as soon as practical. Upon receipt of an accurate and undisputed invoice, STATE will make payment in accordance with section 5.3 above.

No amendment shall be valid until it has been executed by all parties and approved by the Director of the Office of State Procurement, Division of Administration.

This Amendment No. 2 contains or has attached hereto all revised terms and conditions agreed upon by contracting parties. IN WITNESS THEREOF, this Amendment No. 2 is signed and entered into on the date indicated below.

**CONTRACTOR:**  
**CELERIAN CONSULTING, INC**

**AGENCY:**  
**DIVISION OF ADMINISTRATION**  
**OFFICE OF TECHNOLOGY SERVICES**

\_\_\_\_\_  
*(Contractor Signature)*

\_\_\_\_\_  
*(Agency Signature)*

**Printed Name:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

Amendment #: 3

LAGOV#: 2000410659

LDH #: 062285

**MVA**

LDH - Office of Behavioral Health

(Regional/ Program/  
Facility)

Eastern Louisiana Mental Health System Original Contract Amount \$ 5,017,689.60

**AND**

Original Contract Begin Date 07-01-2019

Grace Outreach Center

Original Contract End Date 06-30-2022

Contractor Name

RFP Number: 3000011204 FSTRA

**AMENDMENT PROVISIONS**

Change Contract From: From Maximum Amount: \$5,017,689.60 Current Contract Term: 07/30/19 - 06/30/2022

CF-1:

- 11) Termination Date: 06-30-2022
- 12) Maximum Contract Amount: \$5,017,689.60 (as approved)
- 13) Amounts by Fiscal Year: FY20-22: (FY20) \$1,610,400.00; (FY21) \$1,670,240.00; (FY22) \$1,737,049.60 (as approved)
- 15) Attachment B: Statement of Work (as approved)

Change Contract To: To Maximum Amount: \$8,708,161.41 Changed Contract Term: 07/30/19 - 06/30/2024

CF-1:

- 11) Termination Date: 07/31//2023
- 12) Maximum Contract Amount: \$8,708,161.41 (as revised)
- 13) Amounts by Fiscal Year: FY20-22: (FY20) \$1,610,400.00; (FY21) \$1,670,240.00; (FY22) \$1,737,049.60 (FY23) \$1,806,531.58; (FY24) \$1,883,940.23 (as revised)
- 15) Attachment B: Statement of Work (as revised)

Justifications for amendment:

The RFP contains an option to extend for up to twenty-four (24) additional months, with JLCB approval at the same rates, terms and conditions of the initial contract term. The total contract term (07/30/19 through 06/30/2022) including any extensions cannot exceed 5 years. LDH seeks to extend the current contract for a period of twenty-four (24) months, through 06/30/2024, by utilizing normal Contract Amendment processes.

This Amendment Becomes Effective: 07-01-2022

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

**CONTRACTOR**

Grace Outreach Center

**STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

**Secretary, Louisiana Department of Health or Designee**

<b>CONTRACTOR SIGNATURE</b>	<b>DATE</b>
PRINT NAME <input style="width: 90%;" type="text"/>	
CONTRACTOR TITLE <input style="width: 90%;" type="text"/>	

<b>SIGNATURE</b>	<b>DATE</b>
NAME <input style="width: 90%;" type="text"/>	
TITLE <input style="width: 90%;" type="text"/>	
OFFICE <input style="width: 90%;" type="text"/>	

<b>PROGRAM SIGNATURE</b>	<b>DATE</b>
NAME <input style="width: 90%;" type="text"/>	

**AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

Amendment #: 03  
LAGOV#: 2000429517  
LDH #: 062301

(Regional/ Program/ Facility)	<u>Office of Behavioral Health</u>	
	<u>Eastern Louisiana Mental Health Center</u>	Original Contract Amount <u>\$ 1,023,006.00</u>
	<b>AND</b>	Original Contract Begin Date <u>07-01-2019</u>
	<u>Options Foundation, Inc.</u>	Original Contract End Date <u>06-30-2022</u>
	Contractor Name	RFP Number: <u>3000011153</u>

**AMENDMENT PROVISIONS**

Change Contract From: From Maximum Amount: \$1,318,523.00 Current Contract Term: 7/1/2019 - 6/30/2022

CF-1:  
11) Termination Date: 6/30/22  
12) Maximum Contract Amount: \$1,318,523.00 (as approved)  
13) Amounts by Fiscal Year: FY20 \$428,507.60; FY21 \$445,008.00; FY22 \$445,008.00 (as approved)  
15) Attachment 3: Statement of Work (as approved)

Change Contract To: To Maximum Amount: \$2,209,758.80 Changed Contract Term: 7/1/19 - 6/30/2024

CF-1:  
11) Termination Date: 6/30/24  
12) Maximum Contract Amount: \$2,209,758.80  
13) Amounts by Fiscal Year: FY20 \$428,507.60; FY21 \$445,008.00; FY22 \$445,008.00; FY23 \$445,008.00; FY24 \$446,227.20  
15) Attachment 3: Statement of Work

**Justifications for amendment:**

The Eastern Louisiana Mental Health System contract with Options Foundation, Inc. contains an option to extend for up to twenty-four (24) additional months, with JLCB approval up to 12 months, at the same rates, terms and conditions of the initial contract term. The total contract term (7/1/2019 through 6/30/2022) including any extensions cannot exceed 5 years. LDH seeks to extend the current contract for a period of twenty-four months, through 6/30/24, by utilizing normal Contract Amendment processes.

This Amendment Becomes Effective: 07-01-2021

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

<b>CONTRACTOR</b>	<b>STATE OF LOUISIANA LOUISIANA DEPARTMENT OF HEALTH</b>
<u>Options Foundation, Inc.</u>	<u>Secretary, Louisiana Department of Health or Designee</u>

<b>CONTRACTOR SIGNATURE</b>	<b>SIGNATURE</b>
<b>DATE</b>	<b>DATE</b>
PRINT NAME <u>Brent A. Nettles</u>	NAME _____
CONTRACTOR TITLE <u>Executive Director</u>	TITLE _____
	OFFICE _____





Christopher A. Keaton  
Legislative Fiscal Officer

## STATE OF LOUISIANA

Legislative Fiscal Office  
BATON ROUGE

Post Office Box 44097  
Capitol Station  
Baton Rouge, Louisiana 70804  
Phone: 225.342.7233  
Fax: 225.342.7243

To: The Honorable Bodi White, Chairman  
Joint Legislative Committee on the Budget  
The Honorable Members of the Joint Legislative Committee on the Budget

From: Rebecca Robinson, Fiscal Analyst *RR*  
Christopher A. Keaton, Legislative Fiscal Officer *CAK*

Date: October 20, 2021

Subject: GREATER NEW ORLEANS EXPRESSWAY COMMISSION  
FY 22 BUDGET ANALYSIS

The Greater New Orleans Expressway Commission (GNOEC) staff annually prepares its budget for approval by the Commissioners in accordance with its bond indenture. Upon approval by the GNOEC, the budget is then submitted to the Legislative Fiscal Office. The GNOEC approved the budget on August 11, 2021, and submitted the approved budget to the Legislative Fiscal Office.

Prior to the submission of the annual operating budget to the Joint Legislative Committee on the Budget (JLCB) for its approval or rejection, the Legislative Fiscal Office reviews the submission of the budget for mathematical accuracy and content. In addition, the Legislative Fiscal Office prepares an analysis of the budget submitted by the GNOEC and provides this report to the Joint Legislative Committee on the Budget (JLCB) for its consideration.

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**BUDGET SUMMARY, FISCAL YEAR 2021-22**  
**Greater New Orleans Expressway Commission**

	Actual FY 19	Actual FY 20	Approved FY 21	Requested FY 22	Change From Prior FY	
					\$	%
<b>Means of Finance</b>						
Tolls	\$23,867,547	\$18,721,627	\$17,085,500	\$21,489,000	\$4,403,500	25.8%
Highway Fund No. 2	\$6,489,477	\$6,819,713	\$6,300,000	\$6,300,000	\$0	0.0%
Interest Income	\$288,675	\$556,160	\$175,000	\$60,000	(\$115,000)	-65.7%
Other Revenue	\$91,224	\$96,757	\$175,000	\$100,000	(\$75,000)	-42.9%
<b>Total MOF</b>	<b>\$30,736,923</b>	<b>\$26,194,257</b>	<b>\$23,735,500</b>	<b>\$27,949,000</b>	<b>\$4,213,500</b>	<b>17.8%</b>
<b>Expenditures</b>						
Salaries	\$3,929,867	\$3,734,915	\$4,119,271	\$4,317,363	\$198,092	4.8%
Related Benefits	\$1,462,190	\$1,477,465	\$1,882,373	\$2,210,362	\$327,989	17.4%
Other Compensation	\$27,344	\$27,344	\$34,180	\$34,180	\$0	0.0%
<b>Personnel Svcs.</b>	<b>\$5,419,401</b>	<b>\$5,239,724</b>	<b>\$6,035,824</b>	<b>\$6,561,905</b>	<b>\$526,081</b>	<b>8.7%</b>
Operating Services	\$3,005,769	\$2,926,271	\$3,177,500	\$3,139,000	(\$38,500)	-1.2%
Supplies	\$1,226,366	\$1,100,471	\$1,196,725	\$1,296,650	\$99,925	8.3%
<b>Operating Expenses</b>	<b>\$4,232,135</b>	<b>\$4,026,742</b>	<b>\$4,374,225</b>	<b>\$4,435,650</b>	<b>\$61,425</b>	<b>1.4%</b>
<b>Professional Services</b>	<b>\$420,130</b>	<b>\$270,070</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>\$0</b>	<b>0.0%</b>
Debt Service	\$7,796,831	\$7,796,831	\$7,617,131	\$7,427,406	(\$189,725)	-2.5%
State Surplus-HPL	\$1,651,548	\$1,639,515	\$1,766,807	\$1,859,099	\$92,292	5.2%
<b>Other Charges</b>	<b>\$9,448,379</b>	<b>\$9,436,346</b>	<b>\$9,383,938</b>	<b>\$9,286,505</b>	<b>(\$97,433)</b>	<b>-1.0%</b>
Acquisitions	\$276,175	\$276,175	\$308,641	\$584,538	\$275,897	89.4%
Maj. Rep./Cap. Imps.	\$10,940,703	\$6,945,200	\$3,412,872	\$6,860,402	\$3,447,530	101.0%
<b>Acquisitions/Repairs</b>	<b>\$11,216,878</b>	<b>\$7,221,375</b>	<b>\$3,721,513</b>	<b>\$7,444,940</b>	<b>\$3,723,427</b>	<b>100.1%</b>
<b>Total Expenditures</b>	<b>\$30,736,923</b>	<b>\$26,194,257</b>	<b>\$23,735,500</b>	<b>\$27,949,000</b>	<b>\$4,213,500</b>	<b>17.8%</b>

Section 2 of Act 875 of 1988 requires the GNOEC to submit its annual budget to the Joint Legislative Committee on the Budget for its approval or rejection prior to the expenditure of funds contained in such budget. Act 842 of the 2008 Regular Legislative Session requires "...consideration of operating budgets shall be given in advance of the beginning of the subject entity's fiscal year." The GNOEC's new fiscal year begins on November 1, 2022; therefore, its annual operating budget is being presented at this time.

**BUDGET SUMMARY**

The Greater New Orleans Expressway Commission (GNOEC) is requesting approval of a FY 22 total budget of \$27.9 M, representing a \$4.2 M total increase, or 17.8%, from the budget approved by the JLCB for FY 21. The Commission anticipates a \$4.4 M increase in toll revenues in FY 22 over initial FY 21 projections.

## MEANS OF FINANCING

The FY 22 revenues for the GNOEC operating budget total \$27.9 M and are comprised of the following: toll revenues (76.9%), State Highway Fund No. 2 revenues (22.5%), interest income (0.2%), and other revenues (0.4%). The following discussion will provide additional details on these means of finance.

### Toll Revenues

Toll revenues are budgeted based upon historical collections and trends in traffic patterns. As a result of fewer crossings in 2020 due to COVID-19, toll revenues were conservatively projected at \$17.1 M for FY 21; however, the updated projected year-end revenue for FY 21 is \$20.9 M. Revenues for FY 21 are expected to be approximately \$3.9 M more than budgeted as economic activity increases from 2020.

The proposed toll revenues for FY 22 increase approximately 25.8% from the approved FY 21 budget. Toll revenues are budgeted at \$21.5 M for FY 22, which is \$4.4 M over the total approved in FY 21 (\$17.1 M). The total number of one-way crossings on the expressway is anticipated to be 5,663,064 in FY 22 as compared with 5,524,940 for FY 21, an increase of 138,124 crossings, or 2.5%. The full toll schedule is outlined on page 6, and toll revenue history is discussed on page 7.

These revenues are used to pay for the Commission's operating expenses (\$11.2 M), and the excess toll revenues are encumbered in order to pay for future capital improvement projects. In FY 22, \$6.9 M will be placed in the Extraordinary Maintenance and Repair Reserve Fund for current and future projects (see page 15).

### State Highway Fund Number 2

State Highway Fund No. 2 revenues are derived from vehicular license taxes collected in Orleans, Jefferson, St. John the Baptist, St. Charles, Tangipahoa and St. Tammany parishes. These revenues are disbursed as follows: 1) fifty percent (50%) accruing to GNOEC; 2) all monies collected in Orleans Parish from vehicular registration license fees and taxes from trucks and trailers pursuant to LA R.S. 47:462 are deposited into the New Orleans Ferry Fund; 3) after making the allocation for the GNOEC, and the New Orleans Ferry Fund, fifty percent (50%) of monies collected in Jefferson Parish pursuant to R.S. 47:462 are deposited into the Regional Maintenance and Improvement Fund; and 4) the remaining funds are deposited into the Transportation Trust Fund (TTF). Based upon the Revenue Estimating Conference's latest adopted revenue forecast of \$14.0 M for FY 22, the GNOEC's share of revenue is anticipated to total \$7 M in State Highway Fund No. 2 dollars for FY 22. However, GNOEC chose to be conservative and the board has approved a reduced amount of \$6.3 M.

The GNOEC's budgeted revenues (\$6.3 M) from State Highway Fund No. 2 are anticipated to be greater than its debt service payment (for Series 2013 and 2014 bonds) backed by resources from the fund, which is projected to be \$3.1 M in FY 22. As stated in earlier reports, the Legislative Fiscal Office (LFO) previously requested and received an Attorney General opinion on this matter verifying that "surplus" funds from Highway Fund No. 2 are permissible to be utilized by the GNOEC in its budget for expenses of the Huey P. Long (HPL) Bridge and other local agencies, as well as capital improvements. The excess revenue from the Highway Fund No. 2 after the annual debt service payment is \$3.2 M (or \$6.3 M minus \$3.1 M); \$1.9 M will go towards IAT for the HPL Bridge and local agencies, and the remaining surplus of \$1.3 M will be encumbered for acquisitions (\$584,538) and major repairs and capital improvements (\$752,956).

### Interest Income

Interest income is projected at \$60,000 for FY 22, a decrease of \$115,000, or 65.7%, from the FY 21 approved budget. According to the GNOEC, decreased interest income is due to the elimination of the enhanced construction investments; this budget decrease is to align the budget with interest income from the Extraordinary Maintenance and Repair Reserve Fund.

### Other Revenue

Other Revenue is projected at \$100,000 for FY 22, a decrease of \$75,000, or 42.9%, from the FY 21 approved budget. This category consists of monies received for copies of police accident and incident reports, plans for projects, records requests, and revenue generated from ATM fees. The decrease in other revenue in FY 22 aligns the budget with revenue collections from years prior to FY 21. FY 21 revenue was higher than normal due to the sale of equipment at surplus auction.

## MEANS OF FINANCING ISSUES

### Act 481 of 2016 -Toll Increases, Toll Bonds, Span Improvements

Act 481 of 2016, allows the GNOEC to carry out improvements to both spans of the bridge, including the addition of safety bays and higher safety rails and to issue toll bonds up to \$133 M, the proceeds of which would be used to fund the higher safety rails and safety bays. The bond issuance was subject to approval of the State Bond Commission, as well as Jefferson and St. Tammany Parishes, the localities that the bridge directly serves. Act 481 also states that the bonds must be backed using revenues derived from tolls and cannot be supplemented by State Highway Fund No. 2, which the GNOEC uses to fund its current debt service payments. As a result, the GNOEC voted to increase toll schedules for use of the bridge in August 2016, allowing the Commission to back the bond issuance with increased toll revenues. During FY 17, the GNOEC issued bonds with a principal amount of \$88.7 M and an interest rate of 5% with a maturity date of November 1, 2047. The GNOEC paid \$4.3 M towards interest and \$185,000 towards principal FY 21 and will pay \$4.3 M towards interest in FY 22 with no principal payment.

Act 481 allows the GNOEC to fund higher safety rails on both spans at a cost of up to \$67 M. The GNOEC contracted with Texas A&M University to develop a rail that would fasten to the top of the existing rails on the southbound and northbound spans. Two options were tested. The option the GNOEC chose will increase the rail height of the southbound span by 21 inches for a total rail height of 46 inches (25 inch existing rail height + 21 inch addition) at a total estimated cost of \$40 M. It will include 2 bars spanning the length of the bridge on both sides and will be secured to the bridge by a bolt on the top and side of the existing rail. The project to increase the rail height began in May 2019 and is expected to be complete by the end of 2021.

In addition to increasing the rail heights on the southbound spans, Act 481 allows the GNOEC to add safety bays to both spans of the bridge at a cost of up to \$63 M. The safety bays will have a length of 1,008 feet each and will result in a partial lane being added to each span of the bridge at different intervals that will allow vehicles to pull off in case of mechanical failure or wrecks. There will be a total of 12 safety bays with the Northbound and Southbound bridges, each having six. The safety bays on the Southbound Bridge require 12 of its 56-foot spans to be widened, and the Northbound Bridge safety bays require 8 of its 84-foot spans to be widened. The safety bays will add up to an additional 16 feet of width to the corresponding spans. Volkert Inc. is the design engineer for the project and anticipates a total project cost of approximately \$54 M. Test pilings were put into the lake at the beginning September of 2018, and the Commission began the full project in December of 2018. The project was completed in August of 2020.



### Toll Rates and Rehabilitation Projects

In February 1995, the GNOEC increased tolls and charges on the Lake Pontchartrain Causeway. The revenues generated from the increase are dedicated for the purpose of funding major repairs/capital improvement projects.

The GNOEC increased tolls during an August 2016 meeting. Proceeds from the increased toll revenues were used to finance a bond issuance, the proceeds of which funded higher safety rails on the southbound span and safety bays on both spans. The new toll schedule became effective on May 1, 2017. A table of the new toll schedule is below.

Note: The GNOEC began one-way toll collections in May 1999. Tolls have been collected only on the North Shore since that time.

### **TOLL SCHEDULE Effective May 1, 2017**

<u># of Axles</u>	<u>Toll Tag</u>		<u>Cash</u>	
	<u>Under 7'</u>	<u>Over 7'</u>	<u>Under 7'</u>	<u>Over 7'</u>
2	\$3.00	\$9.00	\$5.00	\$9.00
3	\$6.75	\$13.50	\$7.00	\$14.00
4	\$9.00	\$18.00	\$9.00	\$18.00
5	\$11.25	\$22.50	\$12.00	\$23.00
6	\$11.25	\$22.50	\$12.00	\$23.00
7+	\$11.25	\$22.50	\$12.00	\$23.00

### Toll Revenues

Toll revenues are projected at \$21.5 M for FY 22, an increase of \$4.4 M, or 25.8%, above the \$17.1 M approved in FY 21. These revenues are used to pay for the Commission's operating expenses of \$11.2 M. The excess toll revenues are encumbered in order to pay for future capital improvement projects. In FY 22, \$6.9 M will be placed in the Extraordinary Maintenance and Repair Reserve Fund for current and future projects.

Toll revenues are budgeted based upon historical collections and trends in traffic patterns. The table on page 7 illustrate toll revenue collections and traffic counts from FY 04 (pre-Katrina levels) to projected levels in FY 22. The large decrease in FY 21 revenues is a result of decreased traffic due to COVID-19. Although the GNOEC's traffic engineering contractor, Stantec, projected revenues of between \$15.9 M to \$18.3 M for FY 21, actual year-end revenues are estimated to be \$20.9 M.

**TOLL REVENUES**

Fiscal Year	Toll Collections		Traffic Count	
	\$	PY \$ Change	#	PY # Change
2004	\$15,421,017	\$0	5,909,426	n/a
2005	\$13,566,529	(\$1,854,488)	5,814,832	-94,594
2006	\$18,184,159	\$4,617,630	6,707,603	892,771
2007	\$17,768,414	(\$415,745)	6,571,180	-136,423
2008	\$17,135,270	(\$633,144)	6,366,320	-204,860
2009	\$17,047,947	(\$87,323)	6,400,327	34,007
2010	\$16,025,247	(\$1,022,700)	6,355,044	-45,283
2011	\$16,018,853	(\$6,394)	6,337,597	-17,447
2012	\$15,811,025	(\$207,828)	6,364,746	27,149
2013	\$16,212,070	\$401,045	6,409,719	44,973
2014	\$15,916,000	(\$296,070)	6,445,170	35,451
2015	\$16,455,022	\$539,022	6,413,600	-31,570
2016	\$16,543,981	\$88,959	6,629,438	215,838
2017	\$20,207,445	\$3,663,464	6,495,401	-134,037
2018	\$24,189,993	\$3,982,548	6,399,579	-95,822
2019	\$23,867,547	(\$322,446)	6,409,364	9,785
2020	\$18,721,627	(\$5,145,920)	5,216,325	-1,193,039
2021	\$20,961,000	\$2,239,373	5,524,940	308,615
2022	\$21,489,000	\$528,000	5,663,064	138,124

**EXPENDITURES**

**PERSONNEL EXPENSES**

Salaries	FTE	Actual FY 19	FTE	Actual FY 20	FTE	Approved FY 21	FTE	Requested FY 22	Change From PY	
									\$	%
<b>Administration</b>										
General Manager	1.0	\$128,366	1.0	\$133,843	1.0	\$133,843	1.0	\$140,527	\$6,684	5.0%
Office Personnel	12.0	\$492,044	12.0	\$529,932	12.0	\$552,932	12.0	\$581,512	\$28,580	5.2%
<u>Less: HPL Adm.</u>	<u>(1.0)</u>	<u>(\$77,714)</u>	<u>(1.0)</u>	<u>(\$93,388)</u>	<u>(1.0)</u>	<u>(\$96,797)</u>	<u>(1.0)</u>	<u>(\$101,150)</u>	-\$4,353	4.5%
<b>Sub-Total</b>	<b>12.0</b>	<b>\$542,696</b>	<b>12.0</b>	<b>\$570,387</b>	<b>12.0</b>	<b>\$589,978</b>	<b>12.0</b>	<b>\$620,889</b>	<b>\$30,911</b>	<b>5.2%</b>
<b>Operations</b>										
Toll Collectors	17.0	\$565,986	17.0	\$564,011	16.0	\$570,095	16.0	\$608,255	\$38,160	6.7%
Maintenance	26.0	\$967,226	26.0	\$894,200	25.0	\$1,012,357	25.0	\$1,045,566	\$33,209	3.3%
Bascule Operators	5.0	\$215,773	5.0	\$226,237	5.0	\$226,541	5.0	\$223,078	-\$3,463	-1.5%
Dispatch	13.5	\$563,845	13.5	\$597,979	12.0	\$513,087	12.0	\$512,348	-\$739	-0.1%
Police	35.0	\$1,835,192	35.0	\$1,596,062	32.0	\$2,010,456	32.0	\$2,145,501	\$135,045	6.7%
<u>Less: HPL Operations</u>	<u>(13.0)</u>	<u>(\$760,851)</u>	<u>(13.0)</u>	<u>(\$713,961)</u>	<u>(13.0)</u>	<u>(\$803,242)</u>	<u>(13.0)</u>	<u>(\$838,273)</u>	-\$35,031	4.4%
<b>Sub-Total</b>	<b>83.5</b>	<b>\$3,387,171</b>	<b>83.5</b>	<b>\$3,164,528</b>	<b>77.0</b>	<b>\$3,529,294</b>	<b>77.0</b>	<b>\$3,696,475</b>	<b>\$167,181</b>	<b>4.7%</b>
<b>Total Salaries</b>	<b>95.5</b>	<b>\$3,929,867</b>	<b>95.5</b>	<b>\$3,734,915</b>	<b>89.0</b>	<b>\$4,119,271</b>	<b>89.0</b>	<b>\$4,317,363</b>	<b>\$198,092</b>	<b>4.8%</b>
<b>Related Benefits</b>										
Parochial (Retirement)		\$549,732		\$689,336		\$724,605		\$719,451	-\$5,154	-0.7%
Group Insurance		\$1,033,071		\$918,038		\$1,244,036		\$1,532,187	\$288,151	23.2%
Retirees Group Benefits		\$73,373		\$73,373		\$125,000		\$200,000	\$75,000	60.0%
Gov. Def. Comp. Plan		\$77,965		\$79,778		\$85,000		\$85,000	\$0	0.0%
<u>Less: HPL Rel. Benef.</u>		<u>(\$271,951)</u>		<u>(\$283,060)</u>		<u>(\$296,268)</u>		<u>(\$326,276)</u>	-\$30,008	10.1%
<b>Total Related Benefits</b>		<b>\$1,462,190</b>		<b>\$1,477,465</b>		<b>\$1,882,373</b>		<b>\$2,210,362</b>	<b>\$327,989</b>	<b>17.4%</b>
<b>Other Compensation</b>		<b>\$27,344</b>		<b>\$27,344</b>		<b>\$34,180</b>		<b>\$34,180</b>	<b>\$0</b>	<b>0.0%</b>
<b>TOTAL</b>		<b>\$5,419,401</b>		<b>\$5,239,724</b>		<b>\$6,035,824</b>		<b>\$ 6,561,905</b>	<b>\$526,081</b>	<b>8.7%</b>

**Salaries**

The GNOEC is requesting \$4.3 M for salaries, a 4.8% increase from FY 21. There are 89 full-time equivalent employees (FTEs) for FY 22, which is unchanged from FY 21. The number of FTEs by category allocated to the Causeway Commission for FY 22 is as follows: 12 administrative positions and 77 non-administrative positions for a total of 89 positions. Note: The table above backs out funding equivalent to the administrative and operations functions for the Huey P. Long Bridge. The HPL Bridge currently has 8 non-administrative personnel.

Merit increases are approved each year through the Commission's budget approval process. Traditionally, administrative and supervisory personnel of the GNOEC may receive merit increases as a flat percentage based upon individual job performances. For FY 22, the Commission authorized merit-based pay increases for GNOEC personnel, averaging 5%, beginning November 1, 2021.

The GNOEC currently has 32 Peace Officer Standards & Training (POST) certified police officers (24 - Causeway, 8 - Huey P. Long Bridge). Act 664 of 2008 provides that these police officers are eligible to receive state supplemental pay, which is currently \$500/month or \$6,000/year for a total state supplement of \$192,000 for all Causeway police officers currently receiving

supplemental pay. This portion of the police officers' salaries is not included in the GNOEC's budget, as the state pays this amount annually. However, the GNOEC is responsible for paying the related benefits costs associated with the additional \$6,000 state salary supplement, which equates to approximately \$24,255 of additional related benefits expenditures included in the operating budget over and above the base salaries.

Salary information for filled positions can be found on pages 20-23.

Related Benefits:

The GNOEC is requesting \$2.2 M for related benefits, a 17.4% increase from FY 21. This is due to an increase in group insurance costs for both active employees and retirees.

Other Compensation:

The GNOEC is requesting standstill funding of \$34,180 for Other Compensation in FY 22. Other Compensation represents the salaries of the Greater New Orleans Expressway Commissioners. The five appointed commissioners are paid \$569.66 per month for Commission duties as provided by an amendment to the Articles of Incorporation of the Greater New Orleans Expressway Commission. The Parishes of Jefferson and St. Tammany executed the Articles of Incorporation on October 20, 1954, with the above amendment being approved on August 7, 1986.

**OPERATING SERVICES**

	FY 19 Actual	FY 20 Actual	FY 21 Approved	FY 22 Requested	Change From Prior FY	
					\$	%
Advertising (Motorist Safety)	\$0	\$10,435	\$10,000	\$10,000	\$0	0.0%
Publication of Public Notices	\$1,221	\$1,485	\$1,500	\$1,500	\$0	0.0%
Insurance	\$2,023,588	\$2,063,638	\$2,250,000	\$2,275,000	\$25,000	1.1%
Travel	\$6,074	\$95	\$2,500	\$1,500	(\$1,000)	-40.0%
Telephone and Radio	\$275,443	\$275,819	\$225,000	\$225,000	\$0	0.0%
Utilities	\$183,877	\$153,266	\$175,000	\$175,000	\$0	0.0%
Bank/ Visa Charge on Toll	\$380,664	\$315,648	\$380,000	\$380,000	\$0	0.0%
Bank Trustee Fees	\$12,665	\$6,640	\$8,500	\$8,500	\$0	0.0%
Dues & Subscriptions	\$42,439	\$13,566	\$25,000	\$12,500	(\$12,500)	-50.0%
Unused Vacation and Sick	\$79,798	\$85,679	\$100,000	\$50,000	(\$50,000)	-50.0%
<b>Total</b>	<b>\$3,005,769</b>	<b>\$2,926,271</b>	<b>\$3,177,500</b>	<b>\$3,139,000</b>	<b>(\$38,500)</b>	<b>-1.2%</b>

Operating Services:

The GNOEC is requesting \$3.1 M for operating services and expenses, a 1.2% decrease from FY 21. Operating services include advertising, the publication of public notices and minutes, insurance, travel, telephone and radio expenses, utilities, payout of unused vacation and sick leave, dues and subscriptions, trustee fees, bank and visa charges for toll deposits, and other miscellaneous expenses.

## SUPPLIES

	FY 19 Actual	FY 20 Actual	FY 21 Approved	FY 22 Requested	Change From Prior FY	
					\$	%
Office Expenses	\$237,224	\$255,809	\$250,900	\$251,500	\$600	0.2%
Operating Expenses	\$608,216	\$526,220	\$610,475	\$685,975	\$75,500	12.4%
Repairs and Maintenance	\$380,926	\$318,442	\$335,350	\$359,175	\$23,825	7.1%
<b>Total</b>	<b>\$1,226,366</b>	<b>\$1,100,471</b>	<b>\$1,196,725</b>	<b>\$1,296,650</b>	<b>\$99,925</b>	<b>8.3%</b>

Supplies Expenses:

The GNOEC is requesting \$1.3 M for supplies expenses, an 8.3% increase from FY 21.

Office expenses are roughly level with the prior year; this includes costs related to leased office space, disposal services, postage, extermination and termite control, office machine repairs and maintenance contracts, and other general administrative office supplies.

Operating expenses are increasing by 12.4% from the prior year, primarily due to the retro-fitting of the patrol vehicles, this includes costs associated with vehicle and truck repairs and routine preventative maintenance. Gasoline, oil, auto parts, tires, lubricants, diesel fuel and any similar costs are in this account. All police equipment mounted on the vehicles and related maintenance is in this account. Also included in this account are all police uniforms, protective equipment and any expenditures for police car retrofitting.

Repairs and maintenance costs are increasing by 7.1% from the prior year, primarily due to the replacement of computer equipment; this includes costs for general maintenance and supplies needed on the bridge, toll tags, toll system software maintenance, computer and electronic repairs on all bridge equipment, plumbing and janitorial supplies for the entire operation, and air conditioning contracts and other miscellaneous items dealing with operations maintenance. Also included are the components of the crash attenuators used on the bridge, which must be kept in stock and used by maintenance personnel in repairing damages throughout the year.

**PROFESSIONAL SERVICES**

	Actual FY 19	Actual FY 20	Approved FY 21	Requested FY 22	% Change
<b>Accounting and Finance</b>					
Independent Audit	\$17,232	\$17,232	\$15,000	\$15,000	0.0%
Accounting Services	\$42,998	\$8,883	\$35,000	\$35,000	0.0%
<b>Engineering</b>					
Engineering & Traffic Consultant	\$21,000	\$20,000	\$15,000	\$15,000	0.0%
<b>Litigation &amp; Legal Representation</b>					
General Counsel	\$196,419	\$175,294	\$135,000	\$135,000	0.0%
<b>Other Professional Services</b>					
Investment Consultant	\$142,481	\$48,661	\$20,000	\$20,000	0.0%
<b>Total</b>	<b>\$420,130</b>	<b>\$270,070</b>	<b>\$220,000</b>	<b>\$220,000</b>	<b>0.0%</b>

Professional Services:

The GNOEC is requesting a standstill budget of \$220,000 for professional services. The Commission hires outside consultants and services under professional services contracts. These items include services for bond indenture requirements in the form of independent audit and accounting services (\$50,000), engineering and traffic consultants (\$15,000), legal counsel (\$135,000), and investment consultation (\$20,000).

**OTHER CHARGES**

	FY 19 Actual	FY 20 Actual	FY 21 Approved	FY 22 Requested	Change From Prior FY	
					\$	%
<b>Debt Service</b>	<b>\$7,796,831</b>	<b>\$7,796,831</b>	<b>\$7,617,131</b>	<b>\$7,427,406</b>	<b>(\$189,725)</b>	<b>-2.5%</b>
<b>Interagency Expense:</b>						
<b>Act 875 of 1988:</b>						
St. Charles Parish	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0.0%
St. John the Baptist	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0.0%
Tangipahoa Parish	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0.0%
<b>Total Act 875</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$0</b>	<b>0.0%</b>
<b>Act 1227 of 1995:</b>						
Orleans Parish	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0.0%
Jefferson Parish	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0.0%
St. Tammany Parish	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0.0%
Washington Parish	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0.0%
<b>Total Act 1227</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>0.0%</b>
<b>Huey P. Long Bridge</b>	<b>\$1,301,548</b>	<b>\$1,289,515</b>	<b>\$1,416,807</b>	<b>\$1,509,099</b>	<b>\$92,292</b>	<b>6.5%</b>
<b>Subtotal Interagency</b>	<b>\$1,651,548</b>	<b>\$1,639,515</b>	<b>\$1,766,807</b>	<b>\$1,859,099</b>	<b>\$92,292</b>	<b>5.2%</b>
<b>TOTAL OTHER</b>	<b>\$9,448,379</b>	<b>\$9,436,346</b>	<b>\$9,383,938</b>	<b>\$9,286,505</b>	<b>(\$97,433)</b>	<b>-1.0%</b>



### Other Charges

The GNOEC is requesting \$9.3 M for other charges expenditures, a 1.0% decrease from FY 21. Other charges expenditures consist of debt service, interagency expenditures, and policing of the Huey P. Long Bridge.

The GNOEC debt service is decreasing by 2.5% from the prior year (see page 13 for debt service schedule). The combined total debt service totals \$7.4 M and includes the following: *Series 2013 Bonds* – amount approved for FY 22 is \$2.4 M; *Series 2014 Bonds* – amount approved for FY 22 is \$689,444; and *Series 2017 Bonds* – The 2017 bond issuance to fund improvements on both spans and budgeting for the debt service payment on the issuance; amount approved for FY 22 is \$4.3 M.

The GNOEC interagency expenditures are increasing by 5.2% from the prior year. Interagency expenditures include expenses required by Act 875 of 1988 and Act 1227 of 1995. These Acts provide that, prior to the transfer of surplus funds to the State of Louisiana, funding will be distributed to the following parishes: \$50,000 each to the parishes of Jefferson, Orleans, St. Charles, St. John the Baptist, St. Tammany, Tangipahoa, and Washington for a total of \$350,000. In addition, the GNOEC has requested \$1.5 M for the Huey P. Long Bridge police (see table below).

Note: The Commission last returned surplus revenues to the State of Louisiana in FY 94 in the amount of \$104,748.

### HUEY P. LONG BRIDGE Interagency Transfer

	FY 19 Actual	FY 20 Actual	FY 21 Approved	FY 22 Requested	Change From Prior FY	
					\$	%
<b>Administrative</b>						
Administrative Salaries	\$77,714	\$93,388	\$96,797	\$101,150	\$4,353	4.5%
Payroll Taxes	\$10,025	\$12,619	\$13,262	\$13,226	(\$36)	-0.3%
Payroll Benefits	\$14,456	\$15,232	\$16,837	\$20,432	\$3,595	21.4%
<b>Operations</b>						
Police Patrol	\$625,320	\$591,739	\$686,261	\$714,190	\$27,929	4.1%
Dispatch	\$114,987	\$104,929	\$95,586	\$101,917	\$6,331	6.6%
Payroll Taxes	\$105,113	\$101,660	\$114,921	\$114,159	(\$762)	-0.7%
Payroll Benefits	\$135,364	\$147,823	\$143,858	\$169,488	\$25,630	17.8%
Unused Vacation and Sick Leave	\$23,599	\$6,571	\$10,000	\$10,000	\$0	0.0%
Materials, Supplies & Maintenance	\$74,589	\$79,687	\$90,000	\$90,000	\$0	0.0%
Telephone & Radio	\$17,979	\$30,825	\$40,000	\$40,000	\$0	0.0%
Insurance	\$26,614	\$24,510	\$28,000	\$28,000	\$0	0.0%
<b>Maintenance</b>						
Maintenance Personnel	\$20,545	\$17,293	\$21,395	\$22,166	\$771	3.6%
Payroll Taxes	\$2,664	\$2,339	\$2,931	\$2,978	\$47	1.6%
Payroll Benefits	\$4,328	\$3,387	\$4,459	\$5,993	\$1,534	34.4%
<b>Capital Acquisitions</b>	<b>\$48,250</b>	<b>\$57,513</b>	<b>\$52,500</b>	<b>\$75,400</b>	<b>\$22,900</b>	<b>43.6%</b>
<b>Total</b>	<b>\$1,301,548</b>	<b>\$1,289,515</b>	<b>\$1,416,807</b>	<b>\$1,509,099</b>	<b>\$92,292</b>	<b>6.5%</b>

## DEBT SERVICE SCHEDULE

	Series 2013 Bond Total	Series 2014 Bonds Principal	Series 2014 Bonds Interest	Series 2014 Bonds Total	Series 2017 Bonds Principal	Series 2017 Bonds Interest	Series 2017 Bonds Total	Combined Total Debt Service
2021	2,421,963	65,000	616,544	681,544	185,000	4,328,625	4,513,625	7,617,131
2022	2,413,963	75,000	614,444	689,444	0	4,324,000	4,324,000	7,427,406
2023	2,416,588	75,000	612,194	687,194	0	4,324,000	4,324,000	7,427,781
2024	2,404,713	90,000	609,719	699,719	1,905,000	4,324,000	6,229,000	9,333,431
2025	2,403,813	90,000	607,188	697,188	1,780,000	4,276,375	6,056,375	9,157,375
2026	2,402,966	95,000	332,585	427,585	1,585,000	4,184,250	5,769,250	8,599,801
2027	2,399,409	100,000	601,894	701,894	1,365,000	4,100,125	5,465,125	8,566,428
2028	2,392,650	110,000	598,744	708,744	1,120,000	4,026,375	5,146,375	8,247,769
2029		2,545,000	558,919	3,103,919	830,000	3,964,250	4,794,250	7,898,169
2030		2,625,000	479,728	3,104,728	525,000	3,915,500	4,440,500	7,545,228
2031		2,705,000	394,756	3,099,756	3,790,000	3,881,625	7,671,625	10,771,381
2032		2,810,000	294,600	3,104,600	3,595,000	3,773,750	7,368,750	10,473,350
2033		2,920,000	180,000	3,100,000	3,360,000	3,589,125	6,949,125	10,049,125
2034		3,040,000	60,800	3,100,800	3,090,000	3,415,250	6,505,250	9,606,050
2035					2,785,000	3,254,000	6,039,000	6,039,000
2036					2,440,000	3,107,125	5,547,125	5,547,125
2037					2,055,000	2,976,500	5,031,500	5,031,500
2038					5,845,000	2,864,125	8,709,125	8,709,125
2039					5,595,000	2,666,625	8,261,625	8,261,625
2040					5,290,000	2,380,625	7,670,625	7,670,625
2041					4,945,000	2,108,500	7,053,500	7,053,500
2042					4,560,000	1,852,625	6,412,625	6,412,625
2043					4,120,000	1,615,000	5,735,000	5,735,000
2044					3,640,000	1,398,000	5,038,000	5,038,000
2045					7,865,000	1,204,000	9,069,000	9,069,000
2046					7,440,000	916,375	8,356,375	8,356,375
2047					6,955,000	533,750	7,488,750	7,488,750
2048						0	0	0

## ACQUISITIONS, MAJOR REPAIRS, AND CAPITAL IMPROVEMENTS

	FY 21 Approved	FY 22 Requested	Change From Prior FY	
			\$	%
Acquisitions	\$308,641	\$584,538	\$275,897	89.4%
Major Repairs / Capital Improvements (Extraordinary Maintenance and Repair Reserve Fund)	\$3,412,872	\$6,860,402	\$3,447,530	101.0%
<b>Total</b>	<b>\$3,721,513</b>	<b>\$7,444,940</b>	<b>\$3,723,427</b>	<b>100.1%</b>

### Acquisitions, Major Repairs, and Capital Improvements

The GNOEC is requesting \$7.4 M for acquisitions, major repairs, and capital improvements expenditures, a 100.1% increase from FY 21.

Acquisitions expenditures are increasing by 89.4% from the prior year and includes the purchase of items such as vehicles, radios, and various Causeway police equipment.

Major repairs and capital improvements expenditures are budgeted for \$6.8 M for FY 22, an increase of 101% over prior year. These funds are transferred to the Extraordinary Maintenance and Repair Reserve Fund for use in the Commission's Capital Improvement Program (see next section). The GNOEC is required to have all funds available prior to the start of any capital improvement project. The Commission accumulates any unexpended funds each year in the Extraordinary Maintenance and Repair Reserve Fund for the purpose of meeting its regular capital outlay and maintenance needs.

### CAPITAL IMPROVEMENT PROGRAM

The Commission is requesting \$21.5 M from the Extraordinary Maintenance and Repair Reserve Fund for \$2.1 M in major annual repairs and \$19.4 M in capital improvements for FY 22. These expenditures are not reflected in the operating budget because these funds have been accrued in prior fiscal years.

The fund will begin FY 22 with a balance of \$27.5 M and will receive deposits of \$6.8 M through the FY 22 budget. The \$21.5 M for capital projects in FY 22 will leave a fund balance of \$12.9 M for FY 23. A detailed list of projects and expenditures can be found below.

**EXTRAORDINARY MAINTENANCE AND RESERVE FUND**

	<b>Requested FY 22</b>
<b>Annual Maintenance Items</b>	
Extraordinary Maintenance and Consulting Engineering	\$400,000
Annual AASHTO Inspection of GNOEC Facilities & Security Inspection	\$700,000
Emergency and Periodic Repairs	\$100,000
System Improvements	\$100,000
Preventative Maintenance Electrical/ Mechanical Systems	\$800,000
<b>Subtotal</b>	<b>\$2,100,000</b>
<b>Capital Improvements/Rehabilitation Program</b>	
North Channel Bascule Mechanical Maintenance	\$1,500,000
Upgrade CCTV System	\$1,500,000
High Voltage Power System - Control System and Surge Protection	\$250,000
Upgrade 1700 AM Highway Advisory Radio	\$75,000
Bascule Lock Bar Operator Rehabilitation	\$1,500,000
Replace Call Boxes	\$1,000,000
Replace Bridge Sweeper	\$325,000
Monroe Street Overpass and Frontage Road Rehabilitation	\$1,000,000
Road Rehabilitation Monroe St., West Approach	\$1,000,000
North Approach Overlay	\$4,500,000
Northshore Maintenance Facility Improvements	\$500,000
North Toll Plaza Canopy Roof and Lightning Protection	\$600,000
Toll Tag Store Software Upgrade	\$600,000
Toll Collection System - Violation Enforcement System	\$500,000
Upgrade to Communications Satellite Office	\$250,000
Upgrade GNOEC Cyber Security	\$250,000
Southbound Bridge Rail Improvements	\$4,000,000
<b>Subtotal</b>	<b>\$19,350,000</b>
<b>Total Annual Items and Capital Improvements</b>	<b>\$21,450,000</b>

### Major Repairs

The budget approved by the Commission on August 11, 2021, includes the major repairs projects listed below. The projects approved by the GNOEC for a typical fiscal year often are changed during the course of the year due to changing priorities and other factors, which require projects to be altered or rescheduled (either delayed or accelerated). Total costs for the projects outlined below are \$2.1 M.

#### Extraordinary Maintenance & Consulting Engineering - \$400,000

The services provided include monthly and annual reporting, review of driveway and utility permits, inspection of accident site damages, inspection and coordination of repairs to bridge deck and approach roads when necessary, and other engineering services as needed.

#### Annual AASHTO Inspection of Facilities & Security Inspection - \$700,000

This is the annual inspection of the Causeway in accordance with the Federal Highway Administration (FHWA) and the American Association of State Highway & Transportation Officials (AASHTO) guidelines. The GNOEC's Trust Indenture requires that the bridge be inspected annually. In addition, the Consulting Engineers conduct monthly inspections of the underside of the bridge and the navigation lights.

#### Emergency and Periodic Repair - \$100,000

This provides funding for issues that may arise throughout the year. For instance, the lock bar has failed the past two years, and in order to fund the repair, money was taken from other project expenditures.

#### System Improvement - \$100,000; and Preventative Maintenance - \$800,000

The services provided under this category are associated with improving switches, technology, and electrical items for bridge improvements.

### Capital Improvement Projects

The budget approved by the GNOEC on August 11, 2021, includes the capital improvement projects listed below. The projects approved by the GNOEC for a typical fiscal year often are changed during the course of the year due to changing priorities and other factors, which require projects to be altered or rescheduled (either delayed or accelerated). Total costs for the projects outlined below are \$19.4 M.

#### North Channel Bascule Mechanical Maintenance - \$1,500,000

The project provides for maintenance of the mechanical portion of the bascule and other repairs not covered during prior projects. The project will involve shimming the load bearings.

#### Upgrade Closed Circuit TV (CCTV) System - \$1,500,000

The CCTV system has been in service for approximately 10 years and has not received any major software or hardware upgrades since it was installed. Most of the hardware has reached the end of life and end of support. As a result of the recording devices running full-time since installation nearly a decade ago, they are beginning to fail with minimal support available.

#### High Voltage Power System - \$250,000

The High Voltage Power System provides power at various distribution points along the 24-mile bridge and has been in service since 2002. The system includes 11 switchgears at the utility source connections and distribution points that allow the system to be automatically reconfigured upon loss of utility power from one of the two sources (CLECO and Entergy). This power system relies on a complex control system that communicates on a fiber optic network communication system. Because of the "daisy chain" configuration, the loss of a single

communication device eliminates all communication to the Supervisory Control and Data Acquisition (SCADA) master station. The proposed upgrades will provide individual communication paths from each of the 11 switchgear control stations to the SCADA master station. In the event of a loss of a single communication device at one of the 11 stations, all other stations will continue to provide data. This allows partial system status to be known until the communication failure can be resolved. The upgrades will also provide additional capabilities for data collection and remote diagnosis of power system issues. The upgrades will improve the reliability of the communications for the power system controls and monitoring.

#### Upgrade 1700 AM Highway Advisory Radio - \$75,000

The GNOEC maintains a Highway Advisory Radio (HAR) system operating on 1700 AM to inform motorist conditions on the Lake Ponchartrain Causeway Bridge and approaches. The system transmitters are located on the roof of the administration offices on the south shore, crossover 4, the north toll plaza, and near state police troop L on US 190 (north approach). Due to the age of the HAR system, replacement parts are difficult to find and the system has become unreliable. This project will replace components to improve communications with the motorist.

#### Bascule Lockbar Operator Rehabilitation - \$1,500,000

The bascule lockbar operator rehabilitation will replace the lockbar receiver collar, lock collars, pin motors, and brake assemblies.

#### Replace Call Boxes - \$1,000,000

Emergency call boxes are currently located at four-tenth mile intervals along the bridge and at each crossover. These call boxes allow motorists to summon help in the event of an emergency. The existing call boxes, installed in 1999, have reached the ends of their useful lives and replacement parts are becoming difficult to obtain. This project will provide for the replacement of the call boxes with new equipment, allowing greater flexibility for the Causeway staff to handle emergencies and increased safety for the Causeway user.

#### Replace Bridge Sweeper - \$325,000

The bridge sweeper is used to clean debris off our bridge and approach roads. The current bridge sweeper is in need of major repairs and the cost of the repairs are about the same price as a new sweeper.

#### Monroe Street Overpass and Frontage Road Rehabilitation - \$1,000,000

The project was originally constructed in the early 1990s and needs to be rehabilitated. The bridge repairs will result in the replacement of expansion joint seals, epoxy repair of cracks in bent caps, bridge drain restoration and repair of the brick fascia. The Frontage Road repairs will consist of removal and replacement of a damaged guardrail, extension of culvers and cleaning of the drainage system and replacement of the striping and pavement markers.

#### Road Rehabilitation at Monroe St. West Approach and Patching at North Approach - \$1,000,000

In 2015, the West Approach Road from the west side of the Chinchuba Bayou Bridge to the intersection with LA 22 was rehabilitated. The limits for this project will be from the end of the Monroe Street Overpass through the Chinchuba Bayou Bridge. The existing asphaltic concrete overlay and striping/pavement markings are badly worn and are in need of replacement. This project provides for the removal and replacement of two inches of the existing asphaltic concrete overlay, patching of the Portland Cement Concrete pavement as needed, replacement



of the curb in the median as needed, replacement of the striping, pavement markers, and any symbols or legends. This project will also include installation of safety end treatments on existing cross-side drains and cleaning of the existing drainage system. The guardrails across from the Chinchuba Bayou Bridge will also be replaced. Construction will be sequenced or phased in to cause minimal interruptions to the flow of traffic. In order to extend the life of the existing asphaltic concrete overlay, the North Approach Road will also be receiving patching and crack sealing. If warranted, microsurfacing will also be applied.

#### North Approach Overlay - \$4,500,000

The project provides for the removal and replacement of two inches of the existing asphaltic concrete overlay, patching of the Portland Cement Concrete pavement as needed, replacement of the curb in the median as needed, replacement of the striping and pavement markers and any symbols and legends, etc. Construction will be sequenced or phased to cause minimal interruption to the flow of traffic.

#### Northshore Maintenance Facility Improvements - \$500,000

This project will include renovations to a building constructed in 1998 and the construction of a new storage area for GNOEC maintenance equipment and spare part inventories. The renovations will include replacement of flooring, replacement of roll-up doors, replacement of the HVAC system, painting, installation of industrial shelving in storage areas, and site drainage work.

#### North Toll Plaza Canopy Roof and Lightning Protection - \$600,000

This project includes waterproofing the North Toll Plaza canopy roof and providing lightning and surge protection for the North Toll Plaza. The project will be scheduled after the dynamic message sign has been removed and replaced on the truss.

#### Toll Tag Store Software Upgrade - \$600,000

The software was last updated in 2009. The system currently can only work using Internet Explorer 9, which is no longer supported. The upgrade will include the capability to use multiple browsers, compatibility for the violation system, and equipment upgrades. The upgrade expenses will extend over a four year period.

#### Toll Collection System – Violation Enforcement System (VES) - \$500,000

The Violation Enforcement System allows for an open toll road. The VES will connect to the Toll Tag Software, and the image will be reviewed to verify the vehicle has a tag or a violation letter will be issued. This project will consist of software and camera upgrades.

#### Upgrade to Communications Satellite Office - \$250,000

The communications satellite office is a place to replace dispatch during a disaster. The equipment in the office is at the end of its life and needs to be updated. The equipment that will be replaced is computers, monitors, repairs, and if additional items are required it will be added to the project.

#### Upgrade GNOEC Cyber Security - \$250,000

The GNOEC cyber system will be upgraded. With the multiple hacks in government systems, the GNOEC has decided to upgrade its cyber security systems. The adjustments will be to the firewall, offsite/ cloud servers, and additional methods of anti-virus software.

Southbound Bridge Rail Improvements - \$4,000,000

The GNOEC contracted with Texas A&M University to develop a rail that would fasten to the top of the existing rails on the southbound and northbound spans. The project will increase the rail height of the southbound span by 21 inches for a total rail height of 46 inches (25 inch existing rail height + 21 inch addition). The project is expected to be completed by the end of 2021.

In future years, the GNOEC intends to replace bearing pads and level the northbound bridge, clean and adjust bearings and level the southbound span, perform structural repairs to the underside of the bridge deck, paint the steel spans, replace or perform maintenance on the radar system, and encapsulate piles. Historically, funds are carried to the next fiscal year as the GNOEC is required by its bond indenture to have all construction funds available before a project can be initiated.

Note: The above information on Major Repairs and Capital Improvements was provided by the GNOEC.

**SALARY INFORMATION FOR FILLED POSITIONS AS OF OCTOBER 1, 2021**

**ADMINISTRATION**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
General Manager	9/1/09	FULL	\$133,843.38	\$140,527.02	4.99%
Director of Finance	5/28/03	FULL	\$89,406.40	\$93,898.40	5.02%
Human Resource Director	6/16/95	FULL	\$85,246.40	\$89,738.40	5.27%
Receptionist	11/28/05	FULL	\$33,716.80	\$35,371.44	4.91%

**COMMUTER SALES**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
Commuter Sales Supervisor	2/22/06	FULL	\$39,384.80	\$41,995.20	6.63%
North Shore Tag Office	6/25/18	FULL	\$27,102.40	\$28,240.70	4.20%
North Shore Tag Office	3/5/18	FULL	\$27,851.20	\$29,460.58	5.78%
North Shore Tag Office	7/16/08	FULL	\$31,514.70	\$33,087.40	4.99%

**ACCOUNTING**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
Bookkeeper	2/18/15	FULL	\$41,953.60	\$43,653.60	4.05%
Purchasing Clerk	10/30/17	FULL	\$33,368.00	\$34,863.20	4.48%
Toll Anaylst	1/26/09	FULL	\$38,357.20	\$40,355.20	5.21%
Web Special Project	6/6/12	FULL	\$42,640.00	\$44,590.00	4.57%

**CAUSEWAY BRIDGE POLICE**

TITLE/POSITION	DATE OF HIRE	STATUS	FY 2021 CURRENT SALARY	FY 2022 PROPOSED SALARY	% INCREASE
Commander	10/1/19	FULL	\$92,006.40	\$96,498.40	4.88%
Lieutenant	1/16/05	FULL	\$80,918.45	\$85,766.72	5.99%
Lieutenant	3/15/99	FULL	\$78,478.40	\$83,187.10	6.00%
Sergeant	1/2/14	FULL	\$45,884.80	\$48,637.89	6.00%
Sergeant	11/3/09	FULL	\$57,803.20	\$61,271.39	6.00%
Sergeant	1/25/16	FULL	\$44,512.00	\$47,182.72	6.00%
Sergeant	10/4/10	FULL	\$47,244.00	\$50,071.01	5.98%
Sergeant	3/17/08	FULL	\$58,787.46	\$62,307.65	5.99%
Acting Sergeant	7/3/07	FULL	\$44,540.50	\$47,182.72	5.93%
Corporal	7/16/12	FULL	\$42,411.20	\$44,955.87	6.00%
Corporal	7/28/98	FULL	\$69,485.00	\$72,896.97	4.91%
Corporal	9/17/18	FULL	\$39,104.00	\$41,450.24	6.00%
Officer	3/1/21	FULL	\$35,651.20	\$36,364.22	2.00%
Officer	5/24/17	FULL	\$40,978.00	\$43,434.56	5.99%
Officer	5/7/18	FULL	\$38,947.83	\$41,295.90	6.03%
Officer	8/1/17	FULL	\$40,979.11	\$43,434.56	5.99%
Officer	11/6/18	FULL	\$39,104.00	\$41,450.24	6.00%
Officer	2/6/17	FULL	\$40,979.11	\$43,434.56	5.99%
Officer	11/13/18	FULL	\$37,813.36	\$40,083.26	6.00%
Officer	9/30/20	FULL	\$35,651.20	\$37,077.25	4.00%
Officer	2/18/21	FULL	\$35,651.20	\$36,364.22	2.00%

**HUEY P. LONG BRIDGE POLICE**

TITLE/POSITION	DATE OF HIRE	STATUS	FY 2021 CURRENT SALARY	FY 2022 PROPOSED SALARY	% INCREASE
Sergeant	3/22/99	FULL	\$69,578.15	\$73,750.56	6.00%
Sergeant	12/2/13	FULL	\$45,457.73	\$48,387.90	6.45%
Corporal	9/19/96	FULL	\$68,406.83	\$72,515.87	6.01%
Officer	5/26/98	FULL	\$67,764.11	\$71,832.38	6.00%
Officer	11/5/14	FULL	\$40,979.11	\$43,434.56	5.99%
Officer	3/12/07	FULL	\$40,979.11	\$43,434.56	5.99%

**COMMUNICATIONS – DISPATCH AND BASCULE**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
Security Operator	3/5/07	FULL	\$33,100.08	\$34,085.58	2.98%
Dispatcher	3/3/08	FULL	\$37,427.73	\$39,664.35	5.98%
TAC Officer	4/23/01	FULL	\$48,139.73	\$51,019.07	5.98%
Dispatcher-HPL	3/23/15	FULL	\$30,636.32	\$32,476.70	6.01%
Dispatcher	12/20/14	FULL	\$31,193.34	\$33,072.00	6.02%
Dispatcher	8/31/05	FULL	\$40,555.63	\$42,993.60	6.01%
Dispatcher	2/2/04	FULL	\$44,219.14	\$46,918.14	6.10%
Dispatcher-HPL	7/31/98	FULL	\$46,361.54	\$49,144.99	6.00%
Dispatcher	9/4/18	FULL	\$29,779.36	\$31,572.74	6.02%
Supervisor	9/26/94	FULL	\$55,394.98	\$55,394.98	0.00%
Operator	1/21/14	FULL	\$30,349.70	\$31,864.56	4.99%
Operator	8/16/12	FULL	\$32,815.75	\$34,463.52	5.02%
Operator	7/21/03	FULL	\$38,541.78	\$40,469.52	5.00%

**TOLL COLLECTORS – NORTH SHORE**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
N. S. Toll Captain	1/30/96	FULL	\$48,134.40	\$50,537.76	4.99%
Trainer	3/21/16	FULL	\$28,489.60	\$29,920.80	5.02%
Toll Collector	10/9/17	FULL	\$24,591.20	\$25,814.88	4.98%
Toll Collector	1/8/18	FULL	\$24,424.80	\$25,640.16	4.98%
Toll Collector	3/9/20	FULL	\$24,400.00	\$25,618.32	4.99%
Toll Collector	4/20/15	FULL	\$30,118.40	\$31,323.14	4.00%
Toll Collector	11/3/15	FULL	\$24,924.00	\$26,164.32	4.98%
Toll Collector	7/24/17	FULL	\$24,591.20	\$25,815.40	4.98%
Toll Collector	12/19/16	FULL	\$24,778.40	\$26,011.44	4.98%
Toll Collector	7/18/08	FULL	\$30,723.20	\$32,257.68	4.99%
Toll Collector	5/22/17	FULL	\$24,591.20	\$25,814.88	4.98%
Toll Collector	4/27/06	PART	\$19,503.50	\$20,477.63	4.99%

**MAINTENANCE**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
Bridge/Operation Director	11/2/95	FULL	\$89,406.40	\$93,898.40	5.02%
Maintenance Supervisor	8/19/91	FULL	\$67,000.00	\$70,346.64	4.99%
North Shore Maintenance	3/18/19	FULL	\$28,851.20	\$30,292.08	4.99%
North Shore Maintenance	9/21/15	FULL	\$33,781.60	\$35,468.16	4.99%
Electrical	12/14/20	FULL	\$39,520.00	\$41,496.00	5.00%
North Shore Maintenance	12/18/17	FULL	\$28,851.20	\$30,292.08	4.99%
North Shore Maintenance	9/8/20	FULL	\$27,040.00	\$28,392.00	5.00%
Electrical Leaderman	10/8/18	FULL	\$34,028.00	\$36,070.53	6.00%
North Shore Maintenance	10/1/02	FULL	\$36,984.00	\$38,831.52	5.00%
North Shore Maintenance	6/27/18	FULL	\$28,851.20	\$30,292.08	4.99%
S.S. Maintenance Supervisor	2/23/09	FULL	\$45,326.40	\$47,589.36	4.99%

**MOTORISTS ASSISTANCE PATROL**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
MAP Leaderman	8/2/04	FULL	\$39,980.80	\$42,376.26	5.99%
Operator	6/5/17	FULL	\$31,492.80	\$33,065.76	4.99%
Operator	6/19/17	FULL	\$31,326.40	\$32,891.04	4.99%
Operator	6/6/16	FULL	\$32,512.00	\$34,461.02	5.99%
Operator	10/15/18	FULL	\$30,452.80	\$31,973.76	4.99%
Operator	9/3/19	FULL	\$29,600.00	\$31,078.32	4.99%
Operator	9/8/20	FULL	\$28,600.00	\$30,030.00	5.00%

**VEHICLE MAINTENANCE**

<b>TITLE/POSITION</b>	<b>DATE OF HIRE</b>	<b>STATUS</b>	<b>FY 2021 CURRENT SALARY</b>	<b>FY 2022 PROPOSED SALARY</b>	<b>% INCREASE</b>
Leaderman	2/21/11	FULL	\$39,876.00	\$41,867.28	4.99%
Mechanic	11/13/00	FULL	\$46,107.20	\$48,419.28	5.01%
Mechanic	5/24/21	FULL	\$26,000.00	\$27,300.00	5.00%



















4900	5950048	IAT-CPTP	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950049	IAT-CIVIL SERVICE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950050	IAT-ORM INSURANCE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950051	IAT-OSUP	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950052	IAT-LEGISLATIVE AUDITOR	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950053	IAT-STATE TREASURER	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950054	IAT-OCS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950055	IAT-ADMINISTRATIVE LAW JUDGE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950056	IAT-CAPITAL PARK SECURITY - PATROLLING	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950057	IAT-CAPITAL POLICE - BUILDING SECURITY	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
5045	5950058	IAT-TECHNOLOGY SERVICES	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4900	5950059	IAT-STATE PROCUREMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
5090	5950060	IAT-HR INDIRECT COST SALARIES/RELATED BENEFITS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
5100	5950400	IAT-CAPITAL OUTLAY	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
<b>TOTAL INTERAGENCY TRANSFER</b>			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4400	5710210	ACQ-REAL ESTATE-LAND ACQUISITION	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4411	5710215	ACQ-REAL ESTATE-BUILDING ACQUISITION	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4454	5710221	ACQ-COMPUTER HARDWARE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4530	5710223	ACQ-COMMUNICATIONS EQUIP	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4490	5710224	ACQ-OFFICE FURNITURE & EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4470	5710225	ACQ-JANITORIAL/HOUSEHOLD EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4440	5710226	ACQ-CONSTRUCTION & OTHER EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4480	5710227	ACQ-MEDICAL EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4460	5710228	ACQ-FARM, AGRICULTURAL, RESEARCH EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4440	5710229	ACQ-SECURITY/LAW ENFORCEMENT EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4500	5710230	ACQ-EDUCATIONAL/RECREATIONAL EQUIP	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4411	5710231	ACQ-MOBILE STRUC/PORTABLE BLDGS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4541	5710232	ACQ-WORKS OF ART-CAPITALIZED	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4510	5710233	ACQ-LIBRARY	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4460	5710234	ACQ-ANIMALS & LIVESTOCK	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4455	5710235	ACQ-DATA COMMUNICATIONS NETWORK EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4540	5710236	ACQ-OTHER	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4540	5710237	ACQ-ADMIN-WORKS OF ART	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4540	5710238	ACQ-WORKS OF ART-NOT CAPITALIZED	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4421	5710250	ACQ-AUTOMOBILES & OTHER VEHICLES	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4520	5710251	ACQ-BOATS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4431	5710252	ACQ-AIRCRAFT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4453	5710253	ACQ-COMPUTER SOFTWARE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4561	5710275	ACQ-CONSTRUCTION-BUILDINGS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4541	5710276	ACQ-CAPITALIZED BY OTHER AGENCY	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4410	5710277	ACQ-EQUIPMENT FIXED TO BUILDING	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4410	5710278	ACQ-ART FIXED TO BUILDING/SITE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4540	5710400	ACQ-CAPITAL OUTLAY-LOCAL PROJECTS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4550	5710521	INV-CONSUMPTION OF INVENTORY TRADE-CAPITAL BUDGET	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4550	5710522	INV-GAIN/LOSS-INVENTORY PRICE VARIANCE-CO	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
<b>TOTAL ACQUISITIONS</b>			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4600	5810001	MAJ REP-LAND IMPROVEMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4610	5810002	MAJ REP-BUILDINGS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4630	5810003	MAJ REP-BLDG, GROUNDS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4620	5810004	MAJ REP-AUTOMOTIVE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4640	5810005	MAJ REP-BOATS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4650	5810006	MAJ REP-AIRCRAFT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4660	5810007	MAJ REP-MOVABLE EQUIPMEN	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4670	5810008	MAJ REP-FARM EQUIPMENT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4680	5810009	MAJ REP-HOUSEHOLD	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4690	5810010	MAJ REP-MEDICAL	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4700	5810011	MAJ REP-OFFICE	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4710	5810012	MAJ REP-LIBRARY	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4720	5810013	MAJ REP-ED, RECREAT	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4730	5810014	MAJ REP-COMMUNICATION	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4740	5810015	MAJ REP-OTHER EQUIPS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4775	5810016	CAPITALIZED POLLUTION REMEDIATN OUTLAYS-BUILDINGS	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
<b>TOTAL MAJOR REPAIR</b>			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
<b>TOTAL ACQUISITION &amp; MAJOR REPAIR</b>			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
<b>TOTAL EXPENDITURES</b>			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

\* Authorized Other Charges Positions are those reported under Objects 3670, 3680, and 3681.

\*\* Non-T.O. FTE Positions are those reported under Object 2200 (exclude WAEs).



**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

**October 20, 2021 JLCB Meeting**

### **Humana Health Benefit Plan of Louisiana**

*Fully Insured Medicare Advantage Plan Contract Amendment Overview*

## Humana Health Benefit Plan of Louisiana

### Fully Insured Medicare Advantage Plans Contract Amendment Overview

<b>Contract Purpose</b>	To offer a Medicare Advantage plan including Medicare Part D prescription drug benefits for Medicare eligible retirees.
<b>Eligible Enrollees</b>	Retired employees of the State of Louisiana and other OGB-participating entities who are enrolled in Medicare Parts A and B.
<b>Members as of 10/1/2021</b>	235
<b>Beginning Contract Date</b>	1/1/2019
<b>Ending Contract Date</b>	12/31/2021
<b>Renewable Options</b>	24 months
<b>Renewable Options Already Exercised</b>	None
<b>Ending Contract Date After Amendment Approval</b>	12/31/2023
<b>Renewable Options Remaining After Amendment Approval</b>	None
<b>Procurement Method</b>	Request for Proposals
<b>Current Maximum Payable Amount</b>	\$2,450,000
<b>Contract Authority Expended</b>	\$477,679 (through 9/30/2021)
<b>Maximum Payable Amount After Amendment Approval</b>	\$2,450,000
<b>Administrative Fee</b>	\$12.50 Per Enrollee per Month, Payable to OGB (no change from 2021*)
<b>Number of Plans Offered</b>	One (no change from 2021)
<b>Statewide or Regional Premium Rates</b>	Regional

\*PEPM administrative fee payable to OGB was \$16.67 for 2019.

## Humana Health Benefit Plan of Louisiana

Fully Insured Medicare Advantage Plans Contract Amendment Overview, Cont.

Humana Medicare Advantage	Humana HMO			
	2021 Total Monthly Premiums	2022 Total Monthly Premiums	Change	% Change
<b>Region 1</b>				
Enrollee Only	\$0.00	\$0.00	\$0.00	0.0%
Enrollee + Spouse	\$0.00	\$0.00	\$0.00	0.0%
<b>Region 2</b>				
Enrollee Only	\$155.52	162.17	\$6.65	4.3%
Enrollee + Spouse	\$311.04	324.34	\$13.30	4.3%
<b>Region 3</b>				
Enrollee Only	\$116.92	121.57	\$4.65	4.0%
Enrollee + Spouse	\$233.84	243.14	\$9.30	4.0%
<b>Region 4</b>				
Enrollee Only	\$155.97	\$162.17	\$6.20	4.0%
Enrollee + Spouse	\$311.94	324.34	\$12.40	4.0%
<b>Region 5</b>				
Enrollee Only	\$133.51	\$138.82	\$5.31	4.0%
Enrollee + Spouse	\$267.02	277.64	\$10.62	4.0%
<b>Region 6</b>				
Enrollee Only	\$191.33	198.94	\$7.61	4.0%
Enrollee + Spouse	\$382.66	397.88	\$15.22	4.0%
<b>Region 7</b>				
Enrollee Only	\$199.02	206.94	\$7.92	4.0%
Enrollee + Spouse	\$398.04	413.88	\$15.84	4.0%
<b>Region 8</b>				
Enrollee Only	\$180.54	187.72	\$7.18	4.0%
Enrollee + Spouse	\$361.08	375.44	\$14.36	4.0%
<b>Region 9</b>				
Enrollee Only	\$193.65	\$201.35	\$7.70	4.0%
Enrollee + Spouse	\$387.30	402.70	\$15.40	4.0%

**Amendment to Contract Between**

**State of Louisiana  
Office of Group Benefits (OGB)**

**And**

**Humana Health Benefit Plan of Louisiana  
One Galleria Blvd., Suite 1200, Metairie, LA 70001**

---

**CHANGE FROM:**

**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.

**CHANGE TO:**

**3.1 TERM OF CONTRACT**

The initial term this Contract shall begin on or about January 1, 2019, with an initial contract term through 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.

At this time, OGB is exercising the twenty-four (24) month option, to extend the term of the Contract for an additional twenty-four (24) month term, through December 31, 2023, at the same terms and conditions as the initial Contract term, except as provided herein.

**CHANGE FROM:**

**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. 3<sup>rd</sup> 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.

**CHANGE TO:**

**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:

David W. Couvillon, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

Or

David W. Couvillon, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> 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.

**REPLACE:** ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED) with the attached ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED)

**Effective Date of Amendment:** September 1, 2021

**Justification for Amendment:** To exercise the one-time option to extend Contract for twenty-four (24) additional months available under the Contract at the same terms and conditions of the initial Contract term, as previously amended, except as provided in this amendment. To provide revised Attachment II: Administrative Fee and Premium Rate Schedule (Revised) reflecting rates for calendar year 2022 and to update notice provision of the Contract.

**No Amendment shall be valid until it has been executed by all parties and approved by the Office of State Procurement, Division of Administration.**

**All other provisions of the Contract shall remain in full force and effect. Any conflict between the Contract and this Amendment regarding the subject matters of this Amendment shall be resolved in favor of this Amendment.**

**This Amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.**

**IN WITNESS THEREOF, this Amendment is signed and entered into on the date(s) included below.**

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

**HUMANA HEALTH BENEFIT PLAN**

BY: 

BY: 

NAME: David W. Couvillon

NAME: Steven E. McCulley

TITLE: Chief Executive Officer

TITLE: Sr. Vice President, Medicare Administration

DATE: 9/29/21

DATE: August 30, 2021

**ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED)**

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**

<b>Monthly Administrative Fee Per Primary Plan Participant Per Month</b>
\$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 31<sup>st</sup> 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
1/1/2020 – 12/31/2020	\$80.35
1/1/2021 – 12/31/2021	\$0.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$0.00</u>

Parishes Included in OGB Region 2	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2019	\$150.00
1/1/2020 – 12/31/2020	\$170.86
1/1/2021 – 12/31/2021	\$155.52
<u>1/1/2022 – 12/31/2022</u>	<u>\$162.17</u>

<b>Parishes Included in OGB Region 3</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$115.00
1/1/2020 – 12/31/2020	\$128.45
1/1/2021 – 12/31/2021	\$116.92
<u>1/1/2022 – 12/31/2022</u>	<u>\$121.57</u>

<b>Parishes Included in OGB Region 4</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$150.00
1/1/2020 – 12/31/2020	\$171.36
1/1/2021 – 12/31/2021	\$155.97
<u>1/1/2022 – 12/31/2022</u>	<u>\$162.17</u>

<b>Parishes Included in OGB Region 5</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$130.00
1/1/2020 – 12/31/2020	\$146.68
1/1/2021 – 12/31/2021	\$133.51
<u>1/1/2022 – 12/31/2022</u>	<u>\$138.82</u>

<b>Parishes Included in OGB Region 6</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$175.00
1/1/2020 – 12/31/2020	\$201.20
1/1/2021 – 12/31/2021	\$191.33
<u>1/1/2022 – 12/31/2022</u>	<u>\$198.94</u>

<b>Parishes Included in OGB Region 7</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$225.00
1/1/2020 – 12/31/2020	\$262.87
1/1/2021 – 12/31/2021	\$199.02
<u>1/1/2022 – 12/31/2022</u>	<u>\$206.94</u>

<b>Parishes Included in OGB Region 8</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$205.00
1/1/2020 – 12/31/2020	\$238.46
1/1/2021 – 12/31/2021	\$180.54
<u>1/1/2022 – 12/31/2022</u>	<u>\$187.72</u>

<b>Parishes Included in OGB Region 9</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$220.00
1/1/2020 – 12/31/2020	\$255.78
1/1/2021 – 12/31/2021	\$193.65
<u>1/1/2022 – 12/31/2022</u>	<u>\$201.35</u>

Office of State Procurement  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 5, 2021

TO: Col. David W. Couvillon, USMCR (Ret.)  
Office of Group Benefits  
Chief Executive Officer

FROM: Ms. Pamela Bartfay Rice, Esq. *pbr*  
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB  
LaGov PO/Contract # 2000384392/Amendment 3  
Humana Health Benefit Plan of Louisiana

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "Agency Memo to OSP After JLCB Approval" along with the stamped amendment from the JLCB.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact Bess Guidry at OSP.



**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

**October 20, 2021 JLCB Meeting**

**New Orleans Regional Physician Hospital Organization,  
LLC, d/b/a Peoples Health**

*Fully Insured Medicare Advantage Plan Contract Amendment Overview*



# New Orleans Regional Physician Hospital Organization, LLC, d/b/a Peoples Health

## Fully Insured Medicare Advantage Plans Contract Amendment Overview

<b>Contract Purpose</b>	To offer a Medicare Advantage plan including Medicare Part D prescription drug benefits for Medicare eligible retirees.
<b>Eligible Enrollees</b>	Retired employees of the State of Louisiana and other OGB-participating entities who are enrolled in Medicare Parts A and B.
<b>Members as of 10/1/2021</b>	2,238
<b>Beginning Contract Date</b>	1/1/2019
<b>Ending Contract Date</b>	12/31/2021
<b>Renewable Options</b>	24 months
<b>Renewable Options Already Exercised</b>	None
<b>Ending Contract Date After Amendment Approval</b>	12/31/2023
<b>Renewable Options Remaining After Amendment Approval</b>	None
<b>Procurement Method</b>	Request for Proposals
<b>Current Maximum Payable Amount</b>	\$17,000,000
<b>Contract Authority Expended</b>	\$14,804,520 (through 9/30/2021)
<b>Maximum Payable Amount After Amendment Approval</b>	\$27,200,000
<b>Administrative Fee</b>	\$10.00 Per Enrollee per Month, Payable to OGB (no change from 2021)
<b>Number of Plans Offered</b>	One (no change from 2021)
<b>Statewide or Regional Premium Rates</b>	Statewide

# New Orleans Regional Physician Hospital Organization, LLC, d/b/a Peoples Health

Fully Insured Medicare Advantage Plans Contract Amendment Overview, Cont.

Peoples Health Medicare Advantage	HMO-POS			
	2021 Total Monthly Premiums	2022 Total Monthly Premiums	Change	% Change
<b>All Regions</b>				
<b>Enrollee Only</b>	190.00	\$170.00	(\$20.00)	(10.5%)
<b>Enrollee + Spouse</b>	380.00	\$340.00	(\$40.00)	(10.5%)

**Amendment to Contract Between**

**State of Louisiana  
Office of Group Benefits (OGB)**

**And**

**New Orleans Regional Physician Hospital Organization, LLC,  
d/b/a Peoples Health  
3838 N. Causeway Blvd., Suite 2200, Metairie, LA 70002**

---

**CHANGE FROM:**

**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 fee, 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.

**CHANGE TO:**

**3.1 TERM OF CONTRACT**

The initial term this Contract shall begin on or about January 1, 2019, with an initial contract term through 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 fee, 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.

At this time, OGB is exercising the twenty-four (24) month option, to extend the term of the Contract for an additional twenty-four (24) month term, through December 31, 2023, at the same terms and conditions as the initial Contract term, except as provided herein.

**CHANGE FROM:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$17,000,000.00 (Seventeen Million 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 \$10.00 for each HMO Primary Plan Participant. 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 and approval of the invoice by the State. 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.

**CHANGE TO:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$27,200,000.00 (Twenty-Seven Million Two Hundred 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 \$10.00 for each HMO Primary Plan Participant. 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 and approval of the invoice by the State. 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.

**CHANGE FROM:**

**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 Peoples Health:            Warren P. Murrell, CEO  
Peoples Health  
3838 N. Causeway Blvd., Suite 2200  
Metairie, LA 70002

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. 3<sup>rd</sup> 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.

**CHANGE TO:**

**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 Peoples Health: Warren P. Murrell, CEO  
Peoples Health  
3838 N. Causeway Blvd., Suite 2200  
Metairie, LA 70002

To OGB: Mr. David W. Couvillon, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

Or

Mr. David W. Couvillon, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> 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.

**REPLACE:** ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED) with the attached ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED).

**Effective Date of Amendment:** September 1, 2021

**Justification for Amendment:** To exercise the one-time option to extend Contract for twenty-four (24) additional months available under the Contract at the same terms and conditions of the initial Contract term, as previously amended, except as provided in this amendment. To update Attachment II: Administrative Fee and Premium Rate Schedule (Revised) reflecting rates for calendar year 2022 and to increase the maximum payable amount to \$27,200,000.00. To update the notice provision of the contract.

**No Amendment shall be valid until it has been executed by all parties and approved by the Office of State Procurement, Division of Administration.**

**All other provisions of the Contract shall remain in full force and effect. Any conflict between the Contract and this Amendment regarding the subject matters of this Amendment shall be resolved in favor of this Amendment.**

**This Amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.**

*(Signature page to follow)*

IN WITNESS THEREOF, this Amendment is signed and entered into on the date(s) included below.

STATE OF LOUISIANA,  
OFFICE OF GROUP BENEFITS

BY:

NAME: David W. Couvillon

TITLE: Chief Executive Officer

DATE: 9/29/21

NEW ORLEANS REGIONAL PHYSICIAN  
HOSPITAL ORGANIZATION, LLC d/b/a  
PEOPLES HEALTH

BY:

NAME: Warren P. Murrell

TITLE: Chief Executive Officer

DATE: 8/17/21



**ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED)**

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**

<b>Monthly Administrative Fee Per Primary Plan Participant Per Month</b>
<b>\$10.00</b>

**Regional Premium**

The Contractor will submit proposed rates for each subsequent twelve (12)-month period of the Contract no later than August 31<sup>st</sup> 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 all OGB Regions (i.e., statewide)	Fixed Monthly Premium, Per Plan Participant Per Month
1/1/2019 – 12/31/2020	\$200.00
1/1/2021 – 12/31/2021	\$190.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$170.00</u>

Office of State Procurement  
State of Louisiana  
Division of Administration


JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 5, 2021

TO: Col. David W. Couvillon, USMCR (Ret.)  
Office of Group Benefits  
Chief Executive Officer

FROM: Ms. Pamela Bartfay Rice, Esq.   
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB  
LaGov PO/Contract # 2000380901/Amendment 3  
New Orleans Regional Physician Hospital Organization LLC d/b/a Peoples Health

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "Agency Memo to OSP After JLCB Approval," along with the stamped amendment from the JLCB.

**The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.**

If you should have any further questions/comments, please do not hesitate to contact Bess Guidry at OSP.



**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

**October 20, 2021 JLCB Meeting**

**HMO Louisiana, Inc.**

*Fully Insured Medicare Advantage Plan Contract Amendment Overview*

## HMO Louisiana, Inc.

### Fully Insured Medicare Advantage Plan Contract Amendment Overview

<b>Contract Purpose</b>	To offer a Medicare Advantage plan including Medicare Part D prescription drug benefits for Medicare eligible retirees.
<b>Eligible Enrollees</b>	Retired employees of the State of Louisiana and other OGB-participating entities who are enrolled in Medicare Parts A and B.
<b>Members as of 10/1/2021</b>	510
<b>Beginning Contract Date</b>	1/1/2019
<b>Ending Contract Date</b>	12/31/2021
<b>Renewable Options</b>	24 months
<b>Renewable Options Already Exercised</b>	None
<b>Ending Contract Date After Amendment Approval</b>	12/31/2023
<b>Renewable Options Remaining After Amendment Approval</b>	None
<b>Procurement Method</b>	Request for Proposals
<b>Current Maximum Payable Amount</b>	\$6,405,000
<b>Contract Authority Expended</b>	\$2,367,058 (through 9/30/2021)
<b>Maximum Payable Amount After Amendment Approval</b>	\$8,835,000
<b>Administrative Fee</b>	\$10.00 Per Enrollee per Month, Payable to OGB (no change from 2021)
<b>Number of Plans Offered</b>	One (no change from 2021)
<b>Statewide or Regional Premium Rates</b>	Regional

## HMO Louisiana, Inc.

### Fully Insured Medicare Advantage Plan Contract Amendment Overview, Cont.

HMO Louisiana Medicare Advantage	Blue Advantage HMO			
	2021 Total Monthly Premiums	2022 Total Monthly Premiums	Change	% Change
<b>Region 1</b>				
Enrollee Only	\$165.00	\$157.00	(\$8.00)	-4.8%
Enrollee + Spouse	\$330.00	\$314.00	(\$16.00)	-4.8%
<b>Region 2, 5</b>				
Enrollee Only	\$210.00	\$200.00	(\$10.00)	-4.8%
Enrollee + Spouse	\$420.00	\$400.00	(\$20.00)	-4.8%
<b>Region 3, 4</b>				
Enrollee Only	\$180.00	\$180.00	\$0.00	0.0%
Enrollee + Spouse	\$360.00	\$360.00	\$0.00	0.0%
<b>Region 6, 7, 8</b>				
Enrollee Only	\$255.00	\$255.00	\$0.00	0.0%
Enrollee + Spouse	\$510.00	\$510.00	\$0.00	0.0%
<b>Region 9</b>				
Enrollee Only	\$195.00	\$195.00	\$0.00	0.0%
Enrollee + Spouse	\$390.00	\$390.00	\$0.00	0.0%

**Amendment to Contract Between**

**State of Louisiana  
Office of Group Benefits (OGB)**

**And**

**HMO Louisiana, Inc.,  
subsidiary of Blue Cross and Blue Shield of Louisiana  
5525 Reitz Avenue, Baton Rouge, LA 70809**

---

**CHANGE FROM:**

**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 fee, terms and conditions of the initial Contract term. Rates charged by Contractor may be revised each twelve (12) month period. 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.

**CHANGE TO:**

**3.1 TERM OF CONTRACT**

The initial term this Contract shall begin on or about January 1, 2019, with an initial contract term through 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 fee, terms and conditions of the initial Contract term. Rates charged by contractor may be revised each twelve (12) month period. 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.

At this time, OGB is exercising the twenty-four (24) month option, to extend the term of the Contract for an additional twenty-four (24) month term, through December 31, 2023, at the same terms and conditions as the initial Contract term, except as provided herein.

**CHANGE FROM:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$6,405,000.00 (Six Million Four Hundred Five 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 \$10.00 for each HMO Primary Plan Participant. The administrative fee will be paid directly to OGB for each Primary Plan Participant and shall not be included in the premium charged. Should OGB make retroactive changes to the covered HMO Primary Plan Participants, OGB shall refund to Contractor any administrative fees paid by Contractor to OGB for those Primary Plan Participants. 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.

**CHANGE TO:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$8,835,000.00 (Eight Million Eight Hundred Thirty-Five 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 \$10.00 for each HMO Primary Plan Participant. The administrative fee will be paid directly to OGB for each Primary Plan Participant and shall not be included in the premium charged. Should OGB make retroactive changes to the covered HMO Primary Plan Participants, OGB shall refund to Contractor any administrative fees paid by Contractor to OGB for those Primary Plan Participants. 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.

**CHANGE FROM:**

**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 HMO Louisiana, Inc.: Sheldon Faulk, Senior Vice President and COO  
HMO Louisiana, Inc.  
5525 Reitz Ave.  
Baton Rouge, LA 70809

And

Michele Calandro  
CAO and General Counsel  
HMO Louisiana, Inc.  
5525 Reitz Avenue  
Baton Rouge, LA 70809

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. 3<sup>rd</sup> 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.

**CHANGE TO:**

**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 HMO Louisiana, Inc.: Sheldon Faulk, Senior Vice President and COO  
HMO Louisiana, Inc.  
5525 Reitz Ave.  
Baton Rouge, LA 70809

And

Michele Calandro  
CAO and General Counsel  
HMO Louisiana, Inc.  
5525 Reitz Avenue  
Baton Rouge, LA 70809

To OGB: Mr. David W. Couvillon, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

Or

Mr. David W. Couvillon, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> 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.

**REPLACE:** ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED) with the attached ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED).

**Effective Date of Amendment:** October 1, 2021

**Justification for Amendment:** To exercise the one-time option to extend Contract for twenty-four (24) additional months available under the Contract at the same terms and conditions of the initial Contract term, as previously amended, except as provided in this amendment. To update Attachment II: Administrative Fee and Premium Rate Schedule reflecting HMO rates for calendar year 2022. To increase the maximum payable amount to \$8,835,000.00. To update notice provision.

**No Amendment shall be valid until it has been executed by all parties and approved by the Office of State Procurement, Division of Administration.**

**All other provisions of the Contract shall remain in full force and effect. Any conflict between the Contract and this Amendment regarding the subject matters of this Amendment shall be resolved in favor of this Amendment.**

**This Amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.**

**IN WITNESS THEREOF, this Amendment is signed and entered into on the date(s) included below.**

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

**HMO LOUISIANA, INC.**

**BY:**

*David W. Couvillon*

**BY:**

Sheldon Faulk

Digitally signed by Sheldon  
Faulk  
Date: 2021.09.15 15:29:04  
-05'00'

**NAME:** David W. Couvillon

**NAME:** Sheldon Faulk

**TITLE:** Chief Executive Officer

**TITLE:** Senior VP and COO

**DATE:** 9/29/21

**DATE:** \_\_\_\_\_

**ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED)**

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**

<b>Monthly Administrative Fee Per Primary Plan Participant Per Month</b>
\$10.00

If CMS, another federal agency or governing authority determines at any time that Contractor’s payment to OGB of this Administrative Fee is unlawful, Contractor shall discontinue payments. Further, Contractor may require OGB to refund all past payments if instructed to do so by CMS, other federal agency or governing authority.

**Regional Premium**

The Contractor will submit proposed rates for each subsequent twelve (12)-month period of the Contract no later than August 31<sup>st</sup> 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.**

<b><u>Parishes Included in OGB Region 1</u></b>	<b><u>Fixed Monthly Premium, Per Plan Participant Per Month</u></b>
1/1/2019 – 12/31/2019	\$170.00
1/1/2020 – 12/31/2020	\$170.00
1/1/2021 – 12/31/2021	\$165.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$157.00</u>

<b><u>Parishes Included in OGB Region 2</u></b>	<b><u>Fixed Monthly Premium, Per Plan Participant Per Month</u></b>
1/1/2019 – 12/31/2019	\$220.00
1/1/2020 – 12/31/2020	\$220.00
1/1/2021 – 12/31/2021	\$210.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$200.00</u>

<b>Parishes Included in OGB Regions 3, and 4</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$170.00
1/1/2020 – 12/31/2020	\$180.00
1/1/2021 – 12/31/2021	\$180.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$180.00</u>

<b>Parishes Included in OGB Regions 5</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$220.00
1/1/2020 – 12/31/2020	\$220.00
1/1/2021 – 12/31/2021	\$210.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$210.00</u>

<b>Parishes Included in OGB Regions 6, 7, and 8</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$240.00
1/1/2020 – 12/31/2020	\$250.00
1/1/2021 – 12/31/2021	\$255.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$255.00</u>

<b>Parishes Included in OGB Region 9</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
1/1/2019 – 12/31/2019	\$190.00
1/1/2020 – 12/31/2020	\$195.00
1/1/2021 – 12/31/2021	\$195.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$195.00</u>

Office of State Procurement  
State of Louisiana  
Division of Administration


JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 5, 2021

TO: Col. David W. Couvillon, USMCR (Ret.)  
Office of Group Benefits  
Chief Executive Officer

FROM: Ms. Pamela Bartfay Rice, Esq.  
Assistant Director, Professional Contracts 

RE: OSP Approval for JLCB  
LaGov PO/Contract # 2000384808/Amendment 4  
HMO Louisiana Inc.

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "Agency Memo to OSP After JLCB Approval," along with the stamped amendment from the JLCB.

**The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.**

If you should have any further questions/comments, please do not hesitate to contact Bess Guidry at OSP.



**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

**October 20, 2021 JLCB Meeting**

**Vantage Health Plan, Inc.**

*Fully Insured Medicare Advantage Plan Contract Amendment Overview*

## Vantage Health Plan, Inc.

### Fully Insured Medicare Advantage Plans Contract Amendment Overview

<b>Contract Purpose</b>	To offer Medicare Advantage plans including Medicare Part D prescription drug benefits for Medicare eligible retirees.
<b>Eligible Enrollees</b>	Retired employees of the State of Louisiana and other OGB-participating entities who are enrolled in Medicare Parts A and B.
<b>Members as of 10/1/2021</b>	1,167
<b>Beginning Contract Date</b>	1/1/2019
<b>Ending Contract Date</b>	12/31/2021
<b>Renewable Options</b>	24 months
<b>Renewable Options Already Exercised</b>	None
<b>Ending Contract Date After Amendment Approval</b>	12/31/2023
<b>Renewable Options Remaining After Amendment Approval</b>	None
<b>Procurement Method</b>	Request for Proposals
<b>Current Maximum Payable Amount</b>	\$12,000,000
<b>Contract Authority Expended</b>	\$7,786,483 (through 9/30/2021)
<b>Maximum Payable Amount After Amendment Approval</b>	\$12,908,000
<b>Administrative Fee</b>	\$10.00 Per Enrollee per Month, Payable to OGB (no change from 2021)
<b>Number of Plans Offered</b>	Three; "Premium", "Standard" and "Basic" plans (no change from 2021)
<b>Statewide or Regional Premium Rates</b>	Statewide



## Vantage Health Plan, Inc.

### Fully Insured Medicare Advantage Plans Contract Amendment Overview, Cont.

Vantage Health Plan Medicare Advantage	Premium			
	2021 Total Monthly Premiums	2022 Total Monthly Premiums	Change	% Change
<b>All Regions</b>				
Enrollee Only	\$187.00	\$187.00	\$0.00	0.0%
Enrollee + Spouse	\$374.00	\$374.00	\$0.00	0.0%

Vantage Health Plan Medicare Advantage	Standard			
	2021 Total Monthly Premiums	2022 Total Monthly Premiums	Change	% Change
<b>All Regions</b>				
Enrollee Only	\$152.00	\$152.00	\$0.00	0.0%
Enrollee + Spouse	\$304.00	\$304.00	\$0.00	0.0%

Vantage Health Plan Medicare Advantage	Basic			
	2021 Total Monthly Premiums	2022 Total Monthly Premiums	Change	% Change
<b>All Regions</b>				
Enrollee Only	\$72.00	\$72.00	\$0.00	0.0%
Enrollee + Spouse	\$144.00	\$144.00	\$0.00	0.0%

**Amendment to Contract Between**

**State of Louisiana  
Office of Group Benefits (OGB)**

**And**

**Vantage Health Plan, Inc.  
130 DeSiard Street, Monroe, LA 71201**

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**CHANGE FROM:**

**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 fee, 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.

**CHANGE TO:**

**3.1 TERM OF CONTRACT**

The initial term this Contract shall begin on or about January 1, 2019, with an initial contract term through 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 fee, 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.

At this time, OGB is exercising the twenty-four (24) month option, to extend the term of the Contract for an additional twenty-four (24) month term, through December 31, 2023, at the same terms and conditions as the initial Contract term, except as provided herein.

**CHANGE FROM:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$12,000,000.00 (Twelve Million 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 \$10.00 for each HMO Primary Plan Participant. 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 and approval of the invoice by the State. 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.

**CHANGE TO:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$12,908,000.00 (Twelve Million Nine Hundred Eight 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 \$10.00 for each HMO Primary Plan Participant. 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 and approval of the invoice by the State. 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.

**CHANGE FROM:**

**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 Vantage Health Plan, Inc.: P. Gary Jones, MD, President  
Vantage Health Plan, Inc.  
130 DeSiard Street, Suite 300  
Monroe, LA 71201

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. 3<sup>rd</sup> 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.

**CHANGE TO:**

**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 Vantage Health Plan, Inc.: P. Gary Jones, MD, President  
Vantage Health Plan, Inc.  
130 DeSiard Street, Suite 300  
Monroe, LA 71201

To OGB: Mr. David W. Couvillon, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

Or

Mr. David W. Couvillon, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> 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.

**REPLACE:** ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE with the attached ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED)

**Effective Date of Amendment:** September 1, 2021

**Justification for Amendment:** To exercise the one-time option to extend Contract for twenty-four (24) additional months available under the Contract at the same terms and conditions of the initial Contract term, as previously amended, except as provided in this amendment. To provide revised Attachment II: Administrative Fee and Premium Rate Schedule (Revised) reflecting rates for calendar year 2022 and to increase the maximum payable amount to \$12,908,000.00. To update the notice provision of the contract.

**No Amendment shall be valid until it has been executed by all parties and approved by the Office of State Procurement, Division of Administration.**

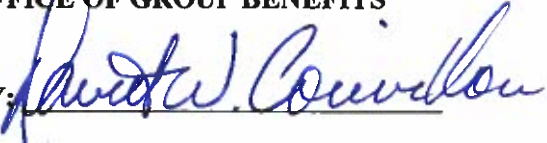
**All other provisions of the Contract shall remain in full force and effect. Any conflict between the Contract and this Amendment regarding the subject matters of this Amendment shall be resolved in favor of this Amendment.**

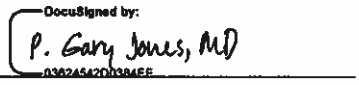
**This Amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.**

**IN WITNESS THEREOF, this Amendment is signed and entered into on the date(s) included below.**

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

**VANTAGE HEALTH PLAN, INC.**

**BY:** 

**BY:** 

**NAME:** David W. Couvillon

**NAME:** P. Gary Jones, MD

**TITLE:** Chief Executive Officer

**TITLE:** Chief Executive Officer

**DATE:** 9/29/21

**DATE:** 9/7/2021

**ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED)**

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**

<b>Monthly Administrative Fee Per Primary Plan Participant Per Month</b>
<b>\$10.00</b>

**Regional Premium**

The Contractor will submit proposed rates for each subsequent twelve (12)-month period of the Contract no later than August 31<sup>st</sup> 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.**

<b>Parishes Included in all OGB Regions (i.e., statewide)</b>	<b>Fixed Monthly Premium, Per Plan Participant Per Month</b>
<b>Basic</b>	
1/1/2019 – 12/31/2019	\$72.00
1/1/2020 – 12/31/2020	\$72.00
1/1/2021 – 12/31/2021	\$72.00
<u>1/1/2022 - 12/31/2022</u>	<u>\$72.00</u>
<b>Standard</b>	
1/1/2019 – 12/31/2019	\$184.00
1/1/2020 – 12/31/2020	\$152.00
1/1/2021 – 12/31/2021	\$152.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$152.00</u>
<b>Premium</b>	
1/1/2019 – 12/31/2019	\$232.00
1/1/2020 – 12/31/2020	\$187.00
1/1/2021 – 12/31/2021	\$187.00
<u>1/1/2022 – 12/31/2022</u>	<u>\$187.00</u>

Office of State Procurement  
State of Louisiana  
Division of Administration


JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 5, 2021

TO: Col. David W. Couvillon, USMCR (Ret.)  
Office of Group Benefits  
Chief Executive Officer

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO   
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB  
LaGov PO/Contract # 2000380092/Amendment 3  
Vantage Health Plan Inc.

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "Agency Memo to OSP After JLCB Approval," along with the stamped amendment from the JLCB.

**The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.**

If you should have any further questions/comments, please do not hesitate to contact Bess Guidry at OSP.





**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

**October 20, 2021 JLCB Meeting**

**Vantage Health Plan, Inc.**

*Fully Insured Louisiana-Domiciled Health Maintenance Organization (“HMO”) Plan  
Contract Amendment Overview*

## Vantage Health Plan, Inc.

### Fully Insured Louisiana-Domiciled HMO Plan Contract Amendment Overview

<b>Contract Purpose</b>	To provide a fully-insured HMO physician and hospital network for all regions of the state to eligible active employees, retirees, and their dependents.
<b>Eligible Enrollees</b>	Active and retired employees of the State of Louisiana and other OGB-participating entities
<b>Members as of 10/1/2021</b>	7,173
<b>Beginning Contract Date</b>	1/1/2019
<b>Ending Contract Date</b>	12/31/2021
<b>Renewable Options</b>	24 months
<b>Renewable Options Already Exercised</b>	None
<b>Ending Contract Date After Amendment Approval</b>	12/31/2023
<b>Renewable Options Remaining After Amendment Approval</b>	None
<b>Procurement Method</b>	Request for Proposals
<b>Current Maximum Payable Amount</b>	\$140,500,000
<b>Contract Authority Expended</b>	\$125,794,192 (through 9/30/2021)
<b>Maximum Payable Amount After Amendment Approval</b>	\$242,950,000
<b>Administrative Fee</b>	\$20.00 Per Enrollee per Month, Payable to OGB (no change from 2021)
<b>Number of Plans Offered</b>	One (no change from 2021)
<b>Statewide or Regional Premium Rates</b>	Statewide



## Vantage Health Plan, Inc.

### Fully Insured Louisiana-Domiciled HMO Plan Contract Amendment Overview, Cont.

Vantage Health Plan	Medical Home HMO			
	2021 Total Monthly Premiums	2022 Total Monthly Premiums	Change	% Change
<b>ACTIVE EMPLOYEE</b>				
ENROLLEE ONLY	\$746.84	\$821.52	\$74.68	10.0%
ENROLLEE + SPOUSE	\$1,586.16	\$1,744.78	\$158.62	10.0%
ENROLLEE + CHILD(REN)	\$910.80	\$1,001.88	\$91.08	10.0%
FAMILY	\$1,672.80	\$1,840.08	\$167.28	10.0%
<b>RETIREE WITHOUT MEDICARE &amp; RE-EMPLOYED RETIREE</b>				
ENROLLEE ONLY	\$1,393.86	\$1,533.24	\$139.38	10.0%
ENROLLEE + SPOUSE	\$2,461.18	\$2,707.30	\$246.12	10.0%
ENROLLEE + CHILD(REN)	\$1,552.66	\$1,707.92	\$155.26	10.0%
FAMILY	\$2,449.36	\$2,694.30	\$244.94	10.0%
<b>RETIREE WITH 1 MEDICARE</b>				
ENROLLEE ONLY	\$461.12	\$507.24	\$46.12	10.0%
ENROLLEE + SPOUSE	\$1,685.32	\$1,853.86	\$168.54	10.0%
ENROLLEE + CHILD(REN)	\$793.24	\$872.56	\$79.32	10.0%
FAMILY	\$2,243.24	\$2,467.56	\$224.32	10.0%
<b>RETIREE WITH 2 MEDICARE</b>				
ENROLLEE + SPOUSE	\$826.58	\$909.24	\$82.66	10.0%
FAMILY	\$1,023.40	\$1,125.74	\$102.34	10.0%

**Amendment to Contract Between**

**State of Louisiana  
Office of Group Benefits (OGB)**

**And**

**Vantage Health Plan, Inc.  
130 DeSiard Street, Suite 300, Monroe, LA 71201**

---

**CHANGE FROM:**

**3.1 TERM OF CONTRACT**

The initial term of 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 an option to extend the Contract for up to twenty-four (24) additional months at the same administrative fee, 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.

**CHANGE TO:**

**3.1 TERM OF CONTRACT**

The initial term of this Contract shall begin on or about January 1, 2019, with an initial contract term through December 31, 2021. With all proper approvals and concurrence with the successful Contractor, OGB may also exercise an option to extend the Contract for up to twenty-four (24) additional months at the same administrative fee, 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.

At this time, OGB is exercising the twenty-four (24) month option, to extend the term of the Contract for an additional twenty-four (24) months, through December 31, 2023, with the same terms and conditions as the initial Contract term, except as provided herein.

**CHANGE FROM:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$140,500,000.00 (One Hundred Forty Million, Five Hundred 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 upon Contractor a monthly administrative fee of \$20.00 for each HMO Primary Plan Participant. This administrative fee will be retained from the successful Contractor's fixed monthly premium paid directly to OGB for each Plan Participant. Those 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 offered by OGB.

The Contractor will invoice OGB on the 1st of each month for payment of Plan premiums for services provided pursuant to this 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 Participant. 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.

**CHANGE TO:**

**3.4 PAYMENT TERMS**

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$242,950,000.00 (Two Hundred Forty-Two Million, Nine Hundred 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 upon Contractor a monthly administrative fee of \$20.00 for each HMO Primary Plan Participant. This administrative fee will be retained from the successful Contractor's fixed monthly premium paid directly to OGB for each Plan Participant. Those 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 Plan Participants who choose other health coverage options offered by OGB.

The Contractor will invoice OGB on the 1st of each month for payment of premiums and 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 Participant. 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.

**CHANGE FROM:**

**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 Vantage Health Plan, Inc.: P. Gary Jones, MD, President  
Vantage Health Plan, Inc.  
130 DeSiard Street, Suite 300  
Monroe, LA 71201

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. 3<sup>rd</sup> 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.

**CHANGE TO:**

**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 Vantage Health Plan, Inc.: P. Gary Jones, MD, President  
Vantage Health Plan, Inc.  
130 DeSiard Street, Suite 300  
Monroe, LA 71201

To OGB: Mr. David W. Couvillon, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

or

Mr. David W. Couvillon, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> 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.

**REPLACE:** ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED) with the attached ATTACHMENT II: ADMINISTRATIVE FEE AND PREMIUM RATE SCHEDULE (REVISED).

**Effective Date of Amendment:** October 1, 2021

**Justification for Amendment:** To exercise the option to extend Contract for twenty-four (24) additional months available under the Contract at the same terms and conditions of the initial Contract term, as previously amended, except as provided in this amendment. To provide revised Attachment II: Administrative Fee and Premium Rate Schedule reflecting rates for calendar year 2022 and to increase the maximum payable amount to \$242,950,000.00. To update notice provision.

**No Amendment shall be valid until it has been executed by all parties and approved by the Office of State Procurement, Division of Administration.**



All other provisions of the Contract shall remain in full force and effect. Any conflict between the Contract and this Amendment regarding the subject matters of this Amendment shall be resolved in favor of this Amendment.

This Amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this Amendment is signed and entered into on the date(s) included below.

STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS

VANTAGE HEALTH PLAN, INC.

BY: *David W. Couvillon*

DocuSigned by:  
P. Gary Jones, M.D.  
03024542D0384EE

NAME: David W. Couvillon

NAME: P. Gary Jones MD

TITLE: Chief Executive Officer

TITLE: Chief Executive Officer

DATE: 10/1/21

DATE: 9/29/2021

**ATTACHMENT II: PREMIUM RATE SCHEDULE (REVISED)**

The monthly premiums listed below are fully burdened and inclusive of all Contract costs and expenses. Commissions or finder's fees are not payable under this Contract.

Statewide	Fixed Monthly Premium 1/1/19 – 12/31/19	Fixed Monthly Premium 1/1/20 – 12/31/20	Fixed Monthly Premium 1/1/21 – 12/31/21	Fixed Monthly Premium 1/1/22 – 12/31/22
<b><u>Active Employee</u></b>				
SINGLE	\$671.00	\$704.56	\$ 746.84	<u>\$821.52</u>
+1 (SPOUSE)	\$1,425.12	\$1,496.38	\$1,586.16	<u>\$1,744.78</u>
+1 (CHILD)	\$818.32	\$859.24	\$910.80	<u>\$1,001.88</u>
WITH CHILDREN	\$818.32	\$859.24	\$910.80	<u>\$1,001.88</u>
FAMILY	\$1,502.98	\$1,578.12	\$1,672.80	<u>\$1,840.08</u>
<b><u>Retiree Without Medicare and Re-Employed Retiree</u></b>				
SINGLE	\$1,252.34	\$1,314.96	\$ 1,393.86	<u>\$1,533.24</u>
+1 (SPOUSE)	\$2,211.30	\$2,321.86	\$2,461.18	<u>\$2,707.30</u>
+1 (CHILD)	\$1,395.02	\$1,464.78	\$1,552.66	<u>\$1,707.92</u>
WITH CHILDREN	\$1,395.02	\$1,464.78	\$1,552.66	<u>\$1,707.92</u>
FAMILY	\$2,200.68	\$2,310.72	\$2,449.36	<u>\$2,694.30</u>
<b><u>Retiree With One Medicare</u></b>				
SINGLE	\$414.30	\$435.02	\$ 461.12	<u>\$507.24</u>
+1 (SPOUSE)	\$1,514.20	\$1,589.92	\$1,685.32	<u>\$1,853.86</u>
+1 (CHILD)	\$712.70	\$748.34	\$793.24	<u>\$872.56</u>
WITH CHILDREN	\$712.70	\$748.34	\$793.24	<u>\$872.56</u>
FAMILY	\$2,015.48	\$2,116.26	\$2,243.24	<u>\$2,467.56</u>
<b><u>Retiree With Two Medicare</u></b>				
+1 (SPOUSE)	\$742.66	\$779.80	\$ 826.58	<u>\$909.24</u>
FAMILY	\$919.50	\$965.48	\$1,023.40	<u>\$1,125.74</u>
<b><u>COBRA</u></b>				
SINGLE	\$684.42	\$718.64	\$ 761.76	<u>\$837.94</u>
+1 (SPOUSE)	\$1,453.62	\$1,526.30	\$1,617.88	<u>\$1,779.66</u>
+1 (CHILD)	\$834.68	\$876.42	\$929.00	<u>\$1,021.90</u>
WITH CHILDREN	\$834.68	\$876.42	\$929.00	<u>\$1,021.90</u>
FAMILY	\$1,533.04	\$1,609.70	\$1,706.28	<u>\$1,876.90</u>

<b><i>DISABILITY COBRA</i></b>				
SINGLE	\$1,006.50	\$1,056.84	\$1,120.26	<u>\$1,232.28</u>
+1 (SPOUSE)	\$2,137.68	\$2,244.58	\$2,379.24	<u>\$2,617.18</u>
+1 (CHILD)	\$1,227.48	\$1,288.86	\$1,366.20	<u>\$1,502.82</u>
WITH CHILDREN	\$1,227.48	\$1,288.86	\$1,366.20	<u>\$1,502.82</u>
FAMILY	\$2,254.48	\$2,367.18	\$2,509.20	<u>\$2,760.12</u>

**Premium rates proposed for each twelve (12)-month period must be approved by the OGB. The maximum percentage increase for each twelve (12)-month period during the initial Contract period and during any renewal option period is 20%. OGB reserves the right to negotiate lower premiums for each twelve (12)-month period during the initial Contract period and for each twelve (12)-month period during any renewal option period.**

Office of State Procurement  
State of Louisiana  
Division of Administration


JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 5, 2021

TO: Col. David W. Couvillon, USMCR (Ret.)  
Office of Group Benefits  
Chief Executive Officer

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO   
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB  
LaGov PO/Contract # 2000367811/Amendment 3  
Vantage Health Plan Inc. (HMO)

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "Agency Memo to OSP After JLCB Approval," along with the stamped amendment from the JLCB.

**The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.**

If you should have any further questions/comments, please do not hesitate to contact Bess Guidry at OSP.



**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

**October 20, 2021 JLCB Meeting**

### **DataPath Administrative Services**

*Background Information on Solicitations for Flexible Spending Arrangement and  
COBRA Administration Services*

&

*Flexible Spending Arrangement and COBRA Administration Services Contract  
Overview*

## **Background Information on Solicitations for Flexible Spending Arrangement and COBRA Administration Services**

- The Request for Proposals (“RFP”) for Flexible Spending Arrangement (“FSA”) and COBRA Administration Services was issued on 4/15/2021
  - Offers were due by 5/27/2021
  - Five (5) offers were received
    - One (1) offer was received late and was excluded from consideration
- The Office of Group Benefits (“OGB”) issued a Notice of Intent to Award to DataPath Administrative Services (“DataPath”) on 7/27/2021
- The Office of State Procurement (“OSP”) issued an approval notice for the Contract between OGB and DataPath for FSA and COBRA administrative services on 10/15/2021

## DataPath Administrative Services

### *FSA and COBRA Administration Services Contract Overview*

<b>Contract Purpose</b>	To provide FSA and COBRA administration services in support of plan options offered by OGB.
<b>FSA Eligible Enrollees</b>	Active employees of the State of Louisiana and other OGB-participating entities participating in an OGB Flexible Benefits Plan may enroll in one or several Flexible Benefits Plan options.
<b>COBRA Eligible Enrollees</b>	OGB health plan participants, who have been termed from health insurance coverage due to resignation, dismissal, employer lay-off, retirement, or other qualifying events. COBRA is also offered to participants in the General-Purpose Flexible Spending Arrangement (“GPFSA”) or Limited-Purpose Flexible Spending Arrangement (“LPFSA”), who have funds remaining in their FSA account.
<b>FSA Members as of 10/01/2021</b>	5,986
<b>COBRA Members as of 10/01/2021</b>	284
<b>Beginning Contract Date</b>	01/01/2022
<b>Ending Contract Date</b>	12/31/2024
<b>Renewable Options</b>	Up to 24 months
<b>Procurement Method</b>	RFP
<b>Current Contract Maximum Payable Amount <sup>1, 2</sup></b>	\$1,892,000
<b>Current Contract Authority Expended <sup>1</sup></b>	\$1,679,635 (through 9/30/2021)
<b>Contract Maximum Payable Amount</b>	\$1,130,000
<b>FSA Administration Fee</b>	\$0.95 per Primary Plan Participant per Month
<b>COBRA Administration Fee</b>	\$0.185 per Employee and Retiree per Month

<sup>1</sup> Current FSA and COBRA Administration Services vendor is WEX Health, Inc. d/b/a WEX (formerly Discovery Benefits, LLC).

<sup>2</sup> The current WEX contract maximum payable amount is for four (4) years. The original three (3) year contract maximum payable amount was \$1,400,000. Contract amendment #2 extended the contract term from 12/31/2020 to 12/31/2021 and increased the maximum payable amount to \$1,892,000.

Office of State Procurement  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 15, 2021

TO: Col. David W. Couvillon, USMCR (Ret.)  
Office of Group Benefits  
Chief Executive Officer

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO  
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB  
Contract between OGB and DataPath Administrative Services Inc. – FSA and COBRA  
administrative services

The Office of State Procurement has reviewed the above-referenced contract. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed contract in accordance with La. R.S. 42:802 (D)(1), please return the **"Agency Memo to OSP After JLCB Approval,"** along with the stamped contract from the JLCB.

**The contract will not receive final approval by OSP until JLCB has approved and it is submitted to OSP in LaGov, Proact, or LESA, as applicable.**

If you should have any further questions/comments, please do not hesitate to contact Bess Guidry at OSP.



## **CONTRACT**

On this \_\_ day of October, 2021, the State of Louisiana, Office of Group Benefits, 1201 N. 3<sup>rd</sup> Street, Suite G-159, Baton Rouge, LA 70802, hereinafter sometimes referred to as the “OGB” or “State”, and DataPath Administrative Services, 1601 Westpark Drive, Suite 9, Little Rock, AR 72204, hereinafter sometimes referred to as the “Contractor,” do hereby enter into a Contract under the following terms and conditions.

### **1 TERM OF CONTRACT**

This Contract shall begin on or about January 1, 2022, and is anticipated to end on December 31, 2024. The State has the right to extend this Contract up to a total of three years with the concurrence of the Contractor and all appropriate approvals. With all proper approvals and concurrence of the Contractor, that State may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, 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) or other approval authorized by law shall be obtained. Such 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 three (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.

### **2 COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT**

In consideration of the services required by this Contract, OGB hereby agrees pay to Contractor a maximum fee of One Million One Hundred Thirty Thousand Dollars (\$1,130,000.00) over multiple years as follows: January 1, 2022 to December 31, 2022; January 1, 2023 to December 31, 2023; and January 1, 2024 to December 31, 2024. Payments are predicated upon successful completion of the services described in Description of Services and acceptance of deliverables described in Acceptance of Deliverables; receipt of an invoice; and written approval of OGB Medical and Pharmacy Administrator 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.**

The methods of payment may be via EFT, a method in which payment is sent directly from the State’s bank to the payee’s bank.

Within five (5) business days after the end of each month, Contractor will invoice OGB monthly for payment of all administrative fees and charges earned by Contractor. For billing purposes, FSA participant counts will be determined on the last business day of each month. Participants losing eligibility to receive FSA reimbursement after the first business day of the month are included in the count for that month’s billing. The amount of administrative fees paid will be based upon the number determined by OGB’s eligibility system using the contracted rate. For COBRA administration, the administrative fee will be based on the number of employees and retirees enrolled in the OGB health plans at the end of each month. The amount of administrative fees paid will be based upon the number determined by OGB’s eligibility system using the

contracted rate. Upon validation of the invoice for administrative fees, OGB shall render payment of undisputed amounts within thirty (30) days of receipt of invoice.

### **Dollar Amount of the Contract**

During the execution of services as described in Attachment I, Contractor may not submit invoices more frequently than monthly.

Payment terms are as follows:

FSA Administrative Fees per Primary Plan Participant per month	\$0.95
COBRA Administrative Fees per employee and retiree per month	\$0.185

For FSA Administration, a participant is an individual who is eligible to receive reimbursement based on the Internal Revenue Code Section 125 cafeteria plan adopted by OGB.

For COBRA Administration, a covered employee/retiree is the Primary Plan Participant enrolled for coverage in an OGB plan.

The State shall make every reasonable effort to make payments within **thirty (30) days** of receiving an invoice. Contractor shall comply with the Division of Administration State General Travel Regulations, as set forth in the Division of Administration Policy and Procedure Memorandum No. 49.

### **3 PROHIBITION AGAINST ADVANCE PAYMENTS**

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law.

### **4 GOALS AND OBJECTIVES**

1. To ensure accurate and timely FSA and COBRA administration.
2. To provide quality, cost-effective healthcare services to Plan Participants.

### **5 DEFINITIONS**

**Account Management Team** – Contractor’s staff assigned to OGB which includes a dedicated Account Executive, Implementation Manager, COBRA Operations Manager, and Customer Service Manager. Contractor’s staff assigned to OGB will also include a Privacy Officer, Financial Analyst, Senior Operations Specialist, Compliance Analyst that is not required to be exclusively dedicated to OGB. The Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB.

**COBRA** – Consolidated Omnibus Budget Reconciliation Act.

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

**CY** – Calendar Year.

**CSR** – a Customer Service Representative.

**Deliverable** – a good or service that Contractor is required to provide. Deliverables can be tangible or intangible in nature.

**Dependent Care Flexible Spending Arrangement (DCFSA)** - the Flexible Spending Arrangement option that permits a participant to set aside pre-tax money to pay for dependent care expenses for young children under age thirteen (13) in daycare and elderly or disabled dependents, who cannot care for themselves and spend at least eight (8) hours a day in your household.

**FSA** –Flexible Spending Arrangement plans.

**General-Purpose Flexible Spending Arrangement (GPFSA)** – the Flexible Spending Arrangement option that permits a participant to contribute to an account for pre-tax reimbursement of certain qualifying medical care expenses.

**Grace Period** - the 2 months plus 15 days immediately following the end of a plan year when participants may incur qualifying expenses to be reimbursed from their respective unused FSA benefits remaining at the end of the immediately preceding plan year in accordance with IRS Notice 2005-42 or any amendment thereof.

**HIPAA** – the Health Insurance Portability and Accountability Act.

**IRS** – Internal Revenue Service.

**JLCB** –Joint Legislative Committee on the Budget.

**Limited-Purpose (Dental/Vision) Flexible Spending Arrangement (LPFSA)** - the Flexible Spending Arrangement option that permits a participant to contribute to an account for pre-tax reimbursement of certain qualifying medical care expenses and to maintain his Health Savings Account eligible individual status.

**OGB CEO** – the Office of Group Benefit’s Chief Executive Officer.

**OGB Plan-Recognized Qualified Life Event (QLE)** – one or more of the OGB Plan-Recognized Qualified Life Events for FSA purposes recognized by OGB from time-to-time.

**OSP** – Office of State Procurement.

**Plan** – OGB’s defined health benefit plan pursuant to which Covered Benefits are provided to Plan Participants.

**Plan Participant(s)** – individuals who are entitled to Covered Benefits 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)** – the Plan Participant whose relationship with OGB or the employee/retiree governs the coverage under the Plan.

**PPACA** – the Patient Protection and Affordable Care Act.

**Proposal** – a response to a RFP.

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

**RFP** – a Request for Proposals.

**Run-out Period** – the time period immediately following the Grace Period, ending on April 30, when participants may submit qualifying expenses incurred during the preceding plan year

and/or Grace Period for reimbursement from their respective unused FSA benefits remaining at the end of the immediately preceding plan year.

## **6 DESCRIPTION OF SERVICES**

### **6.1 CONCISE DESCRIPTION OF SERVICES**

DataPath Administrative Services shall provide Flexible Spending Arrangement (“FSA”) and COBRA administration services in support of plan options offered by OGB/State. These services shall include, at a minimum, all services specified in Section 6.2 and the attachments referenced therein.

### **6.2 STATEMENT OF SERVICES**

Contractor agrees to furnish services to State as specified in this Section and in any attachments. The Statement of Work consists of the following and/or any subsequent addendum:

Attachment I: Scope of Services

Attachment II: Business Associate Addendum

Attachment III: Records Retention Schedule

Attachment IV: Imaging System Survey Compliance and Records Destruction

Attachment V: Insurance Requirements

### **6.3 DELIVERABLES**

The Contract will be considered complete when Contractor has delivered and State has accepted all deliverables specified in the Statement of Work.

### **6.4 ACCEPTANCE OF DELIVERABLES**

Deliverables shall be submitted, reviewed, and accepted according to the following procedure:

- A. *General.* The State shall accept work performed in accordance with the Statement of Services and/or as subsequently modified in State-approved documents.
- B. *Submittal and Review.* Contractor shall provide written notification to the OGB Medical and Pharmacy Administrator that a Deliverable is completed, and available for review and acceptance.

Upon Contractor’s written notification, the OGB Medical and Pharmacy Administrator shall review the Deliverable within ten (10) business days. Within this period, the OGB Medical and Pharmacy Administrator shall direct the appropriate review process; coordinate any review outside the Project team; and present results to any appropriate committee(s) for acceptance. The review process shall be comprehensive—identifying all items that must be modified or added.

- C. *Acceptance or Rejection.* A Deliverable shall be considered accepted unless, within the 10 business days, the OGB Medical and Pharmacy Administrator notifies the Contractor in writing that the Deliverable is rejected and specifies the items that, if

modified or added, will cause the Deliverable to be accepted. A failure to submit all or any essential part of a Deliverable shall be a cause for rejection of the Deliverable.

D. *Resubmitting Deliverables.* Contractor shall provide written notification to the OGB Medical and Pharmacy Administrator when the Contractor resubmits a Deliverable for acceptance. The OGB Medical and Pharmacy Administrator shall review the resubmitted Deliverable within five (5) business days. A resubmitted Deliverable shall be considered accepted unless, within this period, the OGB Medical and Pharmacy Administrator notifies the Contractor in writing that the resubmitted Deliverable is rejected and specifies the items that, if modified or added, will cause the resubmitted Deliverable to be accepted. The parties shall repeat this process until the resubmitted Deliverable is accepted, or the State determines that the Contractor has breached the Contract and places the Contractor in default.

## **6.5 PERFORMANCE MEASURES**

The performance of the Contract, including but not limited to Attachment I, Scope of 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 13, Performance Guarantees, will be measured by the OGB Contract Monitor. The OGB Contract Monitor is authorized to evaluate the Contractor's performance against these criteria.

## **6.6 MONITORING PLAN**

The Contract Monitor 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 Monitor as specified in Attachment I, Scope of Services.
2. The Contract Monitor will ensure all deliverables are submitted timely and perform subsequent review and acceptance.
3. The Contract Monitor 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.

## **6.7 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 dedicated Account Executive, Implementation Manager, COBRA Operations Manager, and Customer Service Manager. Contractor's staff assigned to OGB will also include a Privacy Officer, Financial Analyst, Senior Operations Specialist, and a Compliance Analyst that are not required to be exclusively dedicated to OGB. The Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB.

- B. Account Management Team Support.** The Account Management Team will provide support around account strategy, Plan Participant inquiries, issue resolution, reports, and other requested projects and deliverables. Contractor will provide an annual service cycle plan as well as an ongoing task log with timelines for all deliverables and weekly status update meetings in person or via teleconference.
- C. Quarterly Meetings.** All of the Account Management Team will attend all quarterly meetings via teleconference or on-site at OGB. The meetings shall be held no later than thirty (30) days following quarter end. The Account Management Team will provide for OGB approval a draft agenda at least ten (10) business days in advance of a meeting to allow changes to the agenda and a reasonable opportunity to prepare for the meeting. At minimum, during the quarterly meeting, the Account Management Team should discuss the following: goals, expectations, and priorities; review the quarterly report and other issues such as performance guarantees, quality assurance, operations, network status and access; benefit and program changes or enhancements; legislative issues; audits; cost trends; utilization; program outcomes; customer service issues; future goals and planning; and other issues reasonably related to the Contract.
- D. Minutes.** Within three (3) business days after any meeting, Contractor shall provide OGB with a detailed and well-documented draft of meeting minutes. OGB shall review and revise the draft minutes as appropriate and return to the Contractor. Final minutes must be provided within three (3) business days after receipt of the revised minutes from OGB. Minutes shall include a list of and description of all tasks and/or deliverables, identify the responsible party, and provide a projected delivery date.
- E. Documentation.** Contractor will maintain an ongoing process log that will document all benefit and system programming changes, which will be provided to OGB within five (5) business days of any change.
- F. Coordination with other OGB Vendor(s).** Contractor will coordinate and cooperate with OGB's administrative services provider(s) for OGB's self-insured medical plans, actuary, and other vendors as needed on integration of information to or from other service providers relative to the services addressed in this Contract.

## 7 TERMS OF PAYMENTS

The Contractor may submit invoices, not more frequently than monthly. If progress and/or completion of services are provided to the satisfaction of OGB, payments are to be made as follows:

Within five (5) business days after the end of each month, Contractor will invoice OGB monthly for payment of all administrative fees and charges earned by Contractor set forth in Section 2, Compensation and Maximum Amount of Contract. For billing purposes, FSA participant counts will be determined on the last business day of each month. For COBRA administration, the administrative fee will be based on the number of employees and retirees enrolled in the OGB health plans at the end of each month. Participants losing eligibility to receive FSA reimbursement after the first business day of the month are included in the count for that month's billing. The amount of administrative fees paid will be based upon the number determined by OGB's eligibility

system using the contracted rate. Upon validation of the invoice for administrative fees, OGB shall render payment of undisputed amounts within thirty (30) days of receipt of invoice.

Such payment amounts for work performed must be based on at least equivalent services rendered, and to the extent practical, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices. Contractor will not be paid more than the maximum amount of the Contract. Payment will be made only upon approval of OGB Medical and Pharmacy Administrator.

## **8 VETERAN/HUDSON SMALL ENTREPRENEURSHIP PROGRAM PARTICIPATION**

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 participation and the dollar amount of each.

## **9 SUBSTITUTION OF KEY PERSONNEL**

The Contractor's personnel assigned to this Contract shall not be replaced without the written consent of the OGB/State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor, shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. The Contractor will make every reasonable attempt to assign the personnel listed in his/her proposal. 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).

## **10 OGB FURNISHED RESOURCES**

OGB shall appoint a Contract Monitor for this Contract who will provide oversight of the activities conducted hereunder. The assigned Contract Monitor 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.

## **11 TAXES**

Contractor is current in the filing of all applicable tax returns and reports and in the payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue. Contractor's federal tax identification number is 71-0808497. Contractor's seven-digit Louisiana Department of Revenue account number is 2459081. The State's obligations are conditioned on the Contractor resolving any identified outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification. If the Contractor fails to resolve the identified outstanding tax compliance discrepancies within seven days of notification, then the using agency may proceed with alternate arrangements without notice to the Contractor and without penalty.

The State acknowledges that Contractor is not providing tax or legal advice and that State shall be

solely responsible for determining the legal and tax status of the Plan(s).

## **12 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 annual contracted fees to ensure the successful performance under the terms and conditions of the Contract. 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 within the time specified may cause the Contract to be cancelled.

## **13 PERFORMANCE GUARANTEES**

Contractor agrees to provide its operational performance guarantees on a OGB-specific basis and report OGB's results on a quarterly basis. OGB shall have the ability to modify the performance guarantees each contract year. Contractor will be subject to per day fees for certain performance guarantees.

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

Performance Guarantees: The Contractor will be subject to negotiated performance standards and those detailed in Attachment I, Scope of Services.

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 calendar year 2022 also known as January 1, 2022 through December 31, 2022. The second period will be for calendar year 2023, and the third period for calendar year 2024. The fourth period, subject to the renewal option, will be for calendar year 2025, and the fifth period, subject to the renewal option, will be for calendar year 2026. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

## **14 TERMINATION FOR CAUSE**

Should the State determine that the Contractor has failed to comply with the Contract's terms, the State may terminate the Contract for cause by giving the Contractor written notice specifying the Contractor's failure. If the State determines that the failure is not correctable, then the Contract shall terminate on the date specified in such notice. If the State determines that the failure may be corrected, the State shall give a deadline for the Contractor to make the correction. If the State determines that the failure is not corrected by the deadline, then the State may give additional time



for the Contractor to make the corrections or the State may notify the Contractor of the Contract termination date.

If the Contractor seeks to terminate the Contract, the Contractor shall file a complaint with the Chief Procurement Officer under La. R.S. 39:1672.2-1672.4.

## **15 TERMINATION FOR CONVENIENCE**

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor a termination date. Contractor shall be entitled to payment for deliverables in progress, to the extent the State determines that the work is acceptable.

## **16 REMEDIES FOR DEFAULT**

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

## **17 GOVERNING LAW**

This Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, special terms and conditions, and specifications listed in the RFP (if applicable); and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

## **18 E-VERIFY**

Contractor acknowledges and agrees to comply with the provisions of La. R.S. 38:2212.10 and federal law pertaining to E-Verify in the performance of services under this Contract.

## **19 OWNERSHIP OF WORK PRODUCT**

All data files, documentation, records, worksheets, or any other related materials developed under this Contract shall become the property of the State upon creation. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract and/or at the State's request.

## **20 DATA/RECORD RETENTION**

Contractor shall retain all its books, records, and other documents relevant to this Contract and the funds expended hereunder for at least five (5) years after final payment, or as required by applicable Federal law, if Federal funds are used to fund this Contract. Contractor shall comply with all applicable State and Federal laws regarding data retention and provide for a transition period that accommodates all data retention requirements of the State, including data retained and length of retention, following Contract termination, regardless of the reason for Contract

termination. Further, Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), **Attachment III**, 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 III**, 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 IV**, Imaging System Survey Compliance and Records Destruction. Additionally, all State data must be sanitized in compliance with the most currently approved revision of NIST SP 800-66.

## **21 RECORD OWNERSHIP**

All records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract. 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. All material related to the Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of the Contract.

## **22 CONTRACTOR'S COOPERATION**

The Contractor has the duty to fully cooperate with the State and provide any and all information, documentation, etc. to the State immediately upon request. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

## **23 ASSIGNABILITY**

Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within ten (10) calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, Contractor shall only transfer an interest in the Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

## **24 RIGHT TO AUDIT**

Any authorized agency of the State (e.g. Office of the Louisiana Legislative Auditor, Inspector General's Office, etc.) and of the Federal Government has the right to inspect and review all books and records pertaining to services rendered under this contract for a period of five years from the date of final payment under the prime contract and any subcontract. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Contractor and subcontractor shall comply with federal and state laws authorizing an audit of their operations as a whole, or of specific program activities.

## **25 FISCAL FUNDING**

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of the Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act 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 are not appropriated.

## **26 NON-DISCRIMINATION**

Contractor agrees to abide by the requirements of the following as applicable and amended: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964; Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; Age Discrimination Act of 1975; Fair Housing Act of 1968; and, Americans with Disabilities Act of 1990.

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

## **27 CONTINUING OBLIGATION**

Contractor has a continuing obligation to disclose any suspensions or debarment 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 Contracts.

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, 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.

## **28 ELIGIBILITY STATUS**

Contractor, and each tier of Subcontractors, shall certify that it is not on the List of Parties Excluded from Federal Procurement or Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

## **29 CONFIDENTIALITY**

Contractor shall protect from unauthorized use and disclosure all information relating to the State's operations and data (e.g. financial, statistical, personal, technical, etc.) that becomes available to the Contractor in carrying out this Contract. Contractor shall use protecting measures that are the same or more effective than those used by the State. Contractor is not required to protect information or data (other than protected health information) that is publicly available outside the scope of this Contract; already rightfully in the Contractor's possession; independently developed by the Contractor outside the scope of this Contract; or rightfully obtained from third parties.

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 delegee.

## **30 AMENDMENTS**

Any modification to the provisions of this Contract shall be in writing, signed by all parties, and approved by the required authorities.

## **31 PROHIBITED USE OF FUNDS**

Contractor shall not use funds received for services rendered under this Contract to urge an elector to vote for or against any candidate or proposition on an election ballot, or to lobby for or against any matter the Louisiana Legislature or a local governing authority is considering to become law. This provision shall not prevent the normal dissemination of factual information relative to any proposition on an election ballot or any matter being considered by the Louisiana Legislature or a local governing authority.

## **32 SUBCONTRACTORS**

The Contractor may, with prior written permission from the State, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or State Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work.

## **33 PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL**

In accordance with La. R.S. 39:1602.1, 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.

### **34 DUTY TO DEFEND**

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The State may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's obligations, duties, and responsibilities under this section. Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

### **35 LIABILITY AND INDEMNIFICATION**

#### **35.1 CONTRACTOR LIABILITY**

Contractor shall be liable to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners or subcontractors in the course and scope of performing Contractor's duties under this Contract.

#### **35.2 FORCE MAJEURE**

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

#### **35.3 INDEMNIFICATION**

Contractor shall fully indemnify and hold harmless the State for direct damages (including the request of reimbursement of reasonable attorney fees in accordance with applicable procedural rules), which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners or subcontractors, but subject to the limitations set forth in Section 35.5. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

The State acknowledges it is responsible for the information it provides to Contractor, including eligibility data and directives, upon which Contractor acts or fails to act as it relates to Plans'.

Contractor does not insure or underwrite the Plans' liability. Contractor has no duty or obligation to defend any legal action or proceeding brought to recover benefits under the Plan(s) subject to Section 35.1; however, Contractor will provide to the State immediate notice of any such legal action or proceeding of which Contractor is aware. Additionally, upon request and subject to any limitations described in this Agreement, Contractor will provide to the State any documentation in Contractor's possession that may reasonably relate to such claim for benefits and/or expenses.

#### **35.4 INTELLECTUAL PROPERTY INDEMNIFICATION**

Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under the Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

#### **35.5 LIMITATIONS OF LIABILITY**

This Section does not apply to Contractor's or Contractor's employees, etc. that are intentional or willful. Those acts or omissions are provided for in Sec. 35.1.

For all claims against the Contractor not governed by any other provision of this Section, regardless of the basis on which the claim is made, the Contractor's liability for direct damages shall be limited to two times the maximum dollar amount of the Contract.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

### **35.6 OTHER REMEDIES**

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

### **36 STAFF INSURANCE**

For the duration of the Contract, Contractor shall procure and maintain insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the total Contract amount. For insurance requirements, refer to **Attachment V**, Insurance Requirements.

### **37 LICENSES AND PERMITS**

Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract.

### **38 SECURITY**

Contractor's personnel shall always comply with all security regulations in effect at the State's premises, and externally for materials belonging to the State or to the project. Contractor is responsible for reporting any breach of security to the State promptly.

### **39 CYBERSECURITY TRAINING**

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost or may use any alternate course approved in writing by the Office of Technology Services.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

## **40 SECURITY/DUTIES TO MONITOR AND REPORT SECURITY EVENTS**

Contractor's personnel shall always comply with all security regulations in effect at the State's premises, and externally for materials belonging to the State or to the project.

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 [https://doa.louisiana.gov/media/wvmhsr1r/louisiana\\_infosecpolicy.pdf](https://doa.louisiana.gov/media/wvmhsr1r/louisiana_infosecpolicy.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 shall provide the Contract Monitor with notification as soon as reasonable practicable (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. References to Security Event herein may include, but not be limited to, the following: attempted, suspected, or successful 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.

## **41 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 and to Chief Operating 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. If such a request for payment of reasonable legal fees and related expenses is made pursuant to this



Contract, Contractor and the OGB will, after the request for payment is made, engage in good faith negotiations to determine the amount of the payment.

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

## **42 BUSINESS ASSOCIATE ADDENDUM**

A Business Associate Addendum, Attachment II, 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. The parties have executed a Business Associate Addendum attached to this Contract as Attachment II 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 laws, 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, as well as 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 participants involving PHI/PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. Contractor shall affirm that all subcontractors or other vendors providing services for this Contract are HIPAA compliant. OGB shall be provided redacted 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.

## **43 CODE OF ETHICS**

The 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 Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify the State if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

## **44 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.

#### **45 OUTSOURCING OF KEY INTERNAL CONTROLS**

The State of Louisiana/State Agency will also require the Contractor and/or subcontractors, if performing a key internal control, to submit to an independent SSAE 18 SOC 1 and/or type II audit of its internal controls and other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. The audit firm will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures.

The Contractor could be required to provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV &V), and other internal project/program reviews and audits.

These audits will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the indicated audit. The audit firm will submit a final report on controls placed in operations 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 Department with an exact copy of their report by no later than October 31<sup>st</sup> of each calendar year. Contractor shall supply any material subcontractor's report, no later than 30 days after receipt of said report. Such audits may be performed annually during the term of the contract. The Contractor agrees to implement recommendations as suggested by the audits within three months of report issuance at no cost to the State Agency.

#### **46 HEADINGS**

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

#### **47 ENTIRE AGREEMENT AND ORDER OF PRECEDENCE**

This Contract, (together with the Request for Proposals and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's Request for Proposals, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.

This Contract shall, to the extent possible, be construed to give effect to all provisions contained therein: however, where provisions are in conflict, first priority shall be given to the provisions of the Contract, excluding the Request for Proposals and the Proposal; second priority shall be given to the provisions of the Request for Proposals and amendments thereto; and third priority shall be given to the provisions of the Proposal.

#### **48 CONTRACT APPROVAL**

This Contract is not effective until executed by all parties and approved in writing by the Office of State Procurement, in accordance with LSA-R.S.39:1595.1.

## **49 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 DataPath Administrative Services:      Ben Robbins, Director  
DataPath Administrative Services  
1601 Westpark Drive, Suite 9  
Little Rock, AR 72204

To OGB:      David Couvillion, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

Or

David Couvillion, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> 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.

## **50 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.

## **51 INSURANCE REQUIREMENTS FOR CONTRACT**

See **Attachment V**.

The cost of such insurance shall be included in the total Contract amount.

*(Signature Page Follows)*

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

**STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS**

**DATAPATH ADMINISTRATIVE  
SERVICES**

**BY:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**NAME:** David W. Couvillon

**NAME:** \_\_\_\_\_

**TITLE:** Chief Executive Officer

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

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## **ATTACHMENT I: SCOPE OF SERVICES**

### **Overview**

The Contractor shall provide the following services:

- Proactive support in responding to plan participants;
- Educate employees on the advantages of FSAs and provide communications of available benefits with the goal of maximizing program enrollment;
- Notify plan participants of key plan deadlines, including but not limited to, end of plan year, end of grace period, and end of run out. A separate notification shall be sent for each deadline;
- Solid operational performance, demonstrated by timely adjudication and payment of claims, validation of purchases, and reliable and accurate information of participant accounts; customer service; and,
- COBRA administration in compliance with all OGB and regulatory requirements.

The Contractor must possess the knowledge, capability, and resourcefulness to effectively provide Flexible Spending Arrangement services in accordance with all federal, state, and any other applicable laws, regulations, policies, OGB requirements, etc. The Contractor will be responsible for successfully transitioning (in conjunction with OGB and the incumbent contractor) to being the party responsible for completing all required services. The Contractor shall provide competent and qualified staff to work on the scope of services under the Contract.

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 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.

Should the State request additional requested services, services shall be agreed upon by in writing by both parties and by amendment to this contract. In performance of additional requested services, the Contractor shall be entitled to rely upon instructions, authorization and approvals provided by the State to Contractor. The State will furnish the information necessary for the Contractor to perform the additional requested services. Such information will be provided to Contractor in the time and in the manner agreed to by both parties.

At a summary level, these tasks include:

1. Implementation/Transition of FSA and COBRA Administration Services;
2. General Support Services;
3. FSA Administration Services; and
4. COBRA Administration Services.

Below is a list of minimum services the Contractor shall be responsible for providing pursuant to the Contract:

### **Task 1: Implementation Services**

1. Assign a dedicated implementation team to manage the implementation process and the transition of services from the incumbent contractor.
2. Work with OGB and incumbent contractor to transfer competencies and operational expertise essential to administering OGB's FSA plans and COBRA with minimal interruption to Plan Participants.
3. Provide an implementation credit to OGB in the amount of \$50,000 to offset OGB's expense associated with the RFP, transition, and ongoing services. In no case shall OGB be required to repay all or a portion of the used or unused implementation credit. Contractor will track such services and provide OGB a quarterly report, upon request, of current utilization and remaining balance, if any, of the implementation credit. Such credits applied to the implementation credit of \$50,000.00 for the RFP, transition, and ongoing service will be mutually agreeable to OGB and Contractor. Any remaining balance will not expire and will be available for use during the term of this Contract and any subsequent amendments to or extensions of the Contract.
4. Facilitate system programming including, but not limited to, data collection from OGB; file transfer set-up between OGB and Contractor; and data transfer and mapping. If Contractor requires file mapping and/or subsequent updates, this service 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 five (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.**
5. Provide file data in a layout format designated by OGB. Contractor will need to accept OGB's standard file layout. File layouts will be provided at no cost to OGB. **The file transfer protocol and the file encryption must meet OTS Information Security Requirements as posted in the OTS Information Security Policy. 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 five (5) years from the creation date, key strength is highly suggested 4096 with a minimum allowed 2048, key must include a valid email address and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**
6. Conduct project status implementation meetings with the Contract Monitor on-site, or via teleconference.
7. Perform comprehensive systems testing and quality assurance audits, with results reported to OGB prior to the "Go-Live" date, at no additional cost.
8. Ensure successful and timely completion of all tasks necessary to begin performance of the Contract on January 1, 2022 at 12:00 am CT.

## **Task 2: General Support Services**

1. Adhere to all provisions outlined and requested in the **RFP Attachment V and Contractor's Proposal Response 3.1-3.4: Approach and Methodology Technical Questionnaire** and **RFP Attachment VI and Contractor's Proposal Response 2.1: Company Background and Experience Technical Questionnaire**.
2. Provide knowledgeable staff to attend statewide annual/special enrollments and any other informational meetings as requested by OGB, at Contractor's expense. Staff in attendance at statewide annual/special enrollments and informational meetings must be Contractor's employees not subcontractors.
3. Provide an Account Executive and/or Operational Account Manager who will provide day-to-day management of project tasks and activities, coordination of Proposer's employees, and possess the technical and functional knowledge to direct all aspects of the project. The Account Executive and/or Operational Account Manager must be knowledgeable about all aspects of the FSA Plan and COBRA administration and accessible by phone or email during regular working hours to address issues posed by the OGB staff. The Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB. When the Account Executive will be out of the office for more than eight hours, the designated back-up staff member will be available and available to address all questions and report requests during the Account Executive's absence. The designated back-up staff member will be identified by name, and phone number prior to the account representative leaving the office.
4. Provide advisory and compliance services to OGB regarding actual or pending state and federal laws, regulations, policies, procedures and potential impact to FSA and COBRA administration.
5. Meet with OGB staff onsite or via teleconference, on a quarterly basis to review and evaluate program administration.
6. Provide 24/7 access to an online portal in compliance with the Patient Protection Affordable Care Act ("PPACA") Section 1557 and any other regulatory requirement, except for scheduled maintenance to FSA, and OGB for activities such as claim submission, account monitoring (i.e., approved claims, pending claims, election amount, available balance, etc.), plan benefits and eligibility information, payment history, communications requested and approved by OGB, as well as any other information required by state and federal laws. Reporting capabilities are required for OGB. This online portal must include adequate encryption to guarantee protection of the participant's privacy and confidential data (i.e., PHI, personal data, and banking information, as applicable). All outages in excess of one (1) hour should be promptly reported to the Contract Monitor.
7. Provide a website that is specific to OGB that is in compliance with all applicable anti-discrimination laws and the Patient Protection Affordable Care Act ("PPACA") Section 1557 and any other regulatory requirement.
8. Maintain a service disruption plan or procedure to continue customer service activities and all other business operations when existing service is temporarily unavailable due to either scheduled or unforeseen events (i.e., repairing/restoring utility or power supply, upgrading phone systems, and other events). OGB must be notified in advance for scheduled

disruptions and within twenty-four (24) hours of occurrence for other events not related to the online portal.

9. Investigate any suspicious activity, related to administration of FSA and COBRA, which it believes to be fraudulent or abusive whenever detected by Contractor or brought to the attention of the Contractor by OGB or other persons. Contractor shall have established procedures to aggressively monitor and proactively search for cases and potential cases of fraud and abuse including providing OGB with a quarterly report of fraud activities and discoveries relating to the contract.
10. Administration of FSA for participants from at least seventy-two (72) payroll systems within the State of Louisiana. The successful proposer will not be required to interface with 72 payroll systems, but is only required to interface with OGB's system.
11. Furnish a dedicated toll-free telephone number for incoming customer service calls in compliance with the PPACA Section 1557, including telephone technology for the hearing impaired and multi-lingual support. The call center must be staffed and available to receive calls Monday through Friday from 8:00 am to 5:00 pm, Central Standard Time ("CT").
12. Upon request of the Plan Participant, provide printed materials in a medium widely accepted and in compliance with all applicable anti-discrimination laws.
13. Provide all printed material in electronic format with final version submitted to OGB in PDF file format.
14. Assist OGB in complying with grievance and appeal procedures. The Contractor will be responsible for resolution of appeals in accordance with all applicable law.
15. Upon OGB request, the Contractor will be required to work with the appointed OGB actuary, other selected OGB contractors, employees from the Division of Administration, and the OGB staff for management of the program.
16. 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.
17. Upon request, provide digital recordings of phone calls within two (2) business days of request.

### **Task 3: FSA Administration Services**

1. Subject to OGB's customization and approval, Contractor will prepare and distribute all FSA materials, including but not limited to customized educational materials; claim processes and forms; debit cards which shall include a customized welcome kit that provides FSA coverage information and a website link to the OGB Flexible Benefits plan summary; covered expenses; explanations of reimbursements and denials of reimbursements; appeals procedure, and monthly account statements for annual/special enrollment and FSA participants. All health care FSA communications must be in compliance with PPACA Section 1557. Contractor will be responsible for all costs associated with producing, printing, distributing, and mailing such materials using first-class mail. All printed material shall be provided in electronic format with final version submitted to OGB in PDF file format.



2. Provide a secure online portal to accept individual contribution files and termination notifications from participating agencies and OGB.
3. Process and verify claims requests in accordance with the plan design of OGB, all applicable mandatory provisions of the Internal Revenue Code governing such arrangements, including Section 125 (Cafeteria Plans) and any other applicable regulations, rules, and guidance issued by the Internal Revenue Services (“IRS”).
4. Provide and maintain reliable and accurate information of plan participant FSA accounts for purposes of substantiating FSA expenditures and for purposes of curing ineligible expenses. This includes but is not limited to maintaining and updating plan participant information such as employment/agency records. At OGB’s request, Contractor will provide the plan participant FSA account information to OGB as ad hoc reporting.
5. Recoup funds from participants who have failed to provide documentation needed to substantiate the claim(s) for debit card transactions.
6. Recoup funds from participants who have provided documentation that does not substantiate claim(s) for debit card transactions.
7. Establish and maintain files on all FSA participants. The files on all FSA participants should include but not be limited to:
  - claims paid and/or denied,
  - accurate account balances,
  - timely activation and deactivation of debit cards,
  - responses to participant inquiries, and
  - notice of action(s) taken.
8. Notify participants, in writing, of the reason for denial of any claim.
9. Provide the option for reimbursements using either check or direct deposit to the participant’s account.
10. Provide participants with a debit card option to pay for eligible claim expenses. Debit cards, including replacement cards, will be provided to FSA participants and made available for spouse/dependents upon request, at no charge.
11. Provide FSA debit card holders with real-time emails of debit card transaction notifications. The notification should include, but is not limited to: transaction is fully substantiated, no further action is necessary; transaction is not fully substantiated, please submit documentation; reminder that a transaction is not fully substantiated, card holder has “x” number of days to submit documentation; or card holder has failed to submit substantiation, card is deactivated. Contractor shall prepare, print, and distribute letters to debit card holders with the above information when the debit card holder does not have an email address. Any such notifications must be in compliance with PPACA Section 1557.
12. Provide a funding notification to OGB detailing the approved claims and debit card transactions scheduled for reimbursement to receive FSA contributions from OGB.

Contractor may request daily or weekly transfer of funds for debit card transactions and approved claims. **Under no circumstance will OGB prefund the Contractor's account.**

13. Establish and maintain a separate depository account to hold funds provided to Contractor by OGB for payment of plan benefits. Upon termination of this contract, Contractor shall return all OGB funds remaining in the account within sixty (60) calendar days.
14. Prepare, print and mail FSA account statements to participants on a quarterly basis showing funds contributed, claims paid, and claims received but not paid. Contractor may distribute account statements electronically if participant elects such method of transmission. All such communications must be in compliance with PPACA Section 1557.
15. Prepare, print, and mail end-of-plan-year warning notices to participants regarding Grace Period and Run-Out Period for claim submission and subsequent forfeiture of any remaining contributions. Contractor may distribute notices electronically if participant elects such method of transmission. Participant's election to receive notices electronically must be documented and retained. OGB reserves the right to request copies of the participant's election.
16. Reconcile funds and prepare monthly accounting statement including funds received, amount of claims paid by plan, plan year, amount of substantiated and unsubstantiated claims, account balance, and expense detail.
17. Perform semi-annually all federally required Section 125 nondiscrimination tests, reporting, filing, and amendments as required by law. These services include accepting nondiscrimination spreadsheets from each OGB agency participating in OGB coverage, performing the testing services, and providing resulting semi-annual nondiscrimination testing results to OGB.
18. Recommend steps to bring FSA plans in compliance if any plan fails any one of the federally required Section 125 nondiscrimination tests and assist OGB with implementation of any corrective action.
19. Administer eligible Grace and Run-Out Periods and process run-on claims for the incumbent contractor, if requested by OGB.
20. Administer eligible Grace Period and process subsequent run-off claims each calendar year. At OGB's request, the handling of such claims may be transitioned to a successor appointed by OGB prior to the end of the run-off period, and the Contractor shall cooperate fully in transitioning such services to any successor appointed by OGB.
21. Assist OGB with development of related employee benefit policies, procedures, and summary plan documents and ensure all such documents remain in compliance with all applicable regulations.
22. Provide paper notices to plan participants whose emails bounce back.
23. Provide outreach to enrolled OGB agencies when Contractor receives notice that there are no plan participant contributions submitted for plan participants that are enrolled in health and limited FSA plans. This service includes monitoring account balance detail reports that is submitted to Contractor and sending alerts and written notices to OGB agencies when there is no contribution listed for enrolled plan participants.

#### Task 4: COBRA Administration Services

1. Administer all aspects of COBRA, including special limited health care FSA plans, as required by the U.S. Department of Labor and any other applicable federal or state agency, including compliance with all applicable state and federal regulations. Contractor will also handle federally subsidized COBRA benefits.
2. Prepare, print, and mail all COBRA communications (i.e., COBRA specific rights notice letter, QLE notice, election notice/enrollment applications, premium billing, cancellation notices, rate change letters, termination letters, unavailability, delinquent payments, payment deadlines, etc.) using first-class mail. All communications are subject to approval and customization by OGB prior to distribution. Contractor will be responsible for all costs associated with producing, printing, and mailing of such communications. All COBRA communications must be in compliance with PPACA Section 1557, <https://www.gpo.gov/fdsys/pkg/PLAW-111publ148/pdf/PLAW-111publ148.pdf>.
3. Provide technical guidance and administrative support to OGB regarding compliance with COBRA regulations and any other pertinent federal laws, rules, and regulations.
4. Determine eligibility of terminated employees and/or COBRA participants and the length of COBRA continuation coverage for second QLEs.
5. Track eligibility, elections, payments, cancellation dates due to nonpayment and/or expiration dates and timely notify OGB of such.
6. Invoice, collect and maintain premium payment records for COBRA participants and remit payments to OGB, including the two percent (2%) administration fee, with a premium remittance report on a monthly basis. Do not report to OGB as paid any participant that did not remit the required payment amount.
7. Maintain communications with COBRA Participants concerning eligibility for Medicare, Plan changes, and/or premium changes.
8. Resolve all servicing issues related to the administration of services, including premium received and remitted, enrollment elections and discrepancies, address changes, etc.
9. Accommodate various COBRA premium payment structures that OGB currently has in place. **OGB currently offers multiple medical plans with more than one (1) carrier.**
10. Determine cancellation dates due to nonpayment or expiration of coverage.
11. Submit electronic eligibility files and premium payments to OGB and its benefit administrators using an agreed upon schedule.
12. Offer additional insurance offerings through the marketplace for COBRA participants.
13. Implement and administer the current COBRA plans by January 1, 2022.
14. Provide OGB with the ability to run standard reports such as the following: detailed participant reporting, termination reporting, QLE reporting, new hire COBRA notices mailed each month, individuals who elect and decline continuation coverage per month, and Medicare eligible participants.

15. Provide integrated COBRA systems that generate both health and FSA COBRA notices for applicable QLE. The FSA COBRA notices will utilize information maintained in the Contractor’s FSA system.

## 1.1 Deliverables

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

The Contractor shall provide the following deliverables:

<b>Deliverable</b>	<b>Description</b>	<b>Frequency of Submission</b>
<b>General</b>		
Independent Assurances	Contractor and its subcontractors performing key delegated functions shall each supply OGB with an exact copy of the SOC 1, Type II report and/or SOC 2, Type II report (as agreed by OGB) resulting from the SSAE 18 engagement or other assurances as described in Section 45 of the contract.	Contractor shall supply report by no later than October 31 <sup>st</sup> of each calendar year. Contractor shall supply any material subcontractor’s report, no later than 30 days after receipt of said report.
Unclaimed Property	A copy of the documentation provided to the applicable state authority for escheatment of unclaimed property.	Within thirty (30) calendar days from submission to the applicable state authority.
Fraud and Abuse	Report detailing the financial impact of identified fraud and abuse.	Within thirty (30) calendar days after the close of each quarter.
Performance Guarantees	A detailed monthly report including metrics for the performance guarantees set forth in the contract.	Within thirty (30) calendar days after the close of each month.
Grievance Log	A detailed report listing all appeals and grievances filed during the month and the current status of each.	Within fifteen (15) calendar days after the close of each month.
Ad Hoc Reports	OGB-specific ad hoc reports that will include data related to Contractor’s operating performance under the contract.	Within thirty (30) calendar days of request from OGB.
<b>FSA Administration</b>		
FSA Contribution Replenishment Report	Detailed listing in a mutually agreeable format of approved claims and debit card transactions scheduled for reimbursement.	On a daily basis.

<b>Deliverable</b>	<b>Description</b>	<b>Frequency of Submission</b>
FSA Accounting Statement	FSA accounting statement including name, identification number, election amount, claim type (i.e., manual, debit card transaction, etc.), contribution amounts received from OGB and paid out per month, cumulative year-to-date claim payments, and available balance.	Within fifteen (15) calendar days after the close of each month.
Forfeited FSA Participant Contributions	Forfeited FSA participant contributions remittance report including, name, identification number, election amount, cumulative year-to date paid claims, total of denied claims, outstanding balance, and remaining balance, along with any forfeited funds.	Calendar Year 1: Due June 17, 2023, for the period of January 1 – December 31, 2022 Calendar Year 2: Due June 17, 2024, for the period of January 1 – December 31, 2023 Calendar Year 3: Due June 17, 2025, for the period of January 1 – December 31, 2024
Email Bounce Back Report	Submit a report of listed email bounce back occurrences. Report must contain the details of steps taken to remedy the failure.	Within fifteen (15) calendar days after the close of each month.
Returned Mail Report	Submit a report listing returned mail. Report must contain the details of steps taken to remedy the failure.	Within fifteen (15) calendar days after the close of each month.
Nondiscrimination Testing	Provide the results of the semi-annual nondiscrimination testing results to OGB.	Within thirty (30) calendar days of each semi-annual report.
Flexible Benefits Plan Summary	Provide FSA Plan Participants the Flexible Benefits Summary on an annual basis according to OGB’s desired method of communication.	Within thirty (30) calendar days after the end of each calendar year.
<b>COBRA Administration</b>		
COBRA Accounting Statement	COBRA eligibility and payment status report including all COBRA participants for whom coverage is continued, including such information as name, identification number, effective date of coverage, plan, coverage status, amount and dates of payments made, date through which premium paid, and any outstanding premiums due.	Within fifteen (15) calendar days after the close of each month.

<b>Deliverable</b>	<b>Description</b>	<b>Frequency of Submission</b>
COBRA Premiums	Remit 100% of collected COBRA premiums (including 2% administrative fee collected from participants) to OGB with a premium remittance report. The content and format of the remittance report are subject to OGB's prior approval.	Within ten (10) business days after the close of each month.

## 1.2 Performance Guarantees

The following performance guarantees are the minimum acceptable standards for the contract.

<b>METRIC</b>	<b>PERFORMANCE STANDARD</b>	<b>PENALTY PERCENT AT RISK ANNUALLY</b>
<b>General</b>		
Independent Assurances	Contractor and its subcontractors performing key delegated functions shall each supply OGB with an exact copy of the SOC 1, Type II report and/or SOC 2, Type II report (as agreed by OGB) resulting from the SSAE 18 engagement or other assurances as described in Section 45 of the Contract.	\$1,000 per day
First Call Resolution	90% of participant inquiries will be resolved in the first call.	2%
Written Inquiry Timeliness	98% of all written inquiries will be answered within seven (7) business days. Autoreply emails are excluded from the calculation of this performance guarantee.	2%
Abandoned Call Rate	Less than or equal to 5% of participant calls abandoned after being connected for at least thirty (30) seconds.	2%
Average Speed to Answer	Average answer time is sixty (60) seconds or less.	2%
<b>FSA Administration</b>		
Forfeited FSA Participant Contributions	100% of forfeited FSA participant contributions must be returned to OGB no later than June 17 <sup>th</sup> of each calendar year.	4.5%
Claims Processing	98% of electronic and non-electronic claims paid within two (2) business days of receipt.	3.5%

Debit Cards	100% of debit cards mailed to FSA participants within fourteen (14) business days of Contractor’s receipt of an accurate and usable eligibility file. The annual enrollment file must be submitted and processed by December 1st in order for FSA participants enrolling during the annual enrollment period to receive debit cards by January 1st.	3.5%
<b>COBRA Administration</b>		
COBRA Premium Processing	100% of COBRA premiums remitted to OGB within ten (10) business days after the end of each month in which the premium(s) were received.	3.5%
COBRA Initial Notice	100% of initial notices must be mailed within forty-five (45) calendar days from receipt of accurate and usable eligibility file from OGB for COBRA participants first becoming covered on or after January 1, 2022.	3%
COBRA Termination Notice	100% of COBRA termination notices mailed within seven (7) business days of Contractor’s determination.	3%
COBRA Election Notice	100% of COBRA election notices mailed within three (3) business days of notification of a QLE.	3%
COBRA Unavailability Notice	100% of COBRA unavailability notices mailed within seven (7) business days of notification of a QLE.	3%

These metrics shall be reported quarterly and reconciled on an annual basis unless another time period is agreed upon by OGB and Contractor. OGB, at its sole discretion, shall have the ability to modify the Performance Guarantees each contract year. Contractor will also be subject to “per day” fees for Independent Assurance Reporting Performance Guarantees.

Any penalties owed to OGB shall be paid within ninety (90) days after the end of the calendar year; penalties owed by the Contractor will be paid automatically and will not need to be requested. Implementation performance guarantees will be measured and reported within ninety (90) days after the agreed upon implementation date.

**Performance Guarantees:** The Contractor will be subject to the performance standards and those detailed in Attachment I, Scope of Services.

**Audit:** OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit without limitation of the scope of the audit.

**Measurement Periods:** The first period to be measured shall be calendar year 2022 also known as January 1, 2022 through December 31, 2022. The second period will be for calendar year 2023,

and the third period for calendar year 2024. The fourth period, subject to the renewal option, will be for calendar year 2025, and the fifth period, subject to the renewal option, will be for calendar year 2026. If the Performance Guarantees are effective for less than a full calendar year, the penalty payment amounts will be prorated for the portion of the Measurement Period.



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## ATTACHMENT II: 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 October, 2021 (the “Effective Date”), by and between DataPath Administrative Services (“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 October \_\_, 2021, 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 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 report without unreasonable delay but no later than five (5) business days from notice of any knowledge 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 forward such request to Covered Entity within five (5) days.

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 six 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 or destroy any books, records, or other documents required by the Agreement, at the request of Covered Entity.

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 (5) 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**

**DATAPATH ADMINISTRATIVE  
SERVICES**

By: \_\_\_\_\_  
*Signature*

By: \_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name*

\_\_\_\_\_  
*Printed Name*

Title: Chief Executive Officer

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# ATTACHMENT III: 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

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ORIGINAL SUBMISSION

XRENEWAL

REPLACEMENT PAGE

ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Internal Audit Records/Reports	ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued. <sup>aa</sup>
2	LLA Audit Records/Reports	ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued. <sup>aa</sup>
3	Group Benefits Policy and Planning Board Meeting Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. <sup>aa</sup>
4	Group Benefits Policy & Planning Board Reports	ACT + 10 CY	0	ACT + 10 CY	M	S	N	V	ACT = Until end of CY in which OGB ceases to exist. <sup>aa</sup>
5	Group Benefits Policy & Planning Board Meeting Minutes	PERM	0	PERM	M	R	N	V	
6	Group Benefits Estimating Conference Meeting Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. <sup>aa</sup>
7	Group Benefits Estimating Conference Meeting Minutes	PERM	0	PERM	M	R	N	V	
8	OGB 5-Year Strategic Plan	ACT + 5 FY	0	ACT + 5FY	P	S	N	V	ACT = until the end of the FY in which the Strategic plan was drafted. <sup>aa</sup>
9	OGB HIPAA Compliance Records	ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the records were created or received. <sup>aa</sup>

**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)  
 MOC - Months WK - Week (Mon-Sun) DY - Day(s)  
 PERM - Permanent  
<sup>aa</sup> = May be part of an Imaging/Electronic Exception.  
<sup>aa</sup> = May be part of an Imaging/Electronic Survey.

**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**

LLA = Louisiana Legislative Auditor  
 OGB = Office of Group Benefits  
 HIPAA = Health Insurance Portability and Accessibility Act

Agency Approval: *[Signature]*

Date Signed: 1-2-2020

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

Date Approved: 1-8-2020

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

### Records Retention Schedule

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 \_\_\_ XRENEWAL  
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 \_\_\_ ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Budget Request Documents/Records	ACT + 5 FY	0	ACT + 5 FY	P	R	N	V	ACT = until the end of the FY in which created**
2	Actuarial Revenue/Expenditure Line-Item Projections	ACT + 5 FY	0	ACT + 5 FY	M	S	N	V	ACT = until the end of the FY in which received**
3	Actuarial Premium Rate Schedules	ACT + 5 CY	0	ACT + 5 CY	P	S	N	V	ACT = until the end of the FY in which received**
4	Official Premium Rate Schedules	ACT + 10 CY	0	ACT + 10 CY	P	S	N	V	ACT = until end of the CY in which the OGB ceases to exist**
5	Monthly OTS Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received**
6	Annual IAT Agreements & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received**
7	Miscellaneous/One-time Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received**
8	OGB Fiscal Note Worksheets & Supporting Documents	ACT + 5 CY	0	ACT + 5 CY	M	S	N	V	ACT = until the end of the CY in which the document was created**
9	DOA Analysis Sheets & Supporting Documents	ACT + 5 CY	0	ACT + 5 CY	M	S	N	V	ACT = until the end of the CY in which the document was created**
10	Fuel Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received**

**Permitted Retention Period Abbreviations**  
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 MO - Months WK - Week (Mon-Sun) DY - Day(s)  
 PERM - Permanent  
 \*\* = May be part of an Imaging/Electronic Exception.  
 \*\* = May be part of an Imaging/Electronic Survey.

**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  
 D - Review by State Archives/Electronic  
 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**  
 OGB - Office of Group Benefits  
 OTS - Office of Technology Services  
 IAT - Inter Agency Transfers  
 DOA - Division of Administration

Agency Approval: *[Signature]*

Date Signed: 1-2-2020

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

Date Approved: 1-8-2020

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

### Records Retention Schedule

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Agency No	Agency / Division / Section	Division of Administration / Office of Group Benefits / Administration -- Communications	Retention Period		Security	Archival	State Records Center	Vital	Remarks	
			In Office	In Storage						Total Retention
003.005										
1		Annual Enrollment Member Guides	ACT + 10 CY	0	ACT + 10 CY	P	D	N	I	ACT = until the end of the CY in which OGB ceases to exist**
2		Annual Enrollment Member Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created**
4		Annual Enrollment HR Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created**
5		Agency/Member Memos on OGB Policies/Procedures Changes	ACT + 10 CY	0	ACT + 10 CY	P	D	N	V	ACT = until the end of the CY in OGB ceases to exist**
6		Medicare Part D Creditable Coverage Notices	ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the notices were created**
7		Publications	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which OGB ceases to exist**

Agency Approval 

Date Signed 1-7-2020

Secretary of State, State Archives & Records Services 

Date Approved 1-8-2020



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

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 \_\_\_ XRENEWAL  
 \_\_\_ REPLACEMENT PAGE  
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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Administration - General								
1	OGB Employee Driver Authorization Forms	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the employee separates from agency**
2	OGB Employee Safety Meetings Training Materials & Sign-in Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received**
3	OGB Employee PES Evaluations and Planning Session Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which supervision ends**
4	OGB Employee Time & Attendance Reports	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the CY in which the reports were created or received**
5	Vehicle Logs & Supporting Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received**
6	SOF & Supporting Documents	ACT + 2 FY	1 FY	ACT + 3 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received**
7	OGB Visitor Logs/Sign-in Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created**
8	Daily Documents/Mail Assignments Logs	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created**
9	Records Management Files (Retention Schedules, disposal requests, Transmittals, Surveys and Exceptions)	ACT + 10 CY		ACT + 10 CY	M	S	N	V	ACT = until end of CY in which OGB ceases to exist. **

Permitted Retention Period Abbreviations  
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 \*\* = May be part of an Imaging/Electronic Exception.  
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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  
 D - Review by State Archives/Electronic  
 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  
 SOF - Special order Form  
 OGB - Office of Group Benefits  
 PES = Personnel Evaluation System

*[Signature]*  
 Agency Approval

1-2-2020  
 Date Signed

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

1-8-2020  
 Date Approved

Records Retention Schedule

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

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Contracts, Contract Amendments, & Supporting Documents	ACT + 3 CY	7 CY	ACT + 10 CY	M	S	Y	V	ACT = Until the end of the CY in which the contract expires or is terminated"
2	OGB Contract Solicitations (RFP, ITB, RFI) & Supporting Documents	ACT + 3 CY	0	ACT + 3 CY	M	S	Y	V	ACT = Until the end of the CY in which the solicitations deadline ends"

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Vital Record Identification Code  
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I = Important  
U= Useful  
Agency Abbreviations  
OGB = Office of Group Benefits  
RFP = Request for Proposal  
ITB = Intent to Bid  
RFI = Request for Information

Agency Approval \_\_\_\_\_

Date Signed 1-2-2020 \_\_\_\_\_

Secretary of State, State Archives & Records Services \_\_\_\_\_

Date Approved 1-8-2020 \_\_\_\_\_

Louisiana Secretary of State  
 Division of Archives, Records Management and History  
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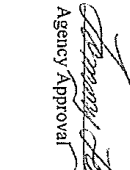
Agency No	Agency / Division / Section	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
			In Office	In Storage	Total					
003.005	Division of Administration / Office of Group Benefits / Agency Services									
1	OGB Member Participation Schedules		ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**
2	OGB Member Collections Notices & Supporting Documents		ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**
3	OGB Member Appeals & Supporting Documents		ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**
4	OGB-participating Agency Administrative Error Appeals & Supporting Documents		ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**

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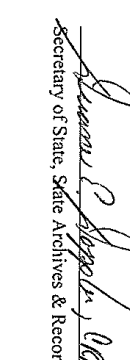
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State Records Center Use  
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 N - No  
 Vital Record Identification Code  
 V= Vital  
 I = Important  
 U= Useful

Agency Abbreviations  
 OGB = Office of Group Benefits

Agency Approval 

Date Signed 1-7-2020

Secretary of State, State Archives & Records Services 

Date Approved 1-8-2020

Louisiana Secretary of State  
 Division of Archives, Records Management and History  
 Post Office Box 94 125, Baton Rouge, LA 70804

### Records Retention Schedule

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SS ARC 932 (10/19)

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Indicate Use of Form  
 \_\_\_ ORIGINAL SUBMISSION  
 \_\_\_ X RENEWAL  
 \_\_\_ REPLACEMENT PAGE  
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Agency No	Agency / Division / Section	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
			In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Customer Service									
1		Enrollment Change Forms & Supporting Eligibility Documents (GB-01)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
2		Designation Forms (OGB Coordinator, Agency Master User, Invoice Contact) (GB-74, GB-75, GB-78)	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until the end of the CY in which OGB ceases to exist. **
3		OGB Member Correspondence	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
4		Daily Work Papers (includes printed copies of imaged documents and non-essential notes with PHI or OGB member contact info, produced by OGB Customer Service section staff)	ACT	0	ACT	M	S	N	U	ACT = until the end of the day in which the work papers were created **

**Permitted Retention Period Abbreviations**  
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 PERM – Permanent  
 \*\* = May be part of an Imaging/Electronic Exception.  
 \*\* = May be part of an Imaging/Electronic Survey.

**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  
 D – Review by State Archives/Electronic  
 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**  
 OGB = Office of Group Benefits  
 PHI = Personal Health Information

Agency Approval 

Date Signed 1-7-2020

Secretary of State, State Archives & Records Services 

Date Approved 1-8-2020

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

Http://www.sos.la.gov

### Records Retention Schedule

SS ARC 932 (10/19)

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Self-funded Health Plan Medical TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received <sup>AA</sup>	
2	Self-funded Health Plan Pharmacy TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received <sup>AA</sup>	
3	Fully Insured Health Plan Vendors Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received <sup>AA</sup>	
4	Capitated Primary Care Network Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received <sup>AA</sup>	
5	IMMHEHRA Vendor Invoices and Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received <sup>AA</sup>	
6	Health Plan Vendors Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	U	ACT = until the end of the CY in which the report or deliverable was received <sup>AA</sup>	
7	Health Savings Account Enrollment & Payroll Deduction Election/Changes (GB-79 Forms)	ACT + 10 CY		ACT + 10 CY	C	S	N	ACT = until the end of the CY in which OGB ceases to exist. <sup>AA</sup>	
8	TPA Health and Pharmacy Claims (Including supplemental Claims)	ACT + 10 CY		ACT + 10CY	C	S	N	ACT = until the end of the CY in which OGB ceases to exist. <sup>AA</sup>	

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

**Agency Abbreviations**  
 TPA = Third party administrator  
 IMMHEHRA = Individual Medicare Market Exchange with Health Reimbursement Arrangements  
 OGB = Office of Group Benefits

Agency Approval *[Signature]*

Date Signed 1-7-2020

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

Date Approved 1-8-2020

Louisiana Secretary of State  
 Division of Archives, Records Management and History  
 Post Office Box 94 125, Baton Rouge, LA 70804

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### Records Retention Schedule

SS ARC 932 (10/19)

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
003.005	Division of Administration / Office of Group Benefits / Medical and Pharmacy Benefits Administration - Life Insurance								Indicate Use of Form ___ ORIGINAL SUBMISSION ___ XRENEWAL ___ REPLACEMENT PAGE ___ ADDENDUM PAGE
1	Fully Insured Basic and Supplemental Life Insurance Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the document was received <sup>^^</sup>
2	Fully Insured Basic and Supplemental Life Insurance Vendor Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the report or deliverable was received <sup>^^</sup>
3	Fully Insured Basic and Supplemental Life Insurance Member Beneficiary Designation/Change Forms	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT = Until end of the CY in which OGB ceases to exist. <sup>^^</sup>
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<b>Security Status Codes</b> P - Public Record M - May Contain Confidential Information C - Confidential Information <b>Archival Processing Codes</b> A - Transfer to State Archives R - Retain in Agency Archives S - Review by State Archives D - Review by State Archives/Electronic O - Other (Specify in Remarks)					<b>State Records Center Use</b> Y - Yes N - No <b>Vital Record Identification Code</b> V - Vital I = Important U = Useful				
<b>Agency Abbreviations</b> OGB = Office of Group Benefits									

Agency Approval *[Signature]*

Date Signed 1-22-2020

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

Date Approved 1-8-2020





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

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### Records Retention Schedule

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
1	Filing Deadline Mail Records	ACT + 3 CY		ACT + 3 CY	M	S	N	I	ACT = until the end of the CY in which the document was created or received. <sup>^</sup>
2	Live and Event Claims Records	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>**</sup>
3	Field and Audit Reports	ACT + 5 CY		ACT+ 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued. <sup>^</sup>
4	Health Claims (including supplemental Claims)	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>**</sup>
5	Explanation of Benefits (EOBs)	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>**</sup>
6	Medical Records	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>**</sup>
7	Pre-determinations	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>**</sup>
8	Case Management	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>**</sup>
9	Medical Necessities	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>**</sup>

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Agency Abbreviations  
 OGB = Office of Group Benefits

*[Signature]*  
 Agency Approval

1-8-2020  
 Date Signed

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

1-8-2020  
 Date Approved



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

**Records Retention Schedule**

Http://www.sos.la.gov

SS ARC 932 (10/19)

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 RENEWAL  
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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
10	Paid in Vouchers	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
11	Flexible Benefit Master File	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
12	Hospital Audits, Statistical Reports and Work Papers	ACT + 5 CY		ACT + 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued. **
13	Fraud and Abuse Case Files and Logs	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
14	Health Claim Audits and work papers (including over \$500 plan Member check Audits)	ACT + 5 CY		ACT + 5CY	C	S	N	I	ACT = until the end of the CY in Audit is completed. **
15	Special Reports (Outlier, Check Cycle)	ACT + 10 CY		ACT + 10CY	M	S	N	I	ACT = until the end of the CY in which report is run. **
16	Reviews (Medical and Chiropractic)	ACT + 10 CY		ACT + 10CY	C	S	N	I	ACT = until the end of the CY in which OGB ceases to exist. **
17	Case Management	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
18	Medical Necessities	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **

Agency Approval *[Signature]*

Date Signed 1-2-2020

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

Date Approved 1-8-2020

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 Vital Record Identification Code  
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Agency Abbreviations  
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## 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 (10/19)

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Discontinued Programs								Page 13 of 13 Indicate Use of Form <input type="checkbox"/> ORIGINAL SUBMISSION <input checked="" type="checkbox"/> RENEWAL <input type="checkbox"/> REPLACEMENT PAGE <input type="checkbox"/> ADDENDUM PAGE
19	Preferred Provider Option/Exclusive Provider Option Contracts	ACT + 6 CY		ACT + 5CY	M	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
20	Logic Approvals	ACT + 3 CY	7CY	ACT + 10CY	M	S	N	V	ACT = until the end of the CY in which plan expires. **
21	Adjusted Batch Listings	ACT + 7 CY		ACT + 7CY	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) 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 (Mon-Sun) DY - Day(s) PERM – Permanent ** = May be part of an Imaging/Electronic Exception. ** = May be part of an Imaging/Electronic Survey.									
		Security Status Codes		State Records Center		Agency Abbreviations			
		P – Public Record M – May Contain Confidential Information C – Confidential Information		Use Y – Yes N - No		OGB = Office of Group Benefits			
		Archival Processing Codes A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D – Review by State Archives/Electronic O – Other (Specify in Remarks)		Vital Record Identification Code V= Vital I = Important U= Useful					

Agency Approval: 

 Date Signed: 1-7-2020

 Secretary of State, State Archives & Records Services: 

 Date Approved: 1-8-2020

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## **ATTACHMENT IV: 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.gov<sup>1</sup>, 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 series<sup>2</sup> 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.

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

<sup>2</sup> 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 III.

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## **ATTACHMENT V: INSURANCE REQUIREMENTS**

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

### **A. MINIMUM SCOPE AND LIMITS OF INSURANCE**

#### **1. Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

#### **2. Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

#### **3. Professional Liability (Errors and Omissions)**

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

#### **4. Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

#### **5. Cyber Liability**

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy

must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 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 premium.

**B. DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

**C. OTHER INSURANCE PROVISIONS**

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

1. Commercial General Liability, Automobile Liability, and Cyber Liability Coverages

- a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. 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. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.
- b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall

not 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 Agency 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 Agency, its officers, agents, employees and volunteers.

#### **D. ACCEPTABILITY OF INSURERS**

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.
2. 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 within 30 days.

#### **E. VERIFICATION OF COVERAGE**

1. Contractor shall furnish the Agency 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 Agency before work commences and upon any contract renewal or insurance policy renewal thereafter.
2. The Certificate Holder Shall be listed as follows:  
  
State of Louisiana  
Office of Group Benefits, Its Officers, Agents, Employees and Volunteers  
1201 N. Third Street, Baton Rouge, LA, 70802  
Project or Contract #: FSA and COBRA contract
3. In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Agency, 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.

#### **F. SUBCONTRACTORS**

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

**G. 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, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.



**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

**October 20, 2021 JLCB Meeting**

**Express Scripts, Inc.**

*Background Information on Solicitations for Pharmacy Benefit Manager Services*

*&*

*Pharmacy Benefit Manager Services Emergency Contract Overview*



## **Background Information on Solicitations for Pharmacy Benefit Manager Services**

- The Solicitation for Offers (“SFO”) for Pharmacy Benefit Manager (“PBM”) Services was issued on 07/09/2021
  - Offers were due by 07/26/2021
  - Two (2) offers were received
- The Office of Group Benefits (“OGB”) issued a Notice of Intent to Award to Express Scripts, Inc. (“ESI”) on 8/27/2021
- The Office of State Procurement (“OSP”) issued an approval notice for the Emergency Contract between OGB and ESI for PBM administrative services on 10/15/2021

## Express Scripts, Inc.

### PBM Services Emergency Contract Overview

<b>Contract Purpose</b>	To provide PBM services to support certain self-funded health plans offered by OGB.
<b>Eligible Participants</b>	Members who are enrolled in any of the BCBSLA Magnolia Open Access, Local, Local Plus, and Pelican HRA1000 plans.
<b>PBM Members as of 10/1/2021<sup>1</sup></b>	203,924
<b>Beginning Emergency Contract Date</b>	01/01/2022
<b>Ending Emergency Contract Date</b>	12/31/2022
<b>Renewable Options</b>	None
<b>Procurement Method</b>	SFO
<b>Current Emergency Contract Maximum Payable Amount <sup>2,3</sup></b>	\$481,289,300
<b>Current Emergency Contract Authority Expended <sup>2</sup></b>	\$422,308,490 (through 9/30/2021)
<b>Current Emergency Contract Total Projected Expenditures <sup>2</sup></b>	\$605,053,205
<b>Current Emergency Contract Total Projected Expenditures, Net of Projected Rebates <sup>2</sup></b>	\$419,319,205
<b>ESI Emergency Contract Maximum Payable Amount / Total Projected Expenditures</b>	\$602,142,205
<b>ESI Emergency Contract Total Projected Expenditures, Net of Projected Rebates</b>	\$400,583,443

<sup>1</sup> Based on the 10/01/2021 member participation in the BCBSLA Magnolia Open Access, Magnolia Local, Magnolia Local Plus, and Pelican HRA1000 plans.

<sup>2</sup> Current PBM contract vendor is MedImpact Healthcare Systems, Inc. (“MedImpact”).

## **Express Scripts, Inc.**

### *PBM Services Emergency Contract Overview, Cont.*

<sup>3</sup> The current emergency contract maximum payable amount was based on the year 1 costs projected for the maximum payable contract amount projected for the three-year PBM services contract based on the selection of Caremark PCS Health, LLC (“CVS Health”) as the successful bidder for the RFP for PBM Services issued on 2/21/2020. As a result of protests of the award received by the Office of State Procurement (“OSP”), a Stay of Notice of Intent to Award was issued. OGB then submitted a request to OSP to enter into a one (1) year emergency contract with CVS Health, which was approved. As a result of opposition from the Group Benefits Policy and Planning Board, the Joint Legislative Committee on the Budget (“JLCB”), and special interest groups, the one (1) year emergency contract for PBM services was awarded to MedImpact, which became effective on 01/01/2021.

Office of State Procurement  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

October 15, 2021

TO: Col. David W. Couvillon, USMCR (Ret.)  
Office of Group Benefits  
Chief Executive Officer

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO  
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB  
Emergency Contract between OGB and Express Scripts, Inc. – Pharmacy Benefits  
Manager Administrative Services

The Office of State Procurement has reviewed the above-referenced contract. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed contract in accordance with La. R.S. 42:802 (D)(1), please return the "**Agency Memo to OSP After JLCB Approval,**" along with the stamped contract from the JLCB.

**The contract will not receive final approval by OSP until JLCB has approved and it is submitted to OSP in LaGov, Proact, or LESA, as applicable.**

If you should have any further questions/comments, please do not hesitate to contact Bess Guidry at OSP.

## **EMERGENCY CONTRACT**

On this \_\_\_ day of October, 2021, the State of Louisiana, Office of Group Benefits, 1201 N. 3<sup>rd</sup> Street, Suite G-159, Baton Rouge, LA 70802, hereinafter sometimes referred to as “OGB” or “State”, and Express Scripts, Inc. (“ESI or PBM”), One Express Way, St. Louis, MO 63121, hereinafter sometimes referred to as the “Contractor,” do hereby enter into an Emergency Contract under the following terms and conditions.

WHEREAS, OGB is an agency of the State of Louisiana given statutory responsibility to provide health and accident benefits to state employees, retirees, and their dependents, which offers self-funded plan of health care benefits; and

WHEREAS, OGB’s employee benefit plan is not governed by the provisions of ERISA as it is a governmental plan established or maintained for State of Louisiana employees by OGB, an agency of the State of Louisiana; and

WHEREAS, Express Scripts, Inc. is a pharmacy benefits manager that provides pharmacy drug benefit management and administrative services to employer groups and other plan sponsors, including Medicare Part D employer group waiver plan sponsors; and

WHEREAS, in order to ensure the continuity of care for OGB state employees, retirees, and their dependents, the Office of State Procurement, Division of Administration, has authorized OGB to proceed with an emergency procurement of PBM services, including EGWP administrative services, effective January 1, 2022; and

WHEREAS, after completing a Solicitation for Offers, OGB has determined the best interest of the State, OGB, and the state employees, retirees, and their dependents would be served by contracting with Express Scripts, Inc. for PBM services, including EGWP administrative services; and Express Scripts, Inc. has agreed to perform such services, and to provide Medicare Part D EGWP services through Medco Containment Life Insurance Company;

WHEREAS, OGB and Express Scripts, Inc. wish to enter into and be bound by the terms contained in this emergency contract.

NOW THEREFORE, in consideration of the mutual promises and agreement herein contained, OGB and Express Scripts, Inc. hereby agree as follows:

### **1 SCOPE OF SERVICES**

#### **1.1 CONCISE DESCRIPTION OF SERVICES**

Express Scripts, Inc. shall provide Pharmacy Benefit Manager (“PBM”) services to support certain self-funded plans offered by OGB. 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 and/or any subsequent addendum:

Attachment I: Scope of Work/Services

Attachment II: Pricing

Attachment III: Business Associate Addendum

Attachment IV: Records Retention Schedule

Attachment V: Imaging System Survey Compliance and Records Destruction

Attachment VI: Clinical Management Programs

### 1.3 GOALS AND OBJECTIVES

1. To fulfill OGB's delegated responsibility to serve the State of Louisiana by managing prescription drug cost and utilization while improving the quality of health for those served by OGB.
2. To provide quality, cost-effective healthcare services to Plan Participants.

### 1.4 PERFORMANCE MEASURES

The performance of the Emergency 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 Monitor. The OGB Contract Monitor is authorized to evaluate the Contractor's performance against these criteria.

### 1.5 MONITORING PLAN

The Contract Monitor 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 Emergency Contract. The monitoring plan is as follows:

1. The Contractor will submit various monthly, quarterly, and annual reports to the Contract Monitor as specified in Attachment I: Scope of Work/Services.
2. The Contract Monitor will ensure all deliverables are submitted timely and perform subsequent review and acceptance.
3. The Contract Monitor 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 dedicated Account Executive, Employer Group Waiver Plan ("EGWP")/Retiree Manager, Operational Account Manager, Clinical Program Manager, Clinical Pharmacy Manager (must be a resident of Louisiana), Financial Analyst, Analytics and Data Lead, Privacy Officer, and Customer Service Manager. The Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB.
- B. Substitution of Key Personnel.** The Contractor's personnel assigned to this Emergency 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 Emergency 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, Plan Participant inquiries, issue resolution, reports and other requested projects and deliverables. Contractor will provide an annual service cycle plan as well as an ongoing task log with timelines for all deliverables and weekly status update meetings in person, via video conference, or via teleconference.
- D. Quarterly Meetings.** All of the Account Management Team will attend all quarterly meetings via teleconference or on-site at OGB. The meetings shall be held no later than forty-five (45) days following quarter end. The Account Management Team will provide a draft agenda for OGB approval at least ten (10) business days in advance of a meeting to allow changes to the agenda and a reasonable opportunity to prepare for the meeting. The meeting presentation should be provided seven (7) days in advance of the meeting. At minimum, during the quarterly meeting, the Account Management Team should discuss the following: goals, expectations and priorities; review the quarterly report and other issues such as performance guarantees, quality assurance, operations, network pharmacy status and access; benefit and program changes or enhancements; legislative issues; audits; cost trends; utilization; program outcomes; customer service issues; future goals and planning; and other issues reasonably related to the Emergency Contract.
- E. Minutes.** Within three (3) business days after any meeting, Contractor shall provide OGB with a draft of detailed and well-documented, meeting minutes. OGB shall review and revise the draft minutes as appropriate and return to the Contractor. Final minutes must be provided within three (3) business days after receipt of the revised minutes from OGB. Minutes shall include a list and description of all tasks and/or deliverables, identify the responsible party, and provide a projected delivery date.
- F. Documentation.** Contractor will maintain an ongoing process log that will document all benefit and system programming changes, which will be provided to OGB within five (5) business days of any change.
- G. Coordination with other OGB Vendor(s).** Contractor will coordinate and cooperate with OGB's administrative services provider(s) for OGB's self-insured medical plans, actuary, and other vendors as needed on integration of information to or from other service providers relative to the services addressed in this Emergency Contract.

## **1.7 DELIVERABLES**

The Emergency 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 Emergency 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 Emergency 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.

**DEFINITIONS**

**Account Management Team** – Contractor’s staff for PBM services assigned to OGB which shall include an Account Executive, Implementation Manager, Employer Group Waiver Plan (“EGWP”)/Retiree Manager, Operational Account Manager, Clinical Program Manager, Clinical Pharmacy Manager (must be a resident of Louisiana), Financial Analyst, Data and Analytics Lead, Privacy Officer and Customer Service Manager.

**Average Wholesale Price or AWP** – the average wholesale price of a prescription drug or medication dispensed, on the date the prescription or medication is dispensed, as set forth in the most recent edition of the Medi-Span pricing guide or supplement as of that date, or as retroactively adjusted by Medi-Span. The applicable AWP for all prescriptions dispensed at retail pharmacies, the Mail Order Pharmacies and the Specialty Drug Pharmacies shall be based on (i) the unit AWP using the eleven-digit NDC from which the medication was dispensed (not the package size of the prescription dispensed); and (ii) the actual manufacturer’s AWP (repackager AWP’s shall not be substituted for manufacturer AWP’s); and (iii) the actual unit prescribed (and an alternative unit measure shall not be substituted, such as capsules for tablets, or tablets for capsules). Contractor shall not process any repackagers’ AWP’s in connection with any Claims. Contractor shall not change pricing terms or guarantees in the Contract unless OGB agrees to such changes in writing, and the changes are memorialized as a written amendment to the Contract.

**Biosimilar Drug** – a “biosimilar” biological product as defined in the Biologics Price Competition and Innovation Act of 2009 at 42 U.S.C. §262(i)(2) and approved under Section 351(k) of the Public Health Services Act or pursuant to any successor legislative provision relating to expedited approval of biological products which are highly similar to a reference biological product.

**Brand or Brand Drug** – Drugs or devices where the Medi-Span Multisource Code field contains “M” (co-branded product), or “N” (single source brand), or “O” (originator) on the date of service.

**CDHP** – a Consumer Driven Health Plan.

**CMS** – the Centers for Medicare and Medicaid Services.

**COB** – the Coordination of Benefits.

**Commercial Prescription Drug Plan** – OGB’s prescription drug plan(s) covering active employees and non-Medicare eligible retirees.

**Covered Benefit(s)** – outpatient drugs (including those that under state or federal law require a prescription, or over the counter drugs), products, services, or supplies made available as a covered benefit to Plan Participants as set forth in the Plan.

**CSR** – a Customer Service Representative.

**DAW** – prescription drugs dispensed as written.

**DEA** – Drug Enforcement Administration.

**DUR** – a Drug Utilization Review.

**DMR** – a Direct Member Reimbursement.

**EGWP** – an Employer Group Waiver Plan.

**EOB** – an Explanation of Benefits.

**ERRP** – the Early Retiree Reinsurance Program.



**Exclusive or Limited Distribution** – a Specialty Product that is not generally available from most or all pharmacies but is restricted to select pharmacies as determined by a pharmaceutical manufacturer.

**FDA** – the Federal Drug Administration.

**Formulary** – the list of prescription drugs that are considered as Covered Benefits. The Formulary may contain preferred and non-preferred tiers.

**Generic Drug** – any drug that is not a Brand.

**HIPAA** – the Health Insurance Portability and Accountability Act.

**Identification Cards (“ID Cards”)** – printed identification cards containing specific information about the Covered Benefits to which Plan Participants are entitled. All ID Cards shall have the applicable pharmacy network logo or other method, agreed upon by both parties in writing, of identifying the fact that the Contractor is the PBM.

**IVR** – Interactive Voice Response, an automated telephony system that interacts with callers, gathers information and routes calls to the appropriate recipients.

**MAC or Maximum Allowable Cost** – the maximum unit price a PBM will pay a pharmacy for a drug.

**MBI** – Medicare Beneficiary Identifier.

**Multisource** – a drug that is manufactured by more than one labeler.

**NDC** – the National Drug Code.

**Offer** – a response to a Solicitation for Offers.

**OGB CEO** – the Office of Group Benefit’s Chief Executive Officer.

**OTC** – Over The Counter drugs.

**PBM** – the Pharmacy Benefit Manager.

**PDP** – a CMS approved Prescription Drug Plan.

**PHI** – Protected Health Information.

**PII** – Personally-Identifiable Information.

**Plan** – OGB’s defined benefit plan pursuant to which Covered Benefits are provided to Plan Participants.

**Plan Participant(s)** – the person(s) who are entitled to benefits 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)** – the Plan Participant whose relationship with OGB or the employee/retiree governs the coverage under the Plan.

**PPACA** – the Patient Protection and Affordable Care Act.

**Rebates** – will include rebates and other manufacturer revenues, which is defined as all revenue you receive from outside sources related to the Plan’s utilization or enrollment in programs. These would include but are not limited to access fees, market share fees, rebates, formulary access fees, inflation protection/penalty payments, administrative fees and marketing grants from pharmaceutical manufacturers, wholesalers and data warehouse vendors.

**ROI** – a Return On Investment.

**SFO** – a Solicitation for Offers.

**Shall, Must, Will** – a mandatory requirement.

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

**Single Source** – a drug that is manufactured by one labeler.

**Specialty Drug(s)** – a prescription drug that: (1) is prescribed for an individual with a complex or chronic medical condition or a rare medical condition; (2) is not typically stocked at retail pharmacies; and (3) requires a difficult or unusual process of delivery to the patient in the preparation, handling, storage, inventory, or distribution of the drug; or requires enhanced patient education, management, or support, beyond those required for traditional dispensing, before or after administration of the drug.

**U&C** – Usual and Customary; the usual selling price or cash price for a prescription drug at a participating pharmacy.

### **3 ADMINISTRATIVE REQUIREMENTS**

#### **3.1. TERM OF CONTRACT**

The term of this Contract shall begin on January 1, 2022, and is anticipated to end on December 31, 2022, subject to written extension(s) of this Emergency Contract by agreement of the parties and as provided by the Office of State Procurement. Notwithstanding any other provision of this emergency contract, this emergency contract shall not become effective until approved as required by statutes and regulations of the State of Louisiana. Prior to the extension of the contract beyond the twelve (12)-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) and/or other approval authorized by law shall be obtained. 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 Monitor for this Contract who will provide oversight of the activities conducted hereunder. The assigned Contract Monitor 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 43-1420563. Contractor's seven-digit Louisiana Department of Revenue account number is 9989492. In accordance with La. 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 Contractor hereby attests to its current and/or compliance, and agrees to provide its seven-digit LDR Account Number to the contracting agency so that the contractor's tax payment compliance status may be verified. The 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 Contractor 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 \$602,142,205.00 (Six Hundred Two Million One Hundred Forty-Two Thousand Two Hundred Five 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.**

OGB will monitor total expenditures under the Contract and, should the maximum fee stated above be exceeded, OGB shall seek additional appropriations to continue the Contract in effect, or terminate the Contract pursuant to Section 4.3 of this Contract.

**Claims Payments.** OGB will not provide advance funding for payment of claims. The Contractor shall submit weekly invoices for reimbursement of claims no later than 12:00 p.m. CT on the established billing day, with an accompanying check register (claims disbursements) showing all paid claims and any other supporting documentation necessary to substantiate invoiced costs. Separate invoices shall be prepared with respect to claims for each Plan offering. Upon receipt and validation of each claims invoice, OGB shall wire the undisputed amount within seven (7) business days of receipt. If the invoice(s) and electronic check register(s) do not reconcile, payment of the disputed amount will be made within seven (7) business days of successful reconciliation. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and Contractor shall make a reasonable effort to respond to such questions within five (5) business days.

Contractor may not suspend or fail to render payments to participating pharmacies or to OGB Plan Participants within the timeframes provided by applicable law because of non-payment or late payment by OGB. Such payments by Contractor shall not constitute a waiver of any of Contractor's remedies with respect to non-payment. Should Contractor fail to make payments within the timeframes provided by applicable law, Contractor shall be liable to OGB for any penalties or fees that OGB may incur as a result of such inaction by Contractor.

**Administrative Fees.** Contractor will invoice OGB monthly for all fees and charges earned by Contractor set forth in Attachment II: Pricing, which may be included on the same invoice as claims payments or reflected in a separate invoice. Upon receipt and validation of Contractor's invoice for administrative fees, OGB shall pay undisputed fees by wire transfer within seven (7) business days of receipt. Any monthly fees will be charged the month following the month in which the service is provided. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and Contractor shall make a reasonable effort to respond to such questions within five (5) business days.

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, if applicable.

### **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 annual contracted fees to ensure the successful performance under the terms and conditions of the Contract. 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 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 and report OGB's results on a quarterly basis. OGB shall have the ability to modify the performance guarantees each contract year. OGB, at its sole discretion, will allocate amounts at risk for performance guarantees, provided no more than thirty percent (30%) of the total amount at risk is allocated to one performance guarantee excluding financial guarantees (i.e., AWP discounts, dispensing fees, rebates, etc.). OGB may allocate 0% to a guarantee, which would indicate that the performance guarantee will only be reported on with no amounts at risk. Contractor will be subject to per day fees for certain performance guarantees.

All guarantees must be reconciled annually and reported to OGB within sixty (60) days after the close of the period being measured and any penalties owed to OGB shall be paid within forty-five (45) days after reported reconciliation.

**Performance Guarantees:** The Contractor will be subject to negotiated performance standards and those detailed in Attachment I: Scope of Work/Services.

**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 period to be measured shall be January 1, 2022 through December 31, 2022. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

### **3.7. FINANCIAL GUARANTEES**

Financial guarantees provided by Contractor will be covered dollar for dollar on any shortfall with no limit to the amount at risk. Any surplus on financial guarantees will be retained 100% by OGB. In addition, the amount at risk will be the full value of the financial guarantee(s) not achieved and not a calculation of OGB's net Plan cost impact. All financial guarantees, with the exception of rebate minimum guarantees, which will be reconciled in the aggregate, will be trued up individually, meaning no guarantees can be cross-subsidized (i.e., surplus on one guarantee offsetting another, etc.). This includes no cross-subsidization between delivery channels, or within a delivery channel. Note: Retail and retail extended supply networks are considered separate delivery channels.

In the event that the PBM utilizes an intermediary/third party to determine rebates for OGB, OGB will have the right to audit that intermediary/third party directly. Contractor also agrees to comply with OGB's requirement for a third-party to perform a detailed, comprehensive claims and rebate reconciliation at the end of the 2022 contract year. The comprehensive reconciliation will be at the Contractor's expense. The reconciliation will focus on adjudication

rates versus contractual pricing guarantees to ensure one hundred percent pass-through pricing between OGB and dispensing pharmacies, as well as, paid rebates versus minimum rebate guarantees. A walkdown of the various excluded claims will be required to account for all rebate-eligible claims. All claims, including those excluded from pricing guarantees, will be included in the reconciliation review.

Contractor will report financial guarantee performance to OGB on a quarterly basis, including the effective AWP discounts, dispensing fees, and rebates. This reporting will include all prior quarters covered by this Contract. All financial guarantees must be reconciled annually and any shortfalls owed to OGB shall be paid within one hundred twenty (120) days after the end of the Measurement Period.

**Audit:** OGB reserves the right to audit financial guarantees after the end of each Measurement Period. A third party of OGB's choosing may be utilized to perform this audit with no limitation in the scope of the audit.

**Measurement Periods:** The period to be measured shall be January 1, 2022 through December 31, 2022.

## **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.

### **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 for termination. 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 to OGB's satisfaction.

### **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 solely because of 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 Monitor 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. Third-party auditors selected by OGB shall execute Contractor's form of confidentiality agreement prior to performance of any audit functions. OGB acknowledges that if any independent auditor it retains to conduct any Rebate audit also performs consulting services, such auditor must maintain a firewall between its consulting activities and its audit activities. OGB agrees that, to promote efficiency, full Claims and Rebate audits will be conducted for full-year periods, not more frequently than annually.

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, at its option, 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 IV, 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 IV, 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 V, 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 they are retained by the Contractor. Additionally, all State data must be sanitized from Contractor's (and its vendors') systems 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 delegee.

OGB acknowledges that Contractor has asserted that certain information of Contractor relating to Contractor's operations, systems, programs, costs, and pricing data ("Contractor Confidential Information") is Contractor's confidential, proprietary and trade secret information that is exempt from disclosure under the Louisiana Public Records Law. OGB agrees that, to the extent feasible, it will notify Contractor of any request it receives for Contractor Confidential Information, including a request made pursuant to the Louisiana Public Records Law, and provide Contractor a reasonable opportunity to redact or otherwise designate Contractor Confidential Information from any requested records. Should OGB or other State agency with responsibility for responding to records requests disagree with Contractor's request for non-disclosure of such identified Contractor Confidential Information, OGB shall notify Contractor of its intent to disclose such information and, to the extent legally permitted, allow Contractor to seek judicial relief to prevent such disclosure.

### **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 <https://www.doa.la.gov/OTS/InformationSecurity/LA-InfoSecPolicy-v1.01.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, on behalf of itself and its subcontractors/vendors, shall provide the Contract Monitor 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. The Parties acknowledge the ongoing existence of pings, port scans, and other routine unsuccessful attempts at accessing and/or interfering with Contractor's information system that do not pose a threat or hazard to the integrity of the State's data and about which no further notification is necessary.

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 OGB CEO. 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 designee. 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 Discrimination Act of 1975, and the Americans with Disabilities Act of 1990 as amended.

Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, age, 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, subject to the subsection titled "Subcontractor's Insurance", below, 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, 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.

**Professional Liability (Errors & Omissions) Insurance:** Contractor shall maintain professional liability insurance, which covers the professional errors, acts, or omissions of the Contractor, with minimum policy limit of \$1,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Claims-made coverage is acceptable. 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 thirty-six (36) months, with full reinstatement of limits, from the expiration date of the policy, if the policy is not renewed.

**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 \$25,000,000 or self-insurance limit of \$25,000,000 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 self-insurance must be provided to and accepted by the State. 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:** 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.
- 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 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 (19<sup>th</sup>) Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

## **17 LEGAL REQUIREMENTS**

### **17.1 ACT 124 OF THE 2019 REGULAR LEGISLATIVE SESSION**

The Contractor shall comply with all applicable laws of the State of Louisiana, including but not limited to, Act 124 (Senate Bill 41) of the 2019 Regular Legislative Session.

### **17.2 La. R.S. 40:2870, ACT 124 OF THE 2019 REGULAR LEGISLATIVE SESSION**

The Contractor shall comply with all applicable laws of the State of Louisiana, including but not limited to La. R.S. 40:2870, Act 124 (Senate Bill 41) of the 2019 Regular Legislative Session. In adhering to La. R.S. 40:2870, Contractor shall not:

- (1) Commit any unfair and deceptive trade practice prohibited by R.S. 22:1964(15).
- (2) Perform any act that violates the duties, obligations, and responsibilities imposed under the Louisiana Insurance Code on a pharmacy benefit manager.
- (3) Buy, sell, transfer, or provide personal healthcare or contact information of any beneficiary to any other party for any purpose with one exception. A pharmacy benefit manager may provide such information regarding beneficiaries of a health plan to that health plan provider if requested by the health plan provider.
- (4) Conduct or participate in spread pricing as defined in R.S. 22:1863(9) without providing the notice required by R.S. 22:1867.
- (5)(a) Directly or indirectly engage in patient steering to a pharmacy in which the pharmacy benefit manager maintains an ownership interest or control without making a written disclosure and receiving acknowledgment from the patient. The disclosure required by this Paragraph shall provide notice that the pharmacy benefit manager has an ownership interest in or control of the pharmacy, and that the patient has the right under the law to use any alternate pharmacy that they choose. The pharmacy benefit manager is prohibited from retaliation or further attempts to influence the patient, or treat the patient or the patient's claim any differently if the patient chooses to use the alternate pharmacy.
- (b) The provisions of this Paragraph shall not apply to employers, unions, associations, or other persons who employ, own, operate, control, or contract directly with a pharmacy or pharmacist for the purpose of managing or controlling prescription costs paid for the benefit of an employee or member or those covered by the employee or member's plan, or when the persons contract with a pharmacy benefit manager to steer employees or members to pharmacists or pharmacies which the person owns, operates, or controls.
- (6)(a) Penalize a beneficiary or provide an inducement to the beneficiary for the purpose of getting the beneficiary to use specific retail, mail order pharmacy, or another network pharmacy provider in which a pharmacy benefit manager has an ownership or controlling interest or that has an ownership or controlling interest in a pharmacy benefit manager.
- (b) For purposes of this Paragraph, "inducement" means the providing of financial incentives, including variations in premiums, deductibles, copayments, or coinsurance.
- (c) The provisions of this Paragraph shall not apply to employers, unions, associations, or other persons who employ, own, operate, control, or contract directly with a pharmacy or pharmacist for the purpose of managing or controlling prescription costs paid for the benefit of an employee or member or those covered by the employee or member's plan, or when the

persons contract with a pharmacy benefit manager to steer employees or members to pharmacists or pharmacies which the person owns, operates, or controls.

(7) Retroactively deny or reduce a claim of a pharmacist or pharmacy for payment or demand repayment of all or part of a claim after the claim has been approved by the pharmacy benefit manager as authorized by R.S. 22:1856.1.

(8) Reimburse a local pharmacist or local pharmacy, as defined in R.S. 46:460.36(A), less than the amount it reimburses chain pharmacies, mail-order pharmacies, specialty pharmacies, or affiliates of the pharmacy benefit manager for the same drug or device or for the same pharmacy service in this state.

(9) Fail to update prices as required by R.S. 22:1857.

(10)(a) Fail to honor maximum allowable cost (MAC) prices as set forth in R.S. 22:1863 et seq.

(b) Shall not require a pharmacist or pharmacy to purchase drugs from any particular wholesaler. However, if Contractor recommends or provides a wholesaler, then that wholesaler must be willing and able to honor the Contractor's MAC price, ship the order, and have receipt of the order within two business days with no additional charge to the pharmacist.

(c) If the wholesaler chooses not to sell the drug to the pharmacist or pharmacy, then the MAC price set by Contractor must be adjusted to the price available to the pharmacist or pharmacy through another wholesaler.

(11) Fail to meet the payment standards established in R.S. 22:1856.

(12) Fail to provide detailed remittance advice to pharmacists and pharmacies in compliance with R.S. 22:1856.

(13)(a) Fail to pay any state or local sales tax imposed on any drug, device, or pharmacy services or to remit the sales tax to the appropriate pharmacist or pharmacy for the tax proceeds to be forwarded to the sales tax authority.

(b) As provided in La. R.S. 40:2870, if Contractor does not pay the sales tax, Contractor shall be liable to the taxing authority for the tax, interest, penalties, and any other fees or costs imposed by law for failure to pay sales taxes.

(c) Contractor shall not deduct the taxes from any amount due to a pharmacist or pharmacy for a drug, device, or pharmacy service or charge or pay anyone a fee or surcharge for paying any sales tax or remitting any sales tax proceeds to a pharmacist or pharmacy if that fee or surcharge would be imposed directly or indirectly on the pharmacist or pharmacy.

(d) If Contractor pays any out-of-state pharmacist or pharmacy for drugs or devices shipped to a beneficiary in this state or for pharmacy services rendered to a beneficiary which is taxable in this state, Contractor shall remit the tax directly to the appropriate taxing authority.

(e) State or local sales taxes and other applicable state-imposed taxes or fees shall be considered as part of the allowable cost and shall be included in the claim submitted by a pharmacist or pharmacy.

(14) Restrict early refills on maintenance drugs to an amount less than seven days for a prescription of at least a thirty-day supply.



(15) Require a beneficiary to follow a plan's step therapy protocol if the prescribed drug is on the health plan's prescription drug formulary, the beneficiary has tried the step therapy required prescription drug while under his current or previous health plan, and the provider has submitted a justification and supporting clinical documentation that such prescription drug was discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse effect or event.

(16) Delay a decision on a request for authorization to dispense a prescription drug for more than seventy-two hours, or twenty-four hours in exigent circumstances in which the patient, in the opinion of the prescribing provider, pharmacy, or pharmacist submitting the authorization request, is suffering from a health condition that may seriously jeopardize the patient's life, health, or ability to regain maximum function. A request for authorization shall include relevant data or appropriate documentation to render a decision on a request for authorization.

(17) Exploit prescription drug information obtained from beneficiaries for monetary gain or economic power over beneficiaries, pharmacists, or pharmacies.

(18) Sell, exchange, or use in any manner prescription drug information regarding a beneficiary obtained through a beneficiary's use of a prescription for purposes of marketing, solicitation, consumer steering, referral, or any other practice or act, except as otherwise provided for in this Section, that provides the pharmacy benefit manager or any of its affiliates or subsidiaries economic power or control over pharmacists or pharmacies or interferes in the free choice of a beneficiary.

(19) Engage in drug repackaging and markups. If Contractor owns or controls a mail-order pharmacy, Contractor shall not allow the mail-order pharmacy to repackage drugs and sell the repackaged items at higher prices than the original average wholesale price unless beneficiaries who may buy the repackaged drugs are informed in writing that the drugs have been repackaged and are being sold at the higher price.

(20) Operate in Louisiana without either being registered with and in good standing with the Louisiana secretary of state to do business in Louisiana or being licensed by and in good standing with the commissioner of insurance, as provided by this Chapter.

### **17.3 La. R.S. 22:1651(J)(1), Special Requirements**

In accordance with La. R.S. 22:1651(J)(1), OGB or its contractor shall not require any license, accreditation, affiliation, or registration other than those required by federal or state government. Any contract provision in conflict with this provision shall be severable from the contract, considered null and void, and not enforceable in this state.

### **17.4 La. R.S. 22:1860.2, Certain pharmacy claims fees prohibited**

In accordance with La. R.S. 22:1860.2, OGB or its contractor shall not directly or indirectly charge or hold a pharmacy or pharmacist responsible for any fee related to a claim that is any of the following:

- (1) Not apparent at the time of claim processing.
- (2) Not reported on the remittance advice of an adjudicated claim.
- (3) After the initial claim is adjudicated.

### **17.5 La. R.S. 40:2865, General licensing and permitting requirements**

In accordance with La. R.S. 40:2865, every pharmacy benefit manager that does business in this state or pays for benefits for a beneficiary through a pharmacy benefit management plan shall be licensed or permitted as required. A copy of the valid license or permit must be provided to OGB prior to the effective date of the contract.

### **18 MAIL ORDER**

The Contractor shall not steer OGB plan participants to use a mail order pharmacy by penalizing plan participants for not selecting mail order or by offering any inducement for the purposes of increasing plan participants' usage of mail order. The Contractor shall not solicit OGB plan participants' usage of mail order pharmacies by advertising, marketing, or promoting its mail order pharmacy, either orally or in writing, including online messaging. This provision does not prohibit the Contractor from including the mail order pharmacy option with other annual enrollment and general information that includes all options of obtaining pharmaceuticals.

### **19 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.

### **20 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.

### **21 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. Contractor shall also provide a bridge letter to OGB for the period of January 1-June 30, 2022 no later than July 31, 2022. The OGB will not sign a non-disclosure agreement in order to obtain any of the independent assurances referenced herein.

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 and/or audit, within three (3) months of report issuance and at no cost to the State.

## **22 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 Express Scripts, Inc.:            Amy Bricker, President  
Express Scripts, Inc.  
One Express Way  
St. Louis, MO 63121

To OGB:                                    David W. Couvillon, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

Or

David W. Couvillon, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> Street, Suite G-159  
Baton Rouge, LA 70802  
*For hand delivery*

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.

## **23 HEADINGS**

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

## **24 ENTIRE AGREEMENT**

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this Contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

## **25 BUSINESS ASSOCIATE ADDENDUM**

A Business Associate Addendum, Attachment III, 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 III, 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 participants involving PHI/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.

## **26 CONTRACTOR ELIGIBILITY**

At the time of execution, 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.

## **27 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, 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.

## **28 PREFERRED CLIENT**

OGB should be recognized as a preferred client relationship and should benefit from yearly pricing improvements provided to any other clients in Contractor’s “book of business”. Essentially, if Contractor offers better pricing to another client during the Contract term, OGB will benefit from the lesser pricing arrangement and receive the benefit of any offered enhancements.

## **29 CENTERS FOR MEDICARE AND MEDICAID SERVICES**

Contractor shall make its books and records in connection with any Medicare business available to CMS and/or its designees in accordance with 42 CFR 423.504(d) and 42 CFR 423.505(d) and (e). In this regard, CMS and/or its designees shall have the right to audit, evaluate, and inspect any books, contracts, records, computer and/or other electronic systems, including medical records and documentation involving transactions related to the Plan and/or Medicare business provided under this Contract (including coverage costs, low income subsidies, and privacy and security of PHI and other personally identifiable information, enrollment and disenrollment) and any additional relevant information that CMS may require, and these rights shall continue for a period of ten (10) years, or longer if required by CMS, from the final date of the Contract period or from the date of completion of any audit, whichever is later. CMS and/or its designees shall have direct access (i.e., on-site access) to the Contractor, and the Contractor will make such books, records, computer and/or other electronic systems, directly available to CMS and/or its designee(s) for such inspection, evaluation, and audit.

## **30 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.

## **31 PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL**

In accordance with La. R.S. 39:1602.1, for any contract for \$100,000 or more and for any Contractor with five or more employees, Contractor, including 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 To Follow)**

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

**STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS**

**EXPRESS SCRIPTS, INC.**

**BY:** \_\_\_\_\_

**BY:** \_\_\_\_\_

**NAME:** David W. Couvillon

**NAME:** \_\_\_\_\_

**TITLE:** Chief Executive Officer

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

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## ATTACHMENT I: SCOPE OF WORK/SERVICES

The Contractor must possess the knowledge, capability, and resourcefulness to effectively provide PBM services in accordance with all federal, state, and any other applicable laws, regulations, policies, OGB requirements, etc. The Contractor will be responsible for successfully transitioning (in conjunction with OGB and the incumbent contractor) to being the Contractor responsible for completing all required services. The Contractor shall provide competent and qualified staff to work on the scope of services under the Contract.

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 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 services
2. General Support Services
3. Pharmacy Benefit Manager Services
4. Clinical Management Services

Below is a list of minimum services the Contractor shall be responsible for providing under the Emergency Contract:

### Task (1): Implementation

- Assign a dedicated implementation team to manage the implementation process and the transition of services from the incumbent contractor.
- Work with OGB and incumbent contractor to transfer competencies and operational expertise essential to administering OGB's pharmacy benefits program with minimal interruption to Plan Participants.
- Perform all tasks necessary to complete the pre-implementation audit (including follow-up test claims) at least ten (10) days prior to the effective date. This assumes OGB will sign off on the benefit set up at least thirty (30) days in advance of the Plan effective date.
- Provide an implementation credit to OGB to offset OGB's expense associated with the SFO, transition, and ongoing services, see Attachment II: Pricing. In no case shall OGB be required to repay all or a portion of the used or unused implementation credit. Contractor will track such services and provide OGB a quarterly report, upon request, of current utilization and remaining balance, if any, of the implementation credit. Any remaining balance will not expire and be available for use during the term of this Contract.
- Establish and implement data utilization edits that identify and deny duplicate claims, claims filed too soon, claims requiring authorization when such authorization is not in place, as well as messages to the pharmacist for review and approval or denial of the claim(s) due to safety issues.
- Facilitate system programming including, but not limited to, data collection from OGB; file transfer set-up between OGB and Contractor; and data transfer and mapping. If Contractor requires file mapping and/or subsequent updates, this service 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 five (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.

- Provide file data in a layout format designated by OGB to include, but not be limited to, Drug Claims File, Prior Authorization Review File, Appeals Determination File, and Out of Pocket Maximum. The Contractor must accept OGB’s designated file layout. File layouts will be provided at no 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 five (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.**
- Mail identification cards (“ID Cards”) to the homes of newly enrolled EGWP Plan Participants within ten (10) calendar days following receipt of notification of approval from CMS. Contractor will be responsible for the cost of reproducing ID Cards and priority mail shipping in the event of Contractor errors and/or initiated changes.
- Mail welcome kits to the homes of newly enrolled Plan Participants within four (4) calendar days upon receipt of eligibility.
- Integrate with selected contractor(s) accurately and timely for the administration of the Plan, including the health claims administrator and COBRA administrator, for the purpose of out-of-pocket maximum accumulation. **Ensure that out-of-pocket maximum accumulation integration with selected contractor(s) as defined by OGB is successful prior to the “Go-Live” date, at no additional cost.**
- Provide ten (10) read-only access codes to the online eligibility, claims payment and/or standard and ad hoc reporting systems(s) (collectively, the “System”) which will allow OGB’s specified personnel to view and/or extract information residing in the System on an individual, Plan level, and account structure basis. Training to OGB personnel will be provided by the Contractor’s Account Management Team on-site at OGB.
- Conduct project status implementation meetings with the Contract Monitor on-site, or via teleconference.
- 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, 2022, 12:00 a.m. CT.

## **Task (2): General Support Services**

- Provide a dedicated Account Executive and/or Operational Account Manager that will provide day-to-day management of project tasks and activities, coordination of Contractor’s employees, and possess the technical and functional knowledge to direct all aspects of the project. Also, the Account Executive must have at least one (1) back-up staff member designated to handle the overall responsibility of OGB. Assist OGB in complying with grievance and appeal procedures adopted by OGB as outlined in the Plan. The Contractor will be responsible for resolution of appeals specific to Covered Benefits, medical necessity, and external reviews consistent with the appeals program and Plan



Participant requested reviews of prescription drug denials as allowed by and in accordance with all applicable Law.

- Provide support around account strategy, Plan Participant inquiries, issue resolution, reports and other requested projects and deliverables.
- Provide an annual service cycle plan as well as an ongoing task log with timelines for all deliverables and weekly status update meetings in person or via teleconference.
- Attend all quarterly meetings via teleconference or on-site four times per calendar year at OGB. The meetings shall be held no later than sixty (60) days following quarter end. The Account Management Team will provide for OGB approval a draft agenda at least ten (10) business days in advance of a meeting to allow changes to the agenda and a reasonable opportunity to prepare for the meeting.
- Maintain an ongoing process log that will document all benefit and system programming changes, which will be provided to OGB within five (5) business days of any change.
- Upon OGB request, the Contractor will be required to work with the appointed OGB actuary, other selected OGB contractors, employees from the Division of Administration, and the OGB staff for management of the program.
- Investigate any activity, prescription related or otherwise relating to the Plan, which it believes to be fraudulent or abusive whenever detected by the Contractor or brought to the attention of the Contractor by OGB or other persons. The Contractor shall have established procedures and system edits to aggressively monitor and proactively search for cases and potential cases of fraud and abuse including providing OGB with a quarterly report of fraud activities and discoveries relating to the resulting Contract.
- Assist OGB in responding to inquiries received from Plan Participants, pharmacy providers, or other persons. Such requests shall be 1) given priority status; 2) subject to a method of tracking approved by OGB; and 3) result in the delivery of all requested information, documentation, etc. When immediate responses are required, the Contractor shall assist OGB in preparing its reply including providing data and documentation within the timeframes prescribed by OGB for a specific inquiry.
- Provide immediate online real-time manual eligibility updates for urgent requests by OGB staff.
- Make available all necessary resources to assist OGB in responding to legislative inquiries and requests including, but not limited to, the Account Management Team, analytics and outcomes, and government relations department. The Contractor shall respond within the timeframe set by OGB, which will be determined at the time of the inquiry depending upon the scope and complexity of the request.
- Provide knowledgeable staff to attend statewide annual/special enrollments and any other informational meetings as scheduled by OGB as well as prepare, print, and distribute communication materials.
- Provide advisory services to OGB regarding actual or pending state and federal laws, regulations, policies, procedures, and rules specific to self-funded plans for pharmacy benefit management, pharmacy and prescription drugs, other topics related to the provisions of this Plan and provide OGB with interpretation as to the impact of such laws or regulations on the Plan.
- Subject to OGB's customization and approval, the Contractor will be responsible for the development of pharmacy benefit information including, but not limited to 1) annual and special enrollment brochures and promotions; 2) other Plan-related printed materials (i.e., promotional, Plan Participant education, ID Cards, benefit brochures, claim forms, clinical program notices and letters, pre-formatted letters, system generated letters and notifications, correspondence forms, and other written materials and forms). The

Contractor will be responsible for all costs associated with designing, writing, printing, distributing, and mailing all such information.

- Upon request of the Plan Participant, provide printed materials in a medium widely accepted and in compliance with all applicable anti-discrimination Laws.
- Provide website that is specific to OGB and that is in compliance with all applicable anti-discrimination Laws.
- Provide all printed material in electronic format with final version submitted to OGB in PDF file format.
- Provide dedicated Customer Service Representatives (“CSR”) to research and resolve benefits, Claims payment, denial inquiries and complaints submitted by Plan Participants, pharmacies, and OGB to the satisfaction of OGB. CSR must have the ability to gather and analyze data, create an historical picture, including a timeline of Claim activity for the individual Plan Participant, and develop appropriate correspondence for complicated Claim issues that are appealed to OGB.
- Furnish a dedicated toll-free number for incoming customer service calls, including telephone technology for the hearing impaired and multi-lingual support. The dedicated call center for pharmacies, Plan Participants, and account management must be staffed and available to receive calls 24/7.
- Upon request, provide digital recordings of phone calls within two (2) business days of request.
- Document and maintain a service disruption/continuity of operations plan or procedure to continue customer service activities and all other business operations when existing service is temporarily unavailable due to either scheduled or unforeseen events (i.e., repairing/restoring utility or power supply, upgrading phone systems, and other events). OGB must be notified in advance for scheduled disruptions and within twenty-four (24) hours of occurrence for other events.
- Written communications to Plan Participants that have not been previously approved by OGB will be subject to OGB’s approval prior to distribution. Such changes are subject to OGB approval prior to implementation. OGB will review written communications to Plan Participants annually to ensure no change in information, legal requirements as to OGB, etc. are necessary.
- Conduct annual Plan Participant(s) and OGB satisfaction surveys and report results to OGB. The survey tools are subject to OGB’s approval.
- Meet with OGB staff in person or via teleconference, on at least a weekly basis to review and evaluate Contract administration. This schedule may be modified by OGB.
- Notify OGB within five (5) business days of receipt of any class action notice and/or knowledge of other lawsuits related to the services provided hereunder in which the Contractor determines OGB could have an interest and provide copy of such to OGB. Contractor is not authorized to file such claims on behalf of OGB without OGB’s express written consent. Contractor will provide claims data and reporting to use in filing for refunds or to participate in any such action or litigation at no additional costs.
- Contractor must 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): Pharmacy Benefit Manager Services**

- Provide prescription benefit management services including, but not necessarily limited to, general support and advisory services regarding pharmacy benefit design and implementation, Formulary management, network and rebate management,

administrative and claims processing services, clinical management programs, reporting, marketing, customer service, quality management, and utilization management functions.

- Provide network access, without an access fee, to Louisiana pharmacies which are licensed and in good standing.
- Perform all aspects of Claims processing, coordination of benefits including non-Medicare and Medicare, Claims reimbursement, point-of-sale transactions, adjudication, and payment. The Contractor shall verify benefits and eligibility before authorizing prescriptions and paying Claims.
- Provide a process for reimbursing Plan Participants through electronic submission and paper reimbursement form.
- Provide a full Claims file feed to all vendors designated by OGB including, but not limited to, OGB's actuary and third-party claims administrator of self-insured health plans, as requested by OGB at no additional cost and in the format specified by OGB. File layouts will be provided at no cost to OGB.
- Modify Formulary as requested by OGB and communicate such modifications as necessary by transmitting disruption letters to those Plan Participants impacted by Formulary changes.
- Manage the current pharmacy benefit plan design and any changes implemented by OGB. Benefit design and coverage for supplies and prescriptions can be modified as needed and requested by OGB to align with associated health/medical programs, such as disease management and diabetic care.
- Provide innovative savings solutions for the prescription drug plan, including a detailed overview of the design and scope of the solution.
- Provide a process flow of the solution, from identification of potential savings, outreach to plan participants and providers, and data regarding savings realized by the plan and participants.
- Provide retail network (30 and 90 day), mail order, and specialty pharmacy services.
- Comprehensive management of the EGWP, including the ability to maintain benefits for OGB retirees who are awaiting EGWP approval by CMS with 100% adherence to all CMS guidelines. Any funds received applicable to Plan Participants in Medicare Part D will be remitted to OGB within ten (10) business days of receipt from CMS and the appropriate files will be provided for purposes of reconciliation.
- Review, clarify, edit as necessary, and confirm the accuracy of all prescription drug program information included in the annual benefit guide and website as requested by OGB. The Contractor shall respond within the timeframe set by OGB, which will be determined at the time of the request.
- Communicate as necessary with those Plan Participants on Plan Participant disruption letters to those impacted by quarterly Formulary changes.
- Perform all aspects of claims processing, coordination of benefits including non-Medicare and Medicare, claims reimbursement, point-of-sale transactions, adjudication, and payment. The Contractor shall verify benefits and eligibility before authorizing prescriptions and paying claims.
- Support any deductible or out-of-pocket maximum cross accumulation in a mutually agreed format to ensure compliance with the Patient Protection and Affordable Care Act ("PPACA").
- Process run-on claims for eligible OGB Plan Participants incurred prior to but not processed as of the effective date of the resulting Contract at OGB's request.
- Process claims for eligible OGB Plan Participants incurred prior to but not processed as of the termination of the resulting Contract and received not more than one (1) year following Contract termination ("run-off services"). At OGB's request, the handling of such

claims may be transitioned to a successor appointed by OGB prior to the end of the run-off period, and the Contractor shall cooperate in transitioning such services to any successor appointed by OGB. Further, Contractor will continue to process all claims and appeals for claims incurred prior to termination of the resulting Contract during the one (1) year run-off period following termination, unless otherwise transitioned to a successor appointed by OGB.

- Provide membership eligibility/enrollment, co-payment/coinsurance and benefit coverage information, supplied by OGB or its designated agent in mutually agreed format, available to network pharmacies on a weekly basis at the time of dispensing through the online electronic transmission link maintained between the Contractor and pharmacies to assure claims are processed appropriately.
- Provide 24/7 access to online portal, except for scheduled maintenance, to Plan Participants for activities such as Claim submission, account monitoring, communications requested and approved by OGB, Formulary, and any other information required by state and federal Laws. All outages in excess of one (1) hour should be promptly reported to the Contract Monitor.
- Provide web-based tools that will help educate Plan Participants on the benefit plan design and assist in calculating and tracking the cost and utilization of their prescribed drug through all delivery channels (i.e., retail 30, retail 90, specialty, and mail service). The tool(s) must also provide alternative suggestions for more cost-effective medication within the same therapeutic class.
- Unless Louisiana Law requires greater notice, provide advance written notice to OGB no later than ninety (90) days prior to any anticipated Formulary change, with written notice also to be sent to the address of impacted Plan Participants no later than sixty (60) days prior to the effective date of any change. For purposes of this requirement, Plan Participant shall include any Plan Participant who has had a prescription filled for the impacted medication(s) within the last ninety (90) calendar days or has an active refill on file. Written communications to Plan Participants will be subject to OGB's approval prior to distribution. Such formulary changes are subject to OGB approval prior to implementation.
- Unless Louisiana Law requires greater notice, provide advance written notice to OGB no later than ninety (90) days prior to any anticipated material change(s) to the retail pharmacy network, mail order pharmacy, and/or specialty pharmacy with written notice also to be sent to the address of impacted Plan Participants no later than sixty (60) days prior to the effective date of any change. For purposes of this requirement, Plan Participant shall include any Plan Participant who has had a prescription filled within the last ninety (90) calendar days or has an active refill on file with the terminating pharmacy. Written communications to Plan Participants will be subject to OGB's approval prior to distribution. Such network changes are subject to OGB approval prior to implementation.
- Provide Plan Participant notice of any delays beyond three (3) days in the delivery of prescription to the Plan Participant.
- Implement a specialty pharmacy program that will provide cost-effective care and positive patient outcomes through increased adherence, as well as provide an enhanced patient experience through the convenience of scheduled delivery, disease management programs and compliance monitoring employing a care coordination model.
- Provide predictive and plan design modeling capabilities and tools that will assist OGB in assessing the financial impact and/or return on investment ("ROI") of OGB's current benefit plan design and any proposed benefit changes.
- Provide benchmark comparison for clients similar to OGB as well as national comparisons.
- Perform audits of individual pharmacies not located in the State of Louisiana prior to their entering the provider network and as requested by OGB for the purpose of determining

pharmacy accuracy. For pharmacies located in the State of Louisiana that are seeking entrance into the network, the Contractor may accept the formal application of the pharmacy along with a copy of the on-site inspection report completed by the Louisiana Pharmacy Board in lieu of an audit.

- Maintain criteria to establish when and how a utilized participating pharmacy may be selected for audit (i.e., desk audit, on-site audit, client specific on-site participating pharmacy audit requests, etc.) and/or audited to determine compliance with its contract with the Contractor. Audits will be conducted by the Contractor's internal auditors or its subcontracted auditors at the utilized participating pharmacy. The Contractor will be required to institute action to collect overpayments and return 100% of the recoveries to OGB. Overpayments will be remitted to OGB within thirty (30) days after the close of each Contract quarter via check or wire unless otherwise specified. Contractor will provide reporting at no cost to validate overpayments and recoveries.
- OGB has the right to audit PBM more than once per year if the audits are different in scope or for different services (eg. Rebate, Performance Guarantees, Claims, Financial). The audits will be at no charge to OGB except at a direct pass-through of any data retrieval fees, which may be required if data requested has already been stored.
- Render payment to OGB for all rebates within one hundred twenty (120) days after termination of the Contract. In addition, all pricing guarantees will be trued up and any shortfalls will be paid to OGB within one hundred twenty (120) days after said termination.
- Provide immediate notification upon receipt by Contractor of any non-routine CMS-related inquiries regarding OGB's pharmacy benefits program and prepare response to such inquiries for OGB approval within the specified timeframe mutually agreed upon by the parties; and submit such response to CMS after OGB approval.
- Perform and/or process subrogation of prescription claims and other government agency recoveries on behalf of OGB in accordance with the timeframes specified by Law or such other periods requested by OGB. Government agencies include but are not limited to the Centers for Medicaid and Medicare Services ("CMS"), Office of Inspector General ("OIG"), Health and Human Services ("HHS"), state Medicaid agencies, Veteran's Administration ("VA") facilities, Indian Health Services and Bureau of Indian Affairs ("IHS"), and Department of Defense military treatment facilities (or other similar facilities) ("DOD"), or the agencies' or facilities' third-party representatives.
- Remit applicable fees to pharmacies as required by Louisiana law.
- For disaster declarations and or catastrophic events, Contractor should have the ability to limit the "refill too soon" edit to either the parish/county of residence or the zip code of residence of Plan Participants.
- Provide all EGWP communications via Mail and not electronically.

#### **Task (4) Clinical Management Services**

- Perform Formulary management, rebate sharing and other clinical services described herein. These services will include, but not limited to, prior authorization, step-therapy, concurrent and retrospective drug utilization review and other measures that are deemed appropriate to effectuate Formulary management. All Formulary changes are subject to OGB's approval prior to implementation.
- Develop and implement clinical intervention and cost-saving programs. All such initiatives are subject to OGB's approval prior to implementation and/or discontinuance.
- Provide clinical resources (i.e., dedicated pharmacist, etc.) to OGB to assist in interpreting pharmacy data and developing cost management strategies.

## 1.1 Deliverables

The deliverables listed in this section are the minimum required from the Contractor for both Commercial & EGWP. Additional deliverables may be included at the time of Contract award or as mutually agreed between both parties.

Deliverable	Description	Frequency of Submission
<b>Independent Assurances</b>		
Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of January 1 – December 31. Contractor shall also provide a bridge letter to OGB for the period of January 1-June 30, 2022.	March 31, 2023 and each calendar year thereafter. Contractor shall provide bridge letter for the period of January 1- June 30, 2022 no later than July 31, 2022.
<b>Performance Guarantees</b>		
Performance Guarantee Report	A detailed comprehensive monthly report including metrics for the performance guarantees set forth in the Contract.	Within sixty (60) calendar days after close of each month and calendar year.
Financial Guarantee Report	A comprehensive quarterly report, including the effective AWP discounts, dispensing fees, and rebates.	Within thirty (30) calendar days after the close of each quarter.
<b>Account Satisfaction</b>		
Plan Participant Satisfaction Survey	Conduct annual Plan Participant satisfaction survey and report results to OGB.	Within thirty (30) calendar days after end of each calendar year.
OGB Satisfaction Survey	Conduct annual OGB satisfaction survey and report results to OGB.	Within thirty (30) calendar days after end of each calendar year.
<b>Operational Activities</b>		
Ad Hoc Reports	Provide client-specific reports that include data related to Contractor's operating performance and health outcomes of OGB Plan Participants.	Within ten (10) business days of request.
Monthly Projections	Provide client-specific reports that project cashflow and rebates.	Within ten (10) business days of month end.
Weekly Status Meeting Agenda	A document that provides a high level overview of agenda topics, new and	Twenty-four (24) hours prior to the scheduled

	current issues requiring resolution, and any other necessary discussions.	meeting for review and comments.
Service Log	A log detailing open and resolved issues to include, but not limited to, description of issue, date identified, recommended and/or agreed upon course of action, anticipated completion date, responsible party for resolution, notes from meeting discussions regarding the issue, and any other applicable comments.	Within fifteen (15) calendar days after the end of each month.
Meeting Minutes	Provide detailed and well-documented draft meeting minutes for review and comment. Final minutes must be provided within three (3) business days after receipt of revisions from OGB.	Within three (3) days after any meeting and/or receipt of revisions from OGB.
Quarterly Meeting Frequency	Attend all on-site quarterly meetings four times per calendar year at OGB.	The meetings shall be held no later than sixty (60) days following quarter end.
Quarterly Meeting Agenda	A document that provides a high level overview of agenda topics, new and current issues requiring resolution, and any other necessary discussions.	Within ten (10) business days in advance of the scheduled quarterly meeting.
Process Log	A comprehensive document including a detailed description of all benefit and system programming changes.	Within five (5) business days of any change.
Drug Type Summary	A summary of claims by drug type, broken out by Plan & level of coverage (employee ("EE"), employee + spouse ("EE+SP"), etc.), drug type (Generic/Brand), prescription count, days' supply, paid amount, total Plan Participant Out of Pocket ("OOP").	Within fifteen (15) calendar days after end of each month.
Paid Claims Summary	A summary of paid claims, broken out by Plan & level of coverage, prescription count, Plan paid amount, Plan Participant paid amount, total claims, and year to date total.	Within fifteen (15) calendar days after end of each month.
Direct Member Reimbursement ("DMR") Summary	A summary of DMR claims by Plan to include DMR flag, in/out network, prescription count, relationship code, paid amount, total Plan Participant OOP, and year to date total.	Within fifteen (15) calendar days after end of each month.

Specialty Utilization by Drug within Disease Summary	A summary of specialty drug utilization to include, but not limited to, Rheumatoid Arthritis, Multiple Sclerosis, and Hepatitis C broken out by disease state, drug name, number of prescriptions, Plan/Plan Participant cost, Plan/Plan Participant cost per fill, average total cost per fill.	Within fifteen (15) calendar days after end of each month.
Clinical Pipeline Report	A summary of specialty products in Phase III trials that are expected to receive Federal Drug Administration (“FDA”) approvals within the next twelve (12) months. This report is to include information by drug, manufacturer, therapeutic category, main use/description, expected approval, efficacy and safety data, predicted place in therapy, and financial impact. As specialty products are released to market, a drug review will be performed that includes efficacy, safety data, place in therapy, comparative cost analysis, Formulary placement recommendation, and prior authorization guideline recommendation.	Last day of the month following end of each quarterly reporting period.
OGB Claims by Therapeutic Class	A description of the top 25 therapeutic classes by Plan paid claims. This report is to include total paid, Plan paid, patient paid, and percentage of Generic of each, number of claims, percentage of total claims, percentage of Generic drugs utilized, Plan paid/day, Plan paid/claim, and per Plan Participant per month. Commercial and EGWP claims must be separated.	Last day of the month following end of each quarterly reporting period.
Drug Utilization Review (“DUR”) Activity Report	A description of the total monthly drug utilization. To include total DUR activity, rejected claims, and reversed claims broken out by conflict description, summarized by total DUR count, ingredient cost, paid and percentage of alerts, total overall claims, claims with alerts, and claims sent summary. Commercial and EGWP claims must be separated.	Last day of the month following end of each quarterly reporting period.



Grievance report	A description of Plan Participant reported grievances, both oral and written broken out by number of type: Plan (co-pays, coinsurance, coverage gap, prescription exclusions/limitations); appeals/formal grievances; customer service (i.e., Plan materials not received, mail order vendor, pharmacy staff, service plan operations, service plan staff); disenrollment (i.e., disenrollment not processed), fraud and abuse; marketing; quality of care; other/misc.	Last day of the month following end of each quarterly reporting period.
Plan Summary	A summary of issues, changes to Formulary, communications, and recommendations, to be presented at quarterly meetings.	Ten (10) calendar days prior to the occurrence of each quarterly meeting.
Maximum Allowable Cost ("MAC")	A MAC pricing list (i.e., OGB retail pricing).	Within fifteen (15) calendar days after end of each month.
Pharmacy Audits	Detailed results of any pharmacy audit including recommendations for identified deficiencies and plan of action as needed.	Last day of the month following end of each quarterly reporting period.
Plan Participant Communications	Prepare talking points and communications necessary for Plan/Formulary updates and changes.	Within the timeframe identified by OGB at time of request.
CMS Reporting	Prepare and submit all CMS mandated and ad hoc reports.	Within the timeframe identified at the time of request.
Payment of Rebates	Render payment to OGB for rebates	Within ninety (90) days following the end of each quarter.
Reconciliation and Payment of Financial Guarantees	Render payment to OGB for reconciliation of financial guarantees.	Within ninety (90) days following the end of each quarter.
Unclaimed Property	Detailed listing in a mutually agreeable format of any unclaimed property of OGB Plan Participants held by Contractor.	No later than June 30 of each calendar year.
DIR reporting	Provide quarterly reporting and payment to OGB	Within 30 days post quarter
DIR reconciliation	Provide annual reconciliation and reimbursement to OGB	Within 180 days of calendar year closure

## 1.2 Performance Guarantees

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

modify the performance guarantees each Contract year. OGB, at its sole discretion, will allocate amounts at risk for performance guarantees, provided no more than thirty (30%) of the total amount at risk is allocated to one performance guarantee excluding financial guarantees (i.e., AWP discounts, dispensing fees, rebates, etc.). OGB may allocate 0% to a guarantee, which would indicate that the performance guarantee will only be reported on with no amounts at risk. Contactor will also be subject to per day fees for Independent Assurance Reporting performance guarantees.

Any penalties owed to OGB shall be reported within sixty (60) days after the close of the period being measured, and will not need to be requested. Any penalties owed to OGB shall be paid within forty-five (45) days after reported. Implementation performance guarantees will be measured and reported within ninety (90) days after the agreed upon implementation date. Payment of any due and owing implementation performance penalty shall be paid within sixty (60) days after reported.

**Performance Guarantees:** The Contractor will be subject to the performance standards and those detailed in Part 3, Scope of Service.

Financial guarantees will be covered dollar for dollar on any shortfall with no limit to the amount at risk. Any surplus on financial guarantees will be retained 100% by OGB. All guarantees will be trued up individually, meaning no guarantees can be cross-subsidized (i.e., surplus on one guarantee offsetting other, etc.). This includes not being able to cross-subsidize between delivery channels, or within a delivery channel. For example, retail and retail extended supply networks are considered separate delivery channels.

Performance Guarantees Total Dollars at Risk	January 1, 2022 through December 31, 2022
<b>Commercial Implementation Performance Guarantees:</b> Total dollar at risk for the Implementation Performance Guarantees as noted in this Emergency Contract	██████████
<b>Commercial Ongoing Performance Guarantees:</b> Total dollar at risk for the Ongoing (annual) Performance Guarantees as noted in this Emergency Contract	████████████████████
<b>EGWP Implementation Performance Guarantees:</b> Total dollar at risk for the Implementation Performance Guarantees as noted in this Emergency Contract	██████████
<b>EGWP Ongoing Performance Guarantees:</b> Total dollar at risk for the Ongoing (annual) Performance Guarantees as noted in this Emergency Contract	████████████████████

**Audit:** OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit without limitation of the scope of the audit.

**Measurement Periods:** The measurement period shall be January 1, 2022 through December 31, 2022. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

**Commercial**

Performance Guarantee	Measurement	Risk Allocation
<b>Implementation</b>		
Implementation Satisfaction Survey	Provide an implementation satisfaction guarantee that is separate from all other guarantees. The guarantee will be at the sole discretion of OGB, meaning OGB can determine, in good faith, a "yes" or "no" if they were satisfied with the implementation, or a percentage of satisfaction.	60%
Pre-Implementation Audit	Complete the pre-implementation audit, including follow-up test claims, at least ten (10) days prior to the established implementation date.	40%
<b>Post Implementation (ongoing)</b>		
Pharmacy Network Disruption	At least 98% of Plan Participants shall reside within one and one half (1.5) miles of a network pharmacy for urban areas, within three (3) miles for suburban areas, and ten (10) miles for rural areas.	2%
Retail Direct Reimbursement Claims	100% of retail direct reimbursement claims processed for payment or rejected and responded to within five (5) business days.	1%
Retail Point-of-Sale Claims Adjudication Accuracy	Adjudication accuracy rate of at least 99.5% for all claims processed at point of sale.	0% - Report Only
Mail Order Turnaround for Prescription Drugs Requiring No Intervention	99% of mail orders for prescription drugs requiring no intervention (i.e., clinical verification, prior authorization, etc.) will be shipped within two (2) business days. (Measured in business days from the date the prescription drug claim is received by the vendor either paper, phone, fax or e-prescribed.)	2%
Mail Order Turnaround for Prescription Drugs Requiring Administrative/Clinical Intervention	100% of mail orders for prescription drugs requiring administrative/clinical intervention will be shipped within five (5) business days.	1%
Mail Order Dispensing Accuracy	99.8% or greater accuracy of mail order prescriptions dispensed with no errors.	0% - Report Only
Wait Time for Pharmacist/Clinical Support Supervisor	100% of Plan Participant calls that are transferred to a pharmacist or supervisor will be answered within five (5) minutes.	2%

Specialty Pharmacy Dispensing Accuracy	99.8% or greater of specialty pharmacy prescriptions filled with no errors.	0% - Report Only
Specialty Adherence Rate	Adherence rate for patients using specialty pharmacy of at least 90%. Conditions to be measured include, but are not limited to, Rheumatoid Arthritis, Multiple Sclerosis, Growth Hormones, HIV/AIDS, and Hepatitis C. Conditions will be measured for each condition separately.	3%
Average Speed to Answer	100% of calls will be answered by a live voice within twenty (20) seconds. The amount of time that elapses between the time a call is received into a Plan Participant service queue to the time the phone is answered by a Customer Service Representative ("CSR"). Measurement excludes calls routed to Interactive Voice Response ("IVR").	3%
Abandoned Call Rate	2% or less of calls will be abandoned before call is answered by CSR. (Measurement excludes calls abandoned within the first thirty (30) seconds and calls routed to IVR.)	3%
First Call Resolution	98% of all calls will be resolved at first point of contact.	5%
Prior Authorizations	Promptly review and respond to requests for prior approval for specific drugs following receipt of all required information, but in any case respond in no more than two (2) business days.	2%
Plan Participant Written Inquiry Timeliness	97% of all Plan Participant written inquiries will be responded to and resolved within five (5) business days and 100% within ten (10) business days.	1%
Plan Participant Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed upon by Contractor and OGB prior to January 1, 2022 and each subsequent contract year.	15%
OGB Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed by Contractor and OGB prior to January 1, 2022 and each subsequent contract year.	15%
Standard Reporting	Within the specified timeframe, deliver standard financial and clinical reports detailed in the deliverables section.	5%

Quarterly Meeting	Attend all quarterly meetings via teleconference or on-site four times per calendar year at OGB. The meetings shall be held no later than sixty (60) days following quarter end.	2%
Benefit Plan Review	Conduct an annual benefit plan review forty-five (45) days prior to effective date of any plan benefit changes, (i.e., co-payments, coinsurance, clinical rules, etc.).	4%
Plan Participant Identification Card Timeliness	Issue 100% of all new Plan Participant identification cards within five (5) business days following receipt of a clean eligibility file.	12%
Reporting Requirements	Provide OGB all reports specified in Attachment I: Scope of Work/Services within the specified timeframes. Additionally, on an annual basis, Contractor must prepare a written summary analysis and orally present results to OGB.	1%
On-site Pharmacy Audits	At least 3% of pharmacies with greater than 150 OGB Plan Participant prescriptions will be audited on-site on a quarterly basis.	0% - Report Only
Point-of-Sale Network System Downtime	System downtime will be 0.5% or less, measured monthly.	2%
Eligibility Processing Accuracy	100% of electronically transmitted eligibility processed accurately within one (1) business day without error.	2%
Reconciliation	Reconciliation of all financial settlements (i.e. performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one hundred twenty (120) days from the close of each reporting period.	5%
True-up Payments	Payment of all financial settlements (i.e. performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one hundred twenty (120) days from the close of each reporting period	5%
Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of	Subject to \$1,000 per day penalty.

	January 1 – December 31 for each calendar year of the contract.	
Audit Response Time and Reconciliation	Audit response and reconciliation of findings will be provided within sixty (60) days of the close of the audit. If a response is not received and the vendor requires the audit be reopened then the vendor will pay for additional audit fees.	2%
Audit Errors	If a claims or rebate audit results in errors that express more than 1% of drug costs then the vendor will reimburse OGB those costs plus interest, as well as the applicable audit fees.	0% - Report Only
Accumulator Tracking and Accuracy	Accumulators (tracking plan participants' Out-of-Pocket Maximum) shall be tracked realtime with 99.5% accuracy.	5%

**EGWP**

Performance Guarantee	Measurement	Risk Allocation
<b>Implementation</b>		
Implementation Satisfaction Survey	Provide an implementation satisfaction guarantee that is separate from all other guarantees see Attachment II: Pricing. The guarantee will be at the sole discretion of OGB, meaning OGB can determine, in good faith, a "yes" or "no" if OGB is satisfied with the implementation, or a percentage of satisfaction.	60%
Pre-Implementation Audit	Complete the pre-implementation audit, including follow up test claims, at least thirty (30) days prior to the established implementation date.	40%
<b>Post Implementation (ongoing)</b>		
Pharmacy Network Disruption	In accordance with CMS requirements.	4%
Retail Direct Reimbursement Claims	100% of retail direct reimbursement claims processed for payment or rejected and responded to within five (5) business days.	1%
Retail Point-of-Sale Claims Adjudication Accuracy	Adjudication accuracy rate of at least 99.5% for all claims processed at point of sale.	0% - Report Only

Mail Order Turnaround for Prescription Drugs Requiring No Intervention	99% of mail orders for prescription drugs requiring no intervention (i.e., clinical verification, prior authorization, etc.) will be shipped within two (2) business days. (Measured in business days from the date the prescription drug claim is received by the vendor either paper, phone, fax or e-prescribed.)	2%
Mail Order Turnaround for Prescription Drugs Requiring Administrative/Clinical Intervention	100% of mail orders for prescription drugs requiring administrative/clinical intervention will be shipped within five (5) business days.	2%
Mail Order Dispensing Accuracy	99.8% or greater accuracy of mail order prescriptions dispensed with no errors.	0% - Report Only
Wait Time for Pharmacist/Clinical Support Supervisor	100% of Plan Participant calls that are transferred to a pharmacist or supervisor will be answered within five (5) minutes.	1%
Specialty Pharmacy Dispensing Accuracy	99.8% or greater of specialty pharmacy prescriptions filled with no errors.	0% - Report Only
Specialty Adherence Rate	Adherence rate for patients using specialty pharmacy of at least 90%. Conditions to be measured include, but are not limited to, Rheumatoid Arthritis, Multiple Sclerosis, Growth Hormones, HIV/AIDS, and Hepatitis C. Conditions will be measured for each condition separately.	3%
Average Speed to Answer	On average 100% of calls will be answered by a live voice within twenty (20) seconds or less. The amount of time that elapses between the time a call is received into a Plan Participant service queue to the time the phone is answered by a CSR. Measurement excludes calls routed to IVR.	3%
Abandoned Call Rate	2% or less of calls will be abandoned before call is answered by CSR. (Measurement excludes calls abandoned within the first thirty (30) seconds and calls routed to IVR.)	3%
First Call Resolution	98% of all calls will be resolved at first point of contact.	5%
Prior Authorizations	Promptly review and respond to request for prior approval for specific drugs following receipt of all required information, but in any case will respond in no more than two (2) business days.	2%

Plan Participant Written Inquiry Timeliness	97% of all Plan Participant written inquires will be responded to and resolved within five (5) business days and 100% within ten (10) business days.	2%
Plan Participant Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed upon by Contractor and OGB prior to January 1, 2022.	15%
OGB Satisfaction Survey	Satisfaction rate must be 85% or greater, using metrics mutually agreed upon by Contractor and OGB prior to January 1, 2022.	15%
Standard Reporting	Deliver within the specified timeframe standard financial and clinical reports detailed in the deliverables section.	5%
Quarterly Meeting	Attend all on-site quarterly meetings four times per calendar year at OGB. The meetings shall be held no later than sixty (60) days following quarter end.	2%
Plan Participant Identification Card Timeliness	Issue at least 99% of all new Plan Participant identification cards within ten (10) calendar days following receipt of notification of approval from CMS.	15%
Reporting Requirements	Provide OGB all reports specified in Attachment I: Scope of Work/Services within the specified timeframes. Additionally, Contractor must prepare a written summary analysis and orally present results to OGB annually.	2%
On-site Pharmacy Audits	At least 3% of pharmacies with greater than 150 OGB Plan Participant prescriptions will be audited on-site on a quarterly basis.	0% - Report Only
Point-of-Sale Network System Downtime	System downtime will be 0.5% or less, measured monthly.	2%
Eligibility Processing Accuracy	100% of electronically transmitted eligibility files processed accurately within one (1) business day without error.	2%
Reconciliation	Reconciliation of all financial settlements (i.e., performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one-hundred and twenty (120) days from the close of each reporting period.	5%



True-up Payments	Payment of all financial settlements (i.e., performance guarantees, Formulary guarantee true-up, generic guarantees, rebates, etc.) to OGB within one-hundred and twenty (120) days from the close of each reporting period.	5%
Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of January 1 – December 31.	Subject to \$1,000 per day penalty.
Audit Response Time and Reconciliation	Audit response and reconciliation of findings will be provided within 60 days of the close of the audit. If a response is not received and the vendor requires the audit be reopened then the vendor will pay for additional audit fees.	2%
Audit Errors	If a claims or rebate audit results in errors that express more than one percent (1%) of drug costs then the vendor will reimburse OGB those costs plus interest, as well as the applicable audit fees.	0% - Report Only
Accumulator Tracking and Accuracy	Accumulators (tracking plan participants' Out-of-Pocket Maximum) shall be tracked in realtime with 99.5% accuracy.	2%

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## ATTACHMENT II: PRICING

### 1. Pricing Information

1.1 The amount billed to OGB will be equal to the amount paid to retail pharmacies. OGB will pay the lower of the retail pharmacy's usual and customary price, MAC price plus dispensing fee (if applicable), or discount price plus dispensing fee. OGB acknowledges that retail pharmacy rates and fees are variable and in a transparent arrangement Claims will process at the retail pharmacy paid rate. Any applicable sales tax will be added to the Claim cost unless OGB submits documentation confirming its exemption from applicable sales and use taxes.

The participating pharmacy will collect from the Member the lowest of the discounted cost plus dispensing fee and applicable taxes, applicable cost share, or the participating pharmacy's usual and customary price.

1.2 Proposed pricing shall not be contingent upon the adoption of any ancillary services (i.e., clinical programs, utilization management programs, plan design changes, etc.) beyond what is currently in place today. For avoidance of doubt, OGB's current plan design, as noted in SFO ATTACHMENT IV, qualifies for all network pricing and minimum guarantees.

1.3 OGB will receive the greater of the aggregate minimum Rebate guarantees or 100% of Rebates plus manufacturer administrative fees received by PBM for negotiating and administering Rebate agreements, quoted herein. For the purpose of this financial offer, the "minimum Rebate guarantee" or "Rebate" includes formulary and price protection rebates collected by PBM on behalf of OGB, and manufacturer administrative fees received by PBM that are attributable to the utilization of prescription drugs by OGB's Members. In the event that the PBM utilizes an intermediary/third party to determine rebates for OGB, OGB will have the right to audit that intermediary/third party directly.

Within ninety (90) days of the beginning of each calendar quarter, PBM will remit to OGB the greater of the aggregate minimum Rebate guarantees or 100% of Rebates plus manufacturer administrative fees received by PBM for negotiating and administering Rebate agreements amounts attributable to Claims processed during the prior calendar quarter. No minimum Rebate shall be credited for any Generic Drug Claim, whether such Claim is filled with a Generic Drug or by a Brand Drug dispensed in lieu of a Generic Drug at the Generic Drug reimbursement rate. Final reconciliation between Rebates paid and Rebates collected by PBM in aggregate shall be performed annually, within ninety (90) days after the end of the calendar year.

PBM shall render payment to OGB for all Rebates within one hundred twenty (120) days after termination of the Contract. In addition, all pricing guarantees will be trueed up and any shortfalls will be paid to OGB within one hundred twenty (120) days after said termination.

1.4 Reconciliation of all financial settlements (i.e. performance guarantees, Formulary guarantee true-up, generic guarantees, Rebates, etc.) will be made to OGB within one-hundred and twenty (120) days from the close of each reporting period. Any billing formula and all related financial guarantees stated herein will be based on the AWP and associated discount on the date of service of each individual prescription Claim.

Pricing guarantees are measured and reconciled on a component basis. MAC, if applicable, is managed to achieve pricing guarantees within each component while maintaining a MAC unit price at mail that is equal to or lower than the MAC unit price at retail.

All billing discounts and related guarantees will be calculated using only the billing formula used to process the Claim. No other monies (i.e. audit savings, clinical savings, therapeutic interchange savings, DUR savings, etc.) will be included in the reconciliation of any billed amounts, guarantees or otherwise.

1.5 The rebate credit will not be conditioned on the days of supply performance averaging a defined target during the Contract term. Said differently, as long as the Plan allows up to a thirty (30)-day supply at retail and up to a ninety (90)-day supply at retail, the full rebate credit will be provided to OGB. The Contractor cannot pro-rate guarantees based on the achieved utilization performance, nor set a floor days of supply performance amount that needs to be achieved to be eligible for the guarantees.

1.6 For purposes of the Federal Anti-Kickback Statute, Rebates paid to OGB shall constitute and shall be treated as discounts against the price of drugs within the meaning of 42 U.S.C. 1320a 7b(b)(3)(A).

1.7 For compound drug Claims, PBM applies the NCPDP D.0 standard. For each compound drug Claim, the submitting pharmacy shall provide the following: (a) compound indicator; (b) eleven-digit NDC, quantity, and submitted ingredient cost for each component in the recipe; (c) total quantity and total Usual & Customary price; and (d) level of effort value. PBM shall determine the appropriate ingredient cost, or NDC, for each component using the lower of (1) the AWP discount; (2) MAC; or (3) the submitted ingredient cost. The level of effort charge will be applied in addition to the appropriate dispensing fee.

2. Pricing Terms. The financial terms described in this Attachment II will be effective January 1, 2022.

The following tables indicate what will be included and excluded from the pricing guarantees in 2.1 and 2.2.

<b>Discount and dispensing fee guarantees apply to the following days supply within each channel</b>	<b>Response</b>
Retail network- 0 to 83 days supply	
Retail 90 network- 84+ days supply	
Mail network- All days supply, no limitations	
Retail Specialty network- All days supply, no limitations	
Mail/ PBM Specialty network- All days supply, no limitations	
<b>Brand Guarantees will apply to and include the following in the reconciliation:</b>	<b>Response</b>
Single Source Brands	
Multi Source Brands not adjudicated with a DAW-5 code	
Exclusive Distribution Drugs	
Limited Distribution Drugs	
Glucose test strips	
OTC Brand Drugs - (if covered by Plan)	
<b>Generic Guarantees will apply to and include the following in the reconciliation:</b>	<b>Response</b>
Single Source Generics	

Multi Source Generics (both MAC and non-MAC'd)	
Brands adjudicated with a DAW-5 code	
Patent Litigated products	
Limited Supply Generic Drugs	
Biosimilars (Specialty Generics) dispensed at retail pharmacies (not at the PBM specialty pharmacies)	
Exclusive Distribution Drugs	
Limited Distribution Drugs	
Glucose test strips	
OTC Generics - (if covered by Plan)	
<b>Effective rate guarantees shall exclude the following from the guarantee reconciliation:</b>	<b>Response</b>
Claims where Vendor negotiated rate was NOT the basis for adjudication (i.e. U&C claims)	
Compound Claims	
Direct Member Reimbursement/Paper Claims	
Claims with calculated discount of greater than 95% (must be explained to and accepted by Client prior to including)	
Secondary/COB claims (including subrogation)	
In-house or 340b pharmacy	
Vaccines	
Claims through Department of Veterans Affairs (VA) pharmacies	
<b>Rebate Guarantees</b>	<b>Response</b>
Confirm that rebate guarantees apply to the following days supply within each channel	
Retail network- 0 to 83 days supply	
Retail 90 network- 84+ days supply	
Mail network- All days supply, no limitations	
Retail Specialty network- All days supply, no limitations	
Mail/ PBM Specialty network- All days supply, no limitations	
Confirm that the following are counted (included) in the baseline for rebates guarantee calculation:	
Single Source Brands	
Multi Source Brands	
Biosimilars	
OTC Brand Drugs (if covered by Plan)	
Limited Distribution Drugs/ Exclusive Distribution Drugs	
Confirm that the following are excluded in the baseline for rebates guarantee calculation:	
Claims that adjudicate at 340B pricing	
Vaccines	
Compound Claims	
Direct Member Reimbursement/Paper Claims	
Coordination of Benefits (COB) or secondary payor Claims	
Provide a disclosure of all pharmaceutical manufacturer contract provisions by completing the table below <u>and</u> indicate if each item will be <u>included in</u>	

the pass-through of rebates to Client. Please provide additional revenue sources if not captured in the table below.	
Formulary/Access rebates	██████
Market Share rebates	██████
Performance/Incentive rebates	██████
Data fees	██████
Manufacturer administration fees	██████
Inflation caps / price protection	██████
Compliance program funding	██████
Clinical program support/funding	██████
Therapeutic intervention funding	██████
Specialty drug rebates/point of service discounts	██████
Specialty clinical/case management funding	██████
Specialty compliance program funding	██████
Mail Order volume discounts	██████
Other (please describe)	N/A

2.1 .Commercial

<b>Retail Network Pricing (Base Retail Network)</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████
<b>Retail 90 Network Pricing</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████
<b>Mail Pricing</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The value of "X" in the lower of AWP - X% or MAC.	██████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████
<b>Dispensing Fee:</b> It is expected this will be zero for all claims.	██████
<b>Retail Specialty Pharmacy Pricing</b>	<b>Contract Year 1</b>
Minimum discount for all new products in new therapeutic classes	██████
Aggregate annual discount guarantee across all specialty drugs (filled through retail). This will include all specialty products, including bio-generics, biosimilars, limited distribution, etc.	██████
<b>Dispensing Fee:</b> It is expected this will be zero for all claims.	██████
<b>Vendor Specialty Pharmacy Specialty Pricing</b>	<b>Contract Year 1</b>
Minimum discount for all new products in new therapeutic classes	██████
Aggregate annual discount guarantee across all specialty drugs (not filled through retail). This will include all specialty products, including bio-generics, biosimilars, limited distribution, etc.	██████

Dispensing fee for specialty claims filled through specialty pharmacy	██████████
<b>Minimum Rebate Guarantees (Exclusion Formulary)</b>	<b>Contract Year 1</b>
Formulary Name and Description	<b>National Preferred Formulary</b>
Minimum rebate guarantee per retail network Brand claim	██████████
Minimum rebate guarantee per retail 90 network extended supply Brand claim	██████████
Minimum rebate guarantee per mail Brand claim	██████████
Minimum rebate guarantee per retail specialty network claim	██████████
Minimum rebate guarantee per specialty claim	██████████
<b>Admin Fee per final net paid claim</b>	<b>Contract Year 1</b>
Admin fee per final net paid retail claim	██████████
Admin fee per final net paid retail 90 extended supply claim	██████████
Admin fee per final net paid mail claim	██████████
Admin fee per final net paid specialty pharmacy claim	██████████
Admin fee per final net paid retail specialty claim	██████████

## 2.2 EGWP and EGWP Wrap Enhanced Benefit

<b>Retail Network Pricing (Base Retail Network)</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████████
<b>Retail 90 Network Pricing</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████████
<b>Mail Pricing</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The value of "X" in the lower of AWP - X% or MAC.	██████████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████████
<b>Dispensing Fee:</b> It is expected this will be zero for all claims.	██████████
<b>Retail Specialty Pharmacy Pricing</b>	<b>Contract Year 1</b>
Minimum discount for all new products in new therapeutic classes	██████████
Aggregate annual discount guarantee across all specialty drugs (filled through retail). This will include all specialty products, including bio-generics, biosimilars, limited distribution, etc.	██████████
<b>Dispensing Fee:</b> .	██████████
<b>Vendor Specialty Pharmacy Specialty Pricing</b>	<b>Contract Year 1</b>
Minimum discount for all new products in new therapeutic classes	██████████
Aggregate annual discount guarantee across all specialty drugs (not filled through retail). This will include all specialty products, including bio-generics, biosimilars, limited distribution, etc.	██████████
Dispensing fee for specialty claims filled through specialty pharmacy	██████████
<b>Long Term Care (LTC) Network Pricing</b>	<b>Contract Year 1</b>



<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████████
<b>Home Infusion (HIF) Network Pricing</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████████
<b>Indian Health Service (IHS) Network Pricing</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████████
<b>Territory (TER) Network Pricing</b>	<b>Contract Year 1</b>
<b>Brand Discount:</b> The annual average Brand effective discount guarantee rate.	██████████
<b>Generic Discount:</b> The annual overall Generic discount guarantee, as defined within this Emergency Contract.	██████████
<b>Dispensing Fee:</b> The overall annual guarantee.	██████████
<b>Minimum Rebate Guarantees (Exclusion Formulary)</b>	<b>Contract Year 1</b>
Formulary Name and Description	<b>Premier Performance</b>
Minimum rebate guarantee per retail network Brand claim	██████████
Minimum rebate guarantee per retail 90 network extended supply Brand claim	██████████
Minimum rebate guarantee per mail Brand claim	██████████
Minimum rebate guarantee per retail specialty network claim	██████████
Minimum rebate guarantee per specialty claim	██████████
Minimum rebate guarantee per LTC network Brand claim	██████████
Minimum rebate guarantee per HIF network Brand claim	██████████
Minimum rebate guarantee per IHS network Brand claim	██████████
Minimum rebate guarantee per TER network Brand claim	██████████
<b>Admin Fee per final net paid claim</b>	<b>Contract Year 1</b>
Admin fee per final net paid retail claim	██████████
Admin fee per final net paid retail 90 extended supply claim	██████████
Admin fee per final net paid mail claim	██████████
Admin fee per final net paid specialty pharmacy claim	██████████
Admin fee per final net paid retail specialty claim	██████████
Admin fee per final net paid LTC claim	██████████
Admin fee per final net paid HIF claim	██████████
Admin fee per final net paid IHS claim	██████████
Admin fee per final net paid TER claim	██████████

EGWP	Contract Year 1
Monthly Administrative Service Fee*	
Broad Performance Network (BPMN) Fee	
*Confirm that the per final net paid claim and/ or monthly administrative service fee include the following services:	
Core Service Package, including Claims Processing, Implementation Set up, Paper Claims/DMR, Subrogation Claims, Reprocessed claims, 24/7 Medicare Part D specialized member contact center and provider call center, Administrative overrides, Formulary Submission/Maintenance, Rebate Administration, Online Reporting, CMS required clinical and FWA, MTM, etc programs, LICS Best Available Evidence (BAE), Eligibility and Enrollment Processing with CMS, Provide file of Part B drugs to medical plan, Allow global attestation of credible coverage, Electronic prescribing	
Mailings of ALL CMS required communications	
Enrollment Materials	
Pre-enrollment Calls	
Post-enrollment Calls	
Premium Billing/Collection	
TrOOP Tracking/Facilitation	
Data Collection & Reporting	
Enrollment Packets	
Enrollment Cards	
Pre-enrollment Appl Material	
Post Enrollment Calls- Total	
After Hours Calls	
Customized Reporting	
Manual Eligibility Entry	
Annual Setup Direct Waivers PDP	
Pre-Enrollment Calls	
Grievance Tracking	
Member Welcome Kits to include all CMS required materials (EOC, Pharmacy directory, Formulary, ID card, Welcome letter, etc.)	
CMS required model notices (in response to TRR)	
Opt out (pre-notification) letter	
Summary of Benefits	
Explanation of Benefits	
Interactive Member Websites	
Negative Formulary Impact Letters	
All CMS required enrollment/disenrollment letters	
Coverage Gap Letters	
Transition Fill Letters	
ANOC	
Negative Formulary Impact Letters	
Submission/Reconciliation PDE	
Eligibility	
Formulary	



Grievances	
MMR reconciliation	
Other CMS required submissions	
Audits	
Vaccine Administration	
Data Storage	
Other--Specify any services with fees that are not listed:	N/A

### 2.3 Clinical Management Programs as set forth in Attachment VI

Clinical Management Fees	Contract Year 1
All-inclusive total Clinical Management Fee for Commercial	
All-inclusive total Clinical Management Fee for EGWP	
Commercial Therapeutic Prior Authorization Administration (Non-POS Edits)	
Commercial Appeals Administration	
EGWP Therapeutic Prior Authorization Administration (Non-POS Edits)	
EGWP Appeals Administration	

### 2.4 Credits and Allowances

This Section sets forth various credits to be paid or credited by PBM to OGB (collectively "Client Credits"). It is the intention of the parties that, for purposes of the Federal Anti-Kickback Statute, these Client Credits shall constitute and shall be treated as discounts against the price of drugs within the meaning of 42 U.S.C. 1320a 7b(b)(3)(A). In addition, OGB acknowledges and agrees that, as a condition to its right to receive Client Credits from PBM, all Client Credits received shall be used exclusively for providing benefits to Plan Participants and defraying the reasonable expense of administering the Plan.

PBM agrees to provide OGB a commercial implementation credit in the amount up to [REDACTED] and an EGWP implementation credit in the amount up to [REDACTED] which will be available during the term of the contract as provided in Attachment I: Scope of Work/Services. This credit will be used for costs incurred by OGB in implementing the PBM.

Additionally, PBM agrees to provide OGB an annual commercial administrative fund credit in the amount up to [REDACTED] and an annual EGWP administration fund credit in the amount up to [REDACTED] which will be available during the term of the contract as provided in Attachment I: Scope of Work/Services.

This implementation and administrative credits may be used to offset certain expenses incurred by OGB in the implementation and administration of OGB's prescription benefit plan or the services provided by PBM during the term. The credit, for example, may be applied to offset communication expenses, Member I.D. cards, postage, special programming charges, fees and expenses from OGB-engaged consultants associated with projects related to pharmacy benefits or specialty drug medical benefit management, fees and expenses for third party ongoing reviews/audits or any other consulting services or applied to clinical programs offered by PBM. OGB will be requested to provide reasonable documentation of expenses incurred that are to be applied to this credit. Alternatively, OGB may elect to have this credit applied to its monthly invoices on a prorated basis.

[REDACTED]

Notwithstanding the credits provided above, for pre and/or post-implementation audits, PBM shall provide OGB with a credit of up to [REDACTED] for the term of the contract as provided in in Attachment I: Scope of Work/Services, Task (3) Pharmacy Benefits Manager Services. PBM shall provide OGB with an ongoing audit credit (inclusive of rebate audit and prior authorization retrospective review) of up to [REDACTED] per year for commercial and [REDACTED] per year for EGWP for the term of the contract as provided in in Attachment I: Scope of Work/Services, Task (3) Pharmacy Benefits Manager Services. This annual credit provided to OGB can be applied to offset costs incurred by OGB in the administration of an audit pursuant to the terms of the Agreement. This audit credit will be credited to OGB's monthly invoices. Identification of the expenses attributable to this audit credit shall be mutually agreed upon. OGB shall provide PBM with documentation of expenses actually incurred in the form of an invoice, an account statement, or other detailed documentation. Expenses applied to this credit will not exceed fair market value of such expenses.

2.5 [REDACTED]

[REDACTED]

[REDACTED]

a. [REDACTED]

b. [REDACTED]

c. [REDACTED]

d. [REDACTED]

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## ATTACHMENT III: 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 October, 2021 (the “Effective Date”), by and between Express Scripts, Inc. (“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 October \_\_\_\_, 2021, 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 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 six 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, in its sole discretion, 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 but not limited to 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 associated with this contract, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five (5) 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**

**EXPRESS SCRIPTS, INC.**

By: \_\_\_\_\_  
*Signature*

By: \_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name*

\_\_\_\_\_  
*Printed Name*

Title: Chief Executive Officer

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT IV: 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 (10/19)

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Indicate Use of Form

\_\_ ORIGINAL SUBMISSION

\_\_ XRENEWAL

\_\_ REPLACEMENT PAGE

\_\_ ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Internal Audit Records/Reports	ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued. **
2	LLA Audit Records/Reports	ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued. **
3	Group Benefits Policy and Planning Board Meeting Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. **
4	Group Benefits Policy & Planning Board Reports	ACT + 10 CY	0	ACT + 10 CY	M	S	N	V	ACT = until end of CY in which OGB ceases to exist. **
5	Group Benefits Policy & Planning Board Meeting Minutes	PERM	0	PERM	M	R	N	V	
6	Group Benefits Estimating Conference Meeting Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. **
7	Group Benefits Estimating Conference Meeting Minutes	PERM	0	PERM	M	R	N	V	
8	OGB 5-year Strategic Plan	ACT + 5 FY	0	ACT + 5FY	P	S	N	V	ACT = until the end of the FY in which the Strategic plan was drafted. **
9	OGB HIPAA Compliance Records	ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the records were 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 (Mon-Sun) DY - Day(s)  
 PERM - Permanent  
 \*\* = May be part of an Imaging/Electronic Exception.  
 \*\* = May be part of an Imaging/Electronic Survey.

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  
 D - Review by State Archives/Electronic  
 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  
 LLA = Louisiana Legislative Auditor  
 OGB = Office of Group Benefits  
 HIPAA = Health Insurance Portability and Accessibility Act

Agency Approval *[Signature]*

Date Signed 1-7-2020

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

Date Approved 1-8-2020

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

### Records Retention Schedule

Http://www.sos.la.gov

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Indicate Use of Form  
 \_\_\_ ORIGINAL SUBMISSION  
 \_\_\_ XRENEWAL  
 \_\_\_ REPLACEMENT PAGE  
 \_\_\_ ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Budget Request Documents/Records	ACT + 5 FY	0	ACT + 5 FY	P	R	N	V	ACT = until the end of the FY in which created**
2	Actuarial Revenue/Expenditure Line-Item Projections	ACT + 5 FY	0	ACT + 5 FY	M	S	N	V	ACT = until the end of the FY in which received**
3	Actuarial Premium Rate Schedules	ACT + 5 CY	0	ACT + 6 CY	P	S	N	V	ACT = until the end of the FY in which received**
4	Official Premium Rate Schedules	ACT + 10 CY	0	ACT + 10 CY	P	S	N	V	ACT = until the end of the CY in which the OGB ceases to exist**
5	Monthly OTS Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received**
6	Annual IAT Agreements & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received**
7	Miscellaneous/One-time Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received**
8	OGB Fiscal Note Worksheets & Supporting Documents	ACT + 5 CY	0	ACT + 5 CY	M	S	N	V	ACT = until the end of the CY in which the document was created**
9	DOA Analysis Sheets & Supporting Documents	ACT + 5 CY	0	ACT + 5 CY	M	S	N	V	ACT = until the end of the CY in which the document was created**
10	Fuel Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was 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 (Mon-Sun) DY - Day(s)  
 PERM - Permanent  
 \*\* = May be part of an Imaging/Electronic Exception.  
 \*\* = May be part of an Imaging/Electronic Survey.

**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  
 D - Review by State Archives/Electronic  
 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**  
 OGB - Office of Group Benefits  
 OTS - Office of Technology Services  
 IAT - Inter Agency Transfers  
 DOA - Division of Administration

Agency Approval: *[Signature]*

Date Signed: 1-7-2020

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

Date Approved: 1-8-2020



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

Http://www.sos.la.gov

### Records Retention Schedule

SS ARC 932 (10/19)

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Agency No	Agency / Division / Section	Division of Administration / Office of Group Benefits / Administration -- Communications	Retention Period		Security	Archival	State Records Center	Vital	Remarks
			In Office	In Storage					
003.005									
Item Number	Records Series Title								
1	Annual Enrollment Member Guides	ACT + 10 CY	0	ACT + 10 CY	P	D	N	I	ACT = until the end of the CY in which OGB ceases to exist**
2	Annual Enrollment Member Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created**
4	Annual Enrollment HR Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created**
5	Agency/Member Memos on OGB Policies/Procedures Changes	ACT + 10 CY	0	ACT + 10 CY	P	D	N	V	ACT = until the end of the CY in which the notices were created**
6	Medicare Part D Creditable Coverage Notices	ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the notices were created**
7	Publications	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until the end of CY in which OGB ceases to exist**

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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 MO - Months WK - Week (Mon-Sun) DY - Day(s)  
 PERM - Permanent  
 \*\* = May be part of an Imaging/Electronic Exception.  
 \*\* = May be part of an Imaging/Electronic Survey.

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  
 D - Review by State Archives/Electronic  
 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  
 HR - Human Resources  
 OGB - Office of Group Benefits

Agency Approval: *[Signature]* Date Signed: 1-7-2020  
 Secretary of State, State Archives & Records Services: *[Signature]* Date Approved: 1-8-2020

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

### Records Retention Schedule

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Employee Driver Authorization Forms	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the employee separates from agency**
2	OGB Employee Safety Meetings Training Materials & Sign-In Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received**
3	OGB Employee PES Evaluations and Planning Session Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which supervision ends**
4	OGB Employee Time & Attendance Reports	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the CY in which the reports were created or received**
5	Vehicle Logs & Supporting Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received**
6	SOF & Supporting Documents	ACT + 2 FY	1 FY	ACT + 3 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received**
7	OGB Visitor Logs/Sign-In Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created**
8	Daily Documents/Mail Assignments Logs	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created**
9	Records Management Files (Retention Schedules, disposal requests, Transmittals, Surveys and Exceptions)	ACT + 10 CY		ACT + 10 CY	M	S	N	V	ACT = until end of CY in which OGB ceases to exist **

Permitted Retention Period Abbreviations  
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 MO - Months WK - Week (Mon-Sun) DY - Days)

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

State Records Center Use  
 Y - Yes  
 N - No

Agency Abbreviations  
 SOF - Special order Form  
 OGB - Office of Group Benefits  
 PES = Personal Evaluation System

Agency Approval: *[Signature]*

Date Signed: 1-2-2020

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

Date Approved: 1-8-2020

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

## Records Retention Schedule

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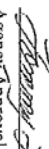
Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Contracts, Contract Amendments, & Supporting Documents	ACT + 3 CY	7 CY	ACT + 10 CY	M	S	Y	V	ACT = Until the end of the CY in which the contract expires or is terminated**
2	OGB Contract Solicitations (RFP, ITB, RFI) & Supporting Documents	ACT + 3 CY	0	ACT + 3 CY	M	S	Y	V	ACT = Until the end of the CY in which the solicitations deadline ends**

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**Archival Processing Codes**  
 A – Transfer to State Archives  
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**State Records Center Use**  
 Y – Yes  
 N – No  
**Vital Record Identification Code**  
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 I = Important  
 U = Useful

**Agency Abbreviations**  
 OGB = Office of Group Benefits  
 RFP = Request for Proposal  
 ITB = Intent to Bid  
 RFI = Request for Information

Agency Approval 

Date Signed 1-27-2020

  
 Secretary of State, State Archives & Records Services

Date Approved 1-8-2020

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

**Records Retention Schedule**

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Agency No	Agency / Division / Section	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
			In Office	In Storage	Total					
			Retention	Retention	Retention					
003.005	Division of Administration / Office of Group Benefits / Agency Services									
1	OGB Member Participation Schedules	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Unfil end of CY in which OGB ceases to exist**	
2	OGB Member Collections Notices & Supporting Documents	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Unfil end of CY in which OGB ceases to exist**	
3	OGB Member Appeals & Supporting Documents	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Unfil end of CY in which OGB ceases to exist**	
4	OGB-participating Agency Administrative Error Appeals & Supporting Documents	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Unfil end of CY in which OGB ceases to exist**	

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**State Records Center Use**  
 Y - Yes  
 N - No

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

**Agency Abbreviations**  
 OGB = Office of Group Benefits

Agency Approval: *[Signature]* Date Signed: 1-7-2020 Secretary of State, State Archives & Records Services Date Approved: 1-8-2020

## Records Retention Schedule

Louisiana Secretary of State  
 Division of Archives, Records Management and History  
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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
1	Enrollment Change Forms & Supporting Eligibility Documents (GB-01)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
2	Designation Forms (OGB Coordinator, Agency Master User, Invoice Contact) (GB-74, GB-75, GB-78)	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until the end of the CY in which OGB ceases to exist. **
3	OGB Member Correspondence	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
4	Daily Work Papers (includes printed copies of imaged documents and non-essential notes with PHI or OGB member contact info, produced by OGB Customer Service section staff)	ACT	0	ACT	M	S	N	U	ACT = until the end of the day in which the work papers were created. **

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**Security Status Codes**  
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**State Records Center Use**  
 Y – Yes  
 N – No

**Vital Record Identification Code**  
 V – Vital  
 I – Important  
 U – Useful

**Agency Abbreviations**  
 OGB = Office of Group Benefits  
 PHI = Personal Health Information

Agency Approval: *Therese Higgins* Date Signed: 1-2-2020 Secretary of State: *Siobhan E. Applegate, CRM* Date Approved: 1-8-2020

### Records Retention Schedule

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
1	Self-funded Health Plan Medical TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received **	
2	Self-funded Health Plan Pharmacy TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received **	
3	Fully Insured Health Plan Vendors Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received **	
4	Capitated Primary Care Network Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received **	
5	IMM/HERA Vendor Invoices and Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	V	ACT = until the end of the CY in which the document was received **	
6	Health Plan Vendors Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	Y	U	ACT = until the end of the CY in which the report or deliverable was received **	
7	Health Savings Account Enrollment & Payroll Deduction Election/Changes (GB-79 Forms)	ACT + 10 CY		ACT + 10 CY	C	S	N	ACT = until the end of the CY in which OGB ceases to exist. **	
8	TPA Health and Pharmacy Claims (including supplemental Claims)	ACT + 10 CY		ACT + 10CY	C	S	N	ACT = until the end of the CY in which OGB ceases to exist. **	

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**State Records Center Use**  
 Y - Yes  
 N - No

**Vital Record Identification Code**  
 V = Vital  
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**Agency Abbreviations**  
 TPA = Third party administrator  
 IMM/HERA = Individual Medicare Market Exchange with Health Reimbursement Arrangements  
 OGB = Office of Group Benefits

Agency Approval: *Shirley Taylor* Date Signed: 1-7-2020 Secretary of State: *Siobhán O'Riordan, CPA* Date Approved: 1-8-2020

Louisiana Secretary of State  
 Division of Archives, Records Management and History  
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### Records Retention Schedule

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Fully Insured Basic and Supplemental Life Insurance Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the document was received <sup>^^</sup>
2	Fully Insured Basic and Supplemental Life Insurance Vendor Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the report or deliverable was received <sup>^^</sup>
3	Fully Insured Basic and Supplemental Life Insurance Member Beneficiary Designation/Change Forms	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT = Until end of the CY in which OGB ceases to exist: <sup>^^</sup>

Agency Approval: *[Signature]*

Date Signed: 1-2-2020

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

Date Approved: 1-8-2020



**Records Retention Schedule**

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
1	FSA & COBRA TPA Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received <sup>1A</sup>
2	FSA & COBRA TPA Vendor Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the report or deliverable was received <sup>1A</sup>
3	Flexible Spending Arrangement Enrollment/Stop Form (GB-2)	ACT + 10 CY	0	ACT + 10 CY	M	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. <sup>22</sup>

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**State Records Center Use**  
 Y – Yes  
 N - No

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

**Agency Abbreviations**  
 OGB = Office of Group Benefits

*[Signature]*  
 Agency Approval

1-7-2020  
 Date Signed

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

1-8-2020  
 Date Approved



Louisiana Secretary of State  
 Division of Archives, Records Management and History  
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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
1	Filing Deadline Mail Records	ACT + 3 CY		ACT + 3 CY	M	S	N	I	ACT = until the end of the CY in which the document was created or received. **
2	Live and Event Claims Records	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
3	Field and Audit Reports	ACT + 5 CY		ACT+ 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued. **
4	Health Claims (including supplemental Claims)	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
5	Explanation of Benefits (EOBs)	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
6	Medical Records	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
7	Pre-determinations	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
8	Case Management	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
9	Medical Necessities	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **

**Permitted Retention Period Abbreviations**

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**State Records Center Use**

Y - Yes  
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OGB = Office of Group Benefits

*[Signature]*  
 Agency Approval

1-7-2020  
 Date Signed

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

1-8-2020  
 Date Approved

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

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
10	Paid in Vouchers	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
11	Flexible Benefit Master File	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
12	Hospital Audits, Statistical Reports and Work Papers	ACT + 5 CY		ACT + 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued. **
13	Fraud and Abuse Case Files and Logs	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
14	Health Claim Audits and work papers (including over \$500 plan Member check Audits)	ACT + 5 CY		ACT + 5CY	C	S	N	I	ACT = until the end of the CY in Audit is completed. **
15	Special Reports (Outlier, Check Cycle)	ACT + 10 CY		ACT + 10CY	M	S	N	I	ACT = until the end of the CY in which report is run. **
16	Reviews (Medical and Chiropractic)	ACT + 10 CY		ACT + 10CY	C	S	N	I	ACT = until the end of the CY in which OGB ceases to exist. **
17	Case Management	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
18	Medical Necessities	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **

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**Agency Abbreviations**  
 OGB = Office of Group Benefits

*[Signature]*  
 Agency Approval

1-2-2020  
 Date Signed

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

1-8-2020  
 Date Approved

### Records Retention Schedule

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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					
19	Preferred Provider Option/Exclusive Provider Option Contracts	ACT + 6 CY		ACT + 5CY	M	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
20	Logic Approvals	ACT + 3 CY	7CY	ACT + 10CY	M	S	N	V	ACT = until the end of the CY in which plan expires. **
21	Adjusted Batch Listings	ACT + 7 CY		ACT + 7CY	M	S	N	I	ACT = until the end of the CY in which plan expires. **

*Theresa Miller*  
 Agency Approval

1-7-2020  
 Date Signed

*Steven E. Pappalardo, SRM*  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved

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## ATTACHMENT V: 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.gov<sup>1</sup>, 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 series<sup>2</sup> 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.

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

<sup>2</sup> 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 IV.

**ATTACHMENT VI: CLINICAL MANAGEMENT PROGRAMS**

<b>OGB Current Programs to be supported by Express Scripts, Inc.</b>			
<b>Active / Non-Medicare Retirees Clinical Programs</b>			
<b>Item</b>	<b>Description</b>	<b>Confirm agreement that each program (or vendor similar programs) are included in the All-inclusive Clinical Fee</b>	<b>Provide vendor similar program name/ description</b>
High Cost Generic Program	Copays for certain generic medications are at the member's Preferred Brand copay level (High Cost Generic Program listing not provided due to proprietary nature of listing)	[REDACTED]	[REDACTED]
If member is enrolled in OGB's Disease Management Program	\$1500 Rx out of pocket is waived. Member pays \$0 for generic, \$20 for preferred brand, and \$40 for non-preferred brand and specialty (Disease Mgmt Program tab in "OGB-MVS Plan Design Features Supplement File.xlsx"). In addition, all covered Diabetic Supplies including Test Strips are for \$0 copay (Diabetic Supply List tab in "OGB-MVS Plan Design Features Supplement File.xlsx").	[REDACTED]	[REDACTED]
Clinical Edit Package	PA, Step Therapy, QL, Age/Gender edits in place under the formulary	[REDACTED]	[REDACTED]
Formulary Exclusions		[REDACTED]	[REDACTED]
510k management		[REDACTED]	[REDACTED]
Standard Concurrent Drug Utilization Review		[REDACTED]	[REDACTED]

Patent Exclusivity Management	Allows coverage of the branded product at the lower tier and the generic product is blocked from adjudication to achieve lowest net cost.	[REDACTED]	[REDACTED]
Opioid Cumulative Dosing Program	POS edit providing hard- and soft-stops on Opioid claims based on Morphine Equivalent Dose per day	[REDACTED]	[REDACTED]
Acetaminophen (APAP) Safety Controls Program	Identifies the dispensing of unsafe daily doses of the ingredient acetaminophen (APAP) of greater than 4gm/day	[REDACTED]	[REDACTED]
Polypharmacy DUE	Retrospectively identifies members receiving 10 or more unique, chronic medications from 3 or more prescribers in the previous 3 months	[REDACTED]	[REDACTED]
High Cost Generics Program	Program that identifies high cost generic drugs with lower cost generic alternatives to target for a higher copay (copays for certain generic medications are at the member's Preferred Brand copay level)	[REDACTED]	[REDACTED]
<b>EGWP Clinical Programs</b>			
<b>Item</b>	<b>Description</b>		
Diabetic Supply Coverage	Diabetic Supplies including Test Strips that adjudicate through the Part D benefit are for \$0 copay	[REDACTED]	[REDACTED]
Patent Exclusivity Management	Generic equivalent products for brand Advair Diskus, Zytiga, Tracleer, Mitigare, Afinitor, Novolog, Welchol packets	[REDACTED]	[REDACTED]
Clinical Edit Package	PA, Step Therapy, QL, Age/Gender edits in place under the formulary	[REDACTED]	
Formulary Exclusions		[REDACTED]	
510k management		[REDACTED]	[REDACTED]

Standard Concurrent Drug Utilization Review			
Opioid Cumulative Dosing Program	POS edit providing hard- and soft-stops on Opioid claims based on Morphine Equivalent Dose per day		
Acetaminophen (APAP) Safety Controls Program	Identifies the dispensing of unsafe daily doses of the ingredient acetaminophen (APAP) of greater than 4gm/day		
Care Quality and High Risk Safety Management Drug Use Evaluation (DUE) Programs	Physician outreach programs focused on care quality along with safety management interventions on the following topics: <ul style="list-style-type: none"> <li>• Statin Use in Persons with Diabetes (SUPD)</li> <li>• High Risk Medication</li> <li>• Concurrent use of Opioids and Benzodiazepines</li> <li>• Naloxone</li> </ul>		
Medication Therapy Management Program (MTMP)	Member outreach program for members to make better use of their drug coverage and to improve their understanding of their medications		
Opioid Overutilization & Safety Controls Programs	Opioid Overutilization & Safety Controls Programs which monitor the utilization of prescribed medications through use of drug utilization controls at the point-of-sale and retrospective interventional programs to increase Eligible Member safety		

**Recommended Clinical Management Programs available on a-la-carte basis, to be selected at OGB's option**

Commercial

Name of Recommended Clinical Management Programs	Description of Recommended Clinical Management Programs	Description of the Cost Savings for each Recommended Clinical Management Program	Plan Participant Per Month Cost
<b>Programs in support of OGB's Current Clinical Programs as listed above</b>			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	[REDACTED]	[REDACTED]	
<b>Optional Clinical Programs for OGB</b>			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		

	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p> <p>[REDACTED]</p>	
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	[REDACTED]		E
	[REDACTED]		E
	[REDACTED]		

<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	[REDACTED]		
SafeGuardRx	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		

**EGWP**

Name of Recommended Clinical Management Programs	Description of Recommended Clinical Management Programs	Description of the Cost Savings for each Recommended Clinical Management Program	Proposer's Per Plan Participant Per Month Cost
<b>Programs in support of OGB's Current Clinical Programs as listed above</b>			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

	[REDACTED]		
	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	

	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>		
<p>[REDACTED]</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>



**Optional Clinical Programs for OGB**

<p>[REDACTED]</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

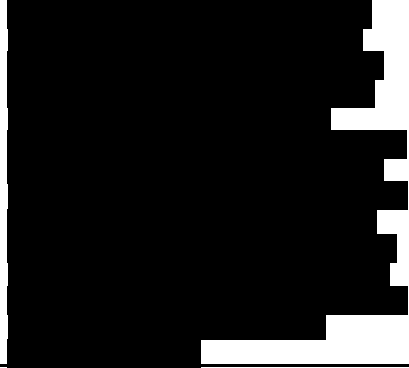
	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		
	[REDACTED]		

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>		<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>	<p>[REDACTED]</p>

	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		
	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]		

	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	

			
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**Amendment to Agreement between State of Louisiana,**

**Louisiana Department of State**

**AND**

**PCC Technology Inc., 100 Northfield Drive, Suite 300A, Windsor, Connecticut 06095**

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**Amendment Provisions**

**2.1 TERM OF CONTRACT**

Change Agreement from:

This contract shall begin on May 1, 2019 and shall end on April 30, 2022.

ADD OR CHANGE TO:

This contract shall begin on May 1, 2019 and shall end on April 30, 2023.

Amendment becomes effective: May 1, 2022.

Justification: The original contract provided that the State has the right to extend the contract up to a total of five years with the concurrence of the Contractor. The contract is to be extended pursuant to this provision due to the fact that the work is still in progress and is required for the continued improvement of geauxBIZ, Louisiana's one-stop business portal.

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties. IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below:

\_\_\_\_\_  
(Contractor's Signature)  
Contractor's Name: Mike Wons  
Contractor's Title: President, Civix Government Business

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Agency Signature)  
Agency's Name: Nancy Landry  
Agency's Title: First Assistant

\_\_\_\_\_  
(Date)

**STATE OF LOUISIANA**

**CONSULTING SERVICES AGREEMENT  
BETWEEN  
STATE OF LOUISIANA  
AND  
PCC TECHNOLOGY INC.**

On this 15th day of April 2019, the State of Louisiana, Department of State hereinafter sometimes referred to as the "Department" or "State", and PCC Technology Inc., 100 Northfield Drive, Suite 300A, Windsor, CT 06095, hereinafter sometimes referred to as the "Contractor", do hereby enter into a contract under the following terms and conditions.

**1.0 SCOPE OF SERVICES**

Contractor hereby agrees to furnish services to State as specified in Section 3.0.

**1.1 CONCISE DESCRIPTION OF SERVICES**

The project will provide planning, design, programming/development, configuration, installation, problem resolution, analytical and other support services at the Department's discretion for the continued improvement of geauxBIZ, Louisiana's one-stop business portal. The Contractor will provide highly qualified resources to work on tasks identified by the Department. The Contractor is responsible for the identification, assignment, and oversight of all work necessary for the successful completion of the tasks assigned, whether performed by Department or Contractor personnel.

**1.2 COMPLETE DESCRIPTION OF SERVICES**

A full description of the scope of services is contained in the following Attachments which are made a part of this contract:

- Attachment I - Scope of Services
  - Appendix A – Technical Requirements
- Attachment II - Contractor Personnel and Other Resources
- Attachment III- Insurance Requirement
- Attachment IV - Confidentiality Agreement

**2.0 ADMINISTRATIVE REQUIREMENTS**

**2.1 TERM OF CONTRACT**

The term of contract resulting from the RFP shall begin on May 1, 2019 and end on April 30, 2022. The State shall have the right to contract for up to thirty-six (36) months with the concurrence of the Contractor and all appropriate approvals. With all proper approvals and concurrence with the successful Contractor, the State may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, 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) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment, to the Office of State Procurement (OSP) to extend the 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

## **2.2 WARRANTIES**

Contractor shall indemnify State against any loss or expense arising out of any breach of any specified Warranty.

A. *Period of Coverage.* The Warranty period for software and system components covered under this Contract will begin on the date of acceptance or date of first productive use, whichever occurs later, and will terminate three months thereafter.

B. *Free from Defects.* Contractor warrants that the system developed hereunder shall be free from defects in design and implementation and will continue to meet the specifications agreed to during system design and Contractor will, without additional charge to the State, correct any such defect and make such additions, modifications, or adjustments to the system as may be necessary to operate as specified in the Technical Deliverables accepted by the State.

C. *Software Standards Compliance.* Contractor warrants that all software and other products delivered hereunder will comply with State standards and/or guidelines for resource names, programming languages, and documentation as referenced in Attachment I.

D. *Software Performance.* Specific operating performance characteristics of the software developed and/or installed hereunder are warranted by the Contractor as stated in Attachment I.

E. *Original Development.* Contractor warrants that all materials produced hereunder will be of original development by Contractor, and will be specifically developed for the fulfillment of this contract. In the event the Contractor elects to use or incorporate in the materials to be produced any components of a system already existing, Contractor shall first notify the State, which after any investigation the State may elect to make, may direct the Contractor not to use or incorporate any such components. If the State does not object within ten (10) days of the notification in writing, Contractor may use or incorporate such components at Contractor's expense and shall furnish written consent of the party owning the same to the State in all events. Such components shall be warranted as set forth herein (except for originality) by the Contractor and the Contractor will arrange to transfer title or the perpetual license for the use of such components to the State for purposes of the contract.

F. *No Surreptitious Code Warranty.* Contractor warrants that software provided hereunder will be free from any "Self-Help Code". "Self-Help Code" means any back door, time bomb, or drop dead device or other routine designed to disable a computer program with the passage of time or under the positive control of a person or party other than the State. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. "Unauthorized Code" does not include "Self-Help Code".

## 2.3 INDEMNIFICATION AND LIMITATION OF LIABILITY

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to property caused by Contractor, its agents, employees, partners or subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State. If applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally 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, provided that the State shall give the 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 action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part(s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating

savings.

The State and Authorized Users may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

## **2.4 STAFF INSURANCE**

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the total contract amount included in Section 5.0. For insurance requirements, refer to Attachment III.

## **2.5 LICENSES AND PERMITS**

Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this contract.

## **2.6 SECURITY**

Contractor's personnel will always comply with all security regulations in effect at the State's premises, and externally for materials belonging to the State or to the project. Contractor is responsible for reporting any breach of security to the State in writing within 24 hours of discovery of the breach.

## **2.7 TAXES**

Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract. Contractor's federal tax identification number is 47-5570803. Contractor's seven-digit LDR account number is 1178778-001.

In accordance with R.S. 39:1624(A)(10), the Louisiana Department of Revenue 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 contractor agrees to provide its seven-digit LDR Account Number so that the contractor's tax payment compliance status may be verified. The 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 Department 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 such notification.

## **2.8 CONFIDENTIALITY**

All financial, statistical, personal, technical and other data and information relating to the State's operations which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which becomes 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 procedural requirements as are applicable to the State. Contractor shall not be required to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties.

### **3.0 TECHNICAL REQUIREMENTS**

#### **3.1 STATEMENT OF WORK**

Contractor will perform services according to the terms of this Contract and according to the Scope of Services in Attachment I.

#### **3.2 CONFIGURATION REQUIREMENTS**

The software system being installed shall be designed and configured by the Contractor to operate within the State's hardware, software, and networking environments as specified in Attachment I.

#### **3.3 PROJECT MANAGEMENT**

Contractor shall provide, at a minimum, the following project management functions:

*A. Provide Project Management* - Contractor will provide day-to-day project management using best management practices for all tasks and activities necessary to complete the Statement of Work.

*B. Provide Project Work Plan* - Contractor shall develop and maintain a Project Work Plan which breaks down the work to be performed into manageable phases, activities and tasks as appropriate. The work plan will identify: activities/tasks to be performed, project personnel requirements (both State and Contractor), estimated workdays/personnel hours to complete, and expected start and completion dates. Scheduled completion dates for each deliverable shall specifically be included. Written concurrence of both parties will be required to amend the Work Plan. The Project Work Plan shall be approved by the State before project payments are made.

*C. Provide Project Progress Reports* - Contractor shall submit monthly progress reports signed by the Contractor's Project Manager to the State, no later than 10 days after the close of each calendar month. Each progress report shall describe the status of the Contractor's performance since the preceding report, including the products delivered, descriptions of problems encountered with a plan for resolving them, the work to be accomplished in the next reporting period, and identifying issues requiring management attention, particularly those which may affect the scope of services, the project budget, or the deliverables to be provided by the Contractor. Each report shall identify activities by reference to the Project Work plan.

*D. Provide Time Sheets* - Accompanying each Progress Report, the Contractor shall submit time sheets to the State Project Director indicating effort expended and work performed by each member of its or its subcontractors' staff, participating in this contract. Time sheets shall, at a minimum, identify the name of the individual performing the work and the number of hours worked during the period by Work Plan task.

E. *Provide Issue Control.* Contractor will develop and implement, with State approval, procedures and forms to monitor the identification and resolution of key project issues and problems.

### **3.4 QUALITY ASSURANCE REVIEWS**

State reserves the right to conduct Quality Assurance Reviews at appropriate checkpoints throughout the project. Contractor will facilitate the review process by making staff and information available as requested by the reviewers at no additional cost to the State.

### **3.5 CONTRACTOR RESOURCES**

Contractor agrees to provide the following Contract related resources:

A. *Project Manager.* Contractor shall provide a project manager to provide day-to-day management of project tasks and activities, coordination of Contractor support and administrative activities, and for supervision of Contractor employees. The project manager shall possess the technical and functional skills and knowledge to direct all aspects of the project.

B. *Key Personnel.* Contractor shall assign staff who possess the knowledge, skills, and abilities to successfully perform assigned tasks. Individuals to be assigned by the Contractor are listed in Attachment II.

C. *Personnel Changes.* Contractor's Project Manager and other key personnel assigned to this Contract shall not be replaced without the written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any State or Contractor personnel become unavailable due to resignation, illness or other factors, excluding assignment to a project outside this contract, outside of the State's or Contractor's reasonable control, as the case may be, the State or the Contractor, as the case may be, shall be responsible for providing an equally qualified replacement in time to avoid delays to the work plan.

D. *Other Resources.* Contractor will provide other resources as specified in Attachment II.

### **3.6 STATE PROJECT DIRECTOR**

State shall appoint the Department's IT Director or designee for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for total management during the performance of this Contract, the assigned State Project Director shall be the principal point of contact on behalf of the State and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

### **3.7 STATE FURNISHED RESOURCES**

State will make available to the Contractor for use in fulfillment of this contract those resources described in Attachment I.

### **3.8 STATE STANDARDS AND GUIDELINES**

Contractor shall comply with State standards and guidelines related to systems development, installation, software distribution, security, networking, and usage of State resources described in Attachment I.

### **3.9 ELECTRONICALLY FORMATTED INFORMATION**

Where applicable, State shall be provided all documents in electronic format, as well as hard-copy. Electronic media prepared by the Contractor for use by the State will be compatible with the State's comparable desktop application (e.g., spreadsheets, word processing documents). Conversion of files, if necessary, will be Contractor's responsibility. Conversely, as required, Contractor shall accept and be able to process electronic documents and files created by the State's current desktop applications as described in Attachment I.

### **4.0 ACCEPTANCE OF DELIVERABLES**

Contract deliverables will be submitted, reviewed, and accepted according to the following procedure:

A. *General.* Except where this Contract provides different criteria, work will be accepted if it has been performed in accordance with the applicable specifications for Contractor's work in the Statement of Work, the Request for Proposals, the Contractor's Proposal, and/or as subsequently modified in State-approved design documents developed within this Project, and in the accepted final documentation.

B. *Submittal and Initial Review.* Upon written notification by Contractor that a Deliverable is completed and available for review and acceptance, the State Project Director will use best efforts to review the Deliverable within five (5) business days after the Deliverable is presented to the State Project Director, but in no event later than ten (10) business days after the Deliverable is presented to the State Project Director. Within the applicable period, the State Project Director will direct the appropriate review process, coordinate any review outside the Project team, and present results to any user committees and/or Steering Committee for approval, as needed. The initial review process will be comprehensive with a view toward identifying all items which must be modified or added to enable a Deliverable to be approved. A failure to deliver all or any essential part of a Deliverable shall be cause for non-acceptance.

C. *Notification of Acceptance or Rejection.* If no notification is delivered to Contractor within the applicable period, the Deliverable will be considered approved. If State disapproves a Deliverable, State will notify Contractor in writing of such disapproval, and will specify those items which, if modified or added, will cause the Deliverable to be approved.

D. *Resubmitting Corrected Deliverables.* With respect to such Deliverables, Contractor will resubmit the Deliverable with requested modifications and the State Project Director will review such modifications within five (5) business days. If no notification is delivered to Contractor within those five (5) business days, the Deliverable is considered approved. If the State disapproves that Deliverable, the State will notify Contractor in writing of any additional deficiencies which result from such modifications and Contractor will resubmit the Deliverable with the requested modifications. The parties agree to repeat this process as required until all such identified deficiencies are corrected or a determination of breach or default is made. The payment by the State for each activity is contingent upon correction of all such deficiencies and acceptance by the State.



## **5.0 COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT**

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a fee of Two Million Dollars (\$2,000,000) per year, for a maximum of Six Million Dollars (\$6,000,000). Payments are predicated upon successful completion and written approval by the State of the described tasks and deliverables as provided in Section 1.0.

State will issue Task Orders based on Work Plan, including all project tasks, activities and resources including estimated start and completion dates, actual start and completion dates, estimated task hours, and completion percentage for all in-process tasks.

Payments will be made to the Contractor after written acceptance by the State of the progress report, an updated work plan, both described in Section 3.3, and an invoice. State will make every reasonable effort to make payments within 30 days of the approval of invoice and under a valid contract. Payment will be made only on approval of the IT Director for the Department of State or his designee.

During the execution of tasks contained in the Statement of Work, the Contractor may submit invoices, not more frequently than monthly. Such payment amounts for work performed must be based on at least equivalent services rendered, and to the extent practical, will be keyed to clearly identifiable stages of progress as reflected in status reports submitted with the invoices. Contractor shall not be paid more than the maximum amount of the contract.

## **6.0 TERMINATION**

### **6.1 TERMINATION FOR CAUSE**

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) 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) 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. 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 thirty (30) days written notice specifying the State's failure and a reasonable opportunity for the state to cure the defect.

### **6.2 TERMINATION FOR CONVENIENCE**

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor an effective date thereof. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

## **7.0 REMEDIES FOR DEFAULT**

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

## **8.0 AVAILABILITY OF FUNDS**

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act 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. Such termination shall be without penalty or expense to the State except for payments which have been earned prior to the termination.

## **9.0 OWNERSHIP OF PRODUCT**

Upon completion of this contract, or if terminated earlier, all hardware, software, licenses, design components, source code, data files, documentation, records, worksheets, or any other materials related to this contract shall become the property of State. All such materials shall be delivered to the State within thirty days of the completion or termination of this contract.

## **10.0 NONASSIGNABILITY**

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning his 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 or transfer shall be furnished promptly to the State.

## **11.0 RIGHT TO AUDIT**

Contractor grants to the Office of the Legislative Auditor, Inspector General's Office, the Federal Government, and any other duly authorized agencies of the State where appropriate the right to inspect and review all books and records pertaining to services rendered under this contract. Contractor shall comply with federal and/or state laws authorizing an audit of Contractor's operation as a whole, or of specific program activities.

## **12.0 RECORD RETENTION**

Contractor agrees to retain all books, records, and other documents relevant to this contract and the funds expended hereunder for at least five years after final payment, or as required by applicable Federal law, if Federal funds are used to fund this contract.

## **13.0 AMENDMENTS IN WRITING**

Any amendment, alteration, variation, modification, or waiver of provisions of this contract shall be valid only when they have been reduced to writing, duly signed. No amendment shall be valid until it has been executed by all parties and approved by the Director of the Office of State Procurement, Division of Administration.

## **14.0 FUND USE**

Contractor agrees not to use funds received for services rendered under this Contract 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.

#### **15.0 NON-DISCRIMINATION**

Contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the 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 Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and Contractor agrees to abide by the requirements of 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, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these obligations when applicable shall be grounds for termination of this contract.

#### **16.0 HEADINGS**

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

#### **17.0 ENTIRE AGREEMENT AND ORDER OF PRECEDENCE**

This contract, (together with the Request for Proposals and addenda issued thereto by the State, the proposal submitted by the Contractor in response to the State's Request for Proposals, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.

This contract shall, to the extent possible, be construed to give effect to all provisions contained therein: however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals and the Proposal; second priority shall be given to the provisions of the Request for Proposals and amendments thereto; and third priority shall be given to the provisions of the Proposal.

#### **18.0 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.

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

  
\_\_\_\_\_  
CONTRACTOR'S SIGNATURE

Dan Cox  
\_\_\_\_\_  
CONTRACTOR'S PRINTED NAME

4/30/2019  
\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
STATE'S SIGNATURE

Shanda R. Jones  
\_\_\_\_\_  
STATE'S PRINTED NAME

4/30/19  
\_\_\_\_\_  
DATE

## **ATTACHMENT I: SCOPE OF SERVICES**

### **Overview**

This project will provide planning, design, programming/development, configuration, installation, problem resolution, analytical and other support services at the Department's discretion for the continued improvement of geauxBIZ, Louisiana's one-stop business portal. The Contractor will provide highly qualified resources to work on tasks identified by the Department. The Contractor shall be responsible for the identification, assignment, and oversight of all work necessary for the successful completion of the tasks assigned.

### **Tasks and Services**

The Contractor shall provide the tasks and services including, but not limited to the following:

- Integrate LED into the portal adding questions to the new business registration and annual report wizards and submitting that data to a web service that LED is responsible for implementing.
- Convert the current fax-based tax clearance request process for businesses desiring to stop doing business to electronic infrastructure. Depending on the business type, the Department must receive tax clearance by LDR and/or LWC before the business can be terminated or dissolved. Create a new secure external web service that LDR and LWC can utilize to notify geauxBIZ when clearances are granted.
- Expand the tax clearance infrastructure to include notification to LDR, LWC, and LED of other amendment filings. Twenty existing filing types were identified for notification.
- Expand the tax clearance infrastructure to allow agencies to validate registration and good standing status with the Department.
- Update the portal to allow customers to add multiple filings to a cart and pay with a single payment.
- Create new portal dashboard tab containing at-a-glance panels for in progress filings, alerts, documents, notifications, and tutorials. It will also serve as the new landing page when the user signs into the portal.
- Create a data warehouse to enable measurement of key performance indicators (KPIs) over the life of geauxBIZ. KPIs should include but not be limited to the information on the health tab, page load times by wizard, steering committee statistics, rejection reasons, financial information, wizard publication history, and information for quarterly legislative reporting.
- Redesign the current business license checklist to display as a web page instead of the current PDF format. The checklist should behave differently if run after a new business registration is complete with agencies receiving the filing automatically removed. Listings for new agencies that are incorporated into the portal are also automatically removed.
- Provide interactive mapping for locating agency services, resources, and programs (such as Google or Bing maps).
- Alter the existing calendar tab to allow customers to import calendar events into their personal calendar application for reminders, such as when an annual report is due.



- Alter DOS annual report wizard to allow customers to view the current information on file and quickly checkout if no changes are necessary.
- Update the new business registration wizard to not require FEIN for the business nor SSN for officers when no tax types are requested or required.
- Create a new business type for motor vehicle service contract providers. Allow business registration, renewal, amendment, and reimbursement insurance policy issuance filings.
- Perform USPS validation on new business registration mailing addresses. This feature includes autocompleting the address for a single match, allowing the customer to choose from a list of multiple matches, or continue with the address entered if no match is found. Allow the customer to override the address in all cases but warn them it may slow the review process.
- Allow a wizard designer to configure whether question (article) numbers should display to the customer and ultimately on the filing document produced by the agency receiving the filing.
- Enhance the multiple-choice control allowing the wizard designer to add a 'none of the above' answer to the end of the list of possible answers when multiple selections are allowed. Make the new answer mutually exclusive from the other choices. The wizard designer should be able to configure the answer text.
- Enhance the multiple-choice control allowing the wizard designer to show answer help to the customer. The designer should be able to provide the verbiage to display to the customer should they click help.
- Create a new customer validator action that will allow a wizard designer to configure validation based on customer response. The designer should be able to configure which question/answer pairs will trigger the validation, the validation message, and whether the customer must correct the error or just acknowledge the warning. Depending on the question type, allow the wizard designer to use a regular expression or preconfigured values to set the answers that indicate failure.
- Investigate adding the ability to migrate a wizard to a higher environment that still allows customers to keep the data they have already entered on their draft and rejected filings.
- Investigate allowing a single wizard to be both an original filing and amendment at the same time. This would allow us to combine the new business registration and convert name reservation wizards making maintenance much easier.
- Allow a wizard designer to migrate a wizard on demand to a lower environment for testing.
- Allow a wizard designer to copy a wizard without making it a revised draft (child) of the source (parent).
- Allow a wizard designer to copy a page with all its controls within the same wizard.
- Provide a listing of the wizards selected for a cache refresh that were actually affected by the refresh. Display the latest refresh date on the wizard details page.

- Display a list of wizards using geauxBIZ's internal agency service web service methods on the configuration screen.
- For the external agency web service configuration screen provide to the wizard designer the last refresh date and time for each method.
- Configure submissions where customers have paid for expedite or priority expedite review to skip queuing and go straight to the recipient agency for processing. Make identification of submissions that fail to reach the recipient easier and reprocessing quicker.
- Allow data to be transferred from one wizard to another if the customer's answers require a different wizard type than the one they started.
- Enhance the wizard comparison report which allows a designer to compare the current version of a wizard with its previous version. Add drill-down capability from the page to the control level. Allow the screen to be legibly printed when all changes are expanded.
- Create a nightly wizard validator task that validates business rules on wizard promotion and detects changes in the web service methods, wizard configuration, and the wizard cache to prevent production issues. Display the results of the task on the summary landing page of the administration site (health summary) and allow a user to view the failure reason and re-run the component that failed on demand.
- Add a new tile to the admin site's health summary to indicate the number of submissions in the queue waiting to be sent to the recipient agencies. Allow a user to view the list of submissions and the current time they are waiting in the queue.
- Make available a way to disable filings by business type that will prevent the continuation of draft submissions or creation of new ones. This could be used to handle bugs until a hotfix release or until law, rule or regulation changes are implemented.
- Provide statistics on the number and outcome of newly implemented virus scans for uploaded PDFs. Provide feedback if the number of scans approaches the daily limit our third party vendor allows.
- Convert the nightly task that updates a customer receipt's payment status, general ledger account and subtotals to be event driven utilizing the existing message queue system (RabbitMQ) to improve system performance.
- Convert geauxBIZ's email address change provider from the current web service based system to the message queue system.
- Provide ongoing testing and certification of the portal on two versions of the Department's 4 most commonly used desktop browsers on operating systems still under mainstream support from the manufacturer and two versions of the Department's four most commonly used smart phones and tablets.
- Provide ongoing testing and certification of the administration site on two versions of Chrome.
- Design technical environment updates and refresh to ensure that the design of the portal remains current with evolving improvements in technology and relevant to the business

community. Includes but is not limited to hardware/software components, database, operating system, .NET framework, and developer tools.

- Make changes to geauxBIZ required to meet state and federal changes in the law, rule or regulation in a timely manner.

**Deliverables**

Deliverable	Description
Project Standards Document	<p>A project standards document will be delivered within ninety (90) calendar days of the contract begin date that addresses the following key issues:</p> <p>Communication Plan</p> <p>Documentation Requirements</p> <p>Issue Management Plan</p> <p>Scope Management Plan</p> <p>Risk Management Plan</p> <p>Planning and Monitoring Standards</p> <p>Quality Assurance Checkpoints</p>
Project Plan	<p>For each major project, initiative or task assigned, the Contractor will provide an implementation plan that includes all required sub tasks, deadlines, responsible parties and milestones.</p>
Functional Systems Requirements	<p>For each major project, initiative or task assigned, provide Functional System Requirements. Contractor will perform necessary information gathering and analysis tasks and develop a Functional Systems Requirements document that incorporates the business requirements of the State. The narrative should communicate the context of the work to be performed and the deliverable to be provided.</p>
Technical Design Documents	<p>For tasks assigned that require a modification to the existing technical infrastructure, provide a Technical Design/Technical Architecture Assessment Report. Contractor will perform necessary technical design tasks including the development of hardware/software specifications and any specific configuration requirements. For any new hardware/software components, a network and application security model, backup and disaster recovery plans must be included that provides high system availability for all components with 99.0% uptime between</p>



	6:00 AM and 8:00 PM.
Migration	Procedures must be planned and implemented to migrate data and code between development, test, staging and production.
Version Control	Contractor will develop And implement with State approval, procedures that supports the provision and migration of efficient code. Version control processes and procedures will be documented and implemented.
Software Installation	Perform software installation and/or upgrades as assigned by the State. Contractor will perform software installation and upgrade tasks such as: database setup, file sizing, application table setup, installation of software releases, operation setup, file migrations, installation test, and system integration test. Identify and resolve any performance bottlenecks.
Application Development	Provide programming, configuration, customizing, and modification of data/information structures necessary to meet the State's identified functionality. Perform database administration and other software, operating system or network configuration as required to meet performance metrics.
Systems Test and Acceptance Test Support	The Contractor will provide a process and plan to ensure that the work product delivered to the State meets its functional and technical requirements and programming is efficient in both technique and performance. This includes tasks such as functional support on system functionality, script development and data setup, technical support on executing special jobs or cycles to facilitate testing, assisting in the actual execution of test scripts and review of results, and development of an acceptance test. Provide unit, integration and system test results for business processes and volume/stress test results. Provide system, application and website security test results as well as backup and disaster recovery test results. Note: final user acceptance testing to be completed by the State.
Implementation/ Deployment Plan	Provide Implementation/Deployment Planning. Contractor will perform necessary information gathering and analysis tasks to develop an Implementation Plan describing the strategy for implementing any major new applications or components of the system; including: resources, time frames, responsibilities, release steps and contingencies.
Training	Contractor will provide on the job training/mentoring and knowledge transfer to ensure that Department staff is

	prepared to support and enhance the functions added to the application following implementation. Contractor will supply information required for the department to update the user manuals.
Documentation	Provide system and program/application documentation along with any procedures required for the successful operation of new hardware/software components added to the system including backup and disaster recovery procedures where applicable.
Post Implementation Support	Provide post implementation support to the State for three months and successfully resolve problems identified following any modification to the system.

**Technical Requirements**

Technical requirements contained in Appendix A constitute part of Contractor’s obligations but are shielded herein due to information security concerns. Contractor must execute the attached Confidentiality Agreement (Attachment IV) as a condition of this contract.

**Project Requirements**

Contractor shall provide work and deliverables, which conform to high professional standards. All deliverables will be evaluated prior to acceptance to confirm that they meet requirements.

The State and the Contractor will identify, establish, and document the basic standards and procedures for the project utilizing guidelines provided by the State. The standards document will form part of the project plan and should be made available to all project team members. Some of the key issues that need to be included:

- Communication Plan
- Documentation Requirements
- Issue Management Plan
- Scope Management Plan
- Risk Management Plan
- Planning and Monitoring Standards
- Quality Assurance Checkpoints

**Implementation Approach**

Due to the scope and complexity of the development effort, the State has elected to use a multi-phase approach for this project. The State has specified the proposed number, make-up and sequence of the implementation phases to be as follows:

Year 1

Tax clearances, LED (2), FEIN/SSN, Motor vehicle service contract providers, Multiple-choice control (2), Article numbers

Year 2

No change annual report, Other amendments to LDR/LWC, Site-wide shopping cart, Calendar export, Custom validator control, Dashboard tab, Wizard cache, Additional agencies/filings

#### Year 3

Business license checklist, Wizard compare report, Data warehouse, Nightly wizard validator, Copy wizard page, Wizard compare report, Waiting in queue, Additional agencies/filings

#### Year 4 (with prior approval by the Joint Legislative Committee on the Budget)

USPS validation, Wizard migration (2), Wizard copy, Transfer data between submissions, Disable by business type, Virus scan statistics, Additional agencies/filings

#### Year 5 (with prior approval by the Joint Legislative Committee on the Budget)

Interactive mapping, Wizard original and amendment, Agency method usage (2), Message queue (2), Additional agencies/filings

### **Team Organization**

To ensure the success of this project, the State desires a fully integrated project team at all levels. Contractor resources shall provide experience and expertise in implementing state of the art solutions. State resources will bring functional knowledge of current business processes and technical knowledge of the existing systems and application environment.

Contractor, at its expense, shall conduct security validation of each of its employees before being granted access to the SOS network. Security validation shall include criminal background checks. When deemed necessary by the Department, updated security validation or personal credit validation or both may be requested. Contractor resources will also be required to sign a non-disclosure agreements before network access is granted.

#### Project roles

- **Project Manager**  
Plan, initiate, and manage information technology projects. Lead and guide the work of technical staff. Serve as liaison between business and technical aspects of projects. Plan project stages and assess business implications for each stage. Monitor progress to assure deadlines, standards, and cost targets are met.
- **Senior Database Administrator**  
Administer, test, improve efficiency, and implement computer databases, applying knowledge of database management systems. Coordinate changes to computer databases. May plan, coordinate, and implement security measures to safeguard computer databases.
- **Senior Developer**  
Design, create, and modify general computer applications software or specialized utility programs. Analyze user needs and system architecture to develop software solutions. Design software or customize software for client use with the aim of optimizing operational efficiency and security. May analyze and design databases within an application area, working individually or coordinating database development as part of a team. May supervise staff developers.
- **Staff Developer**

Create, modify, and test the code, forms, and script that allow computer applications to run. Work from specifications written by senior developers or other individuals. May assist senior developers by analyzing user needs and designing software solutions.

- Business Analyst

Analyze business and other data processing problems to implement and improve computer systems. Analyze user requirements, procedures, and problems to automate or improve existing systems and review computer system capabilities, workflow, and scheduling limitations.

- UI/UX/Usability Designer

Collect, research, investigate and evaluate user requirements to deliver an outstanding user experience providing an exceptional and intuitive application design.

- Quality Assurance Analyst

Develop and execute software test plans in order to identify software problems and their causes. Design performance and automation test scripts and deploy these scripts using automated testing software.

- Security Engineer

Plan, implement, upgrade, or monitor security measures for the protection of computer networks and information. Perform on-going security testing and code review to improve software security. May ensure appropriate security controls are in place that will safeguard digital files and vital electronic infrastructure. May respond to computer security breaches and viruses.

The State will be making a major commitment of time, personnel, and funds to the success of this project. The various roles that state personnel will play in this project have been identified with two key goals in mind:

- To ensure the continued success and development of department applications.
- To develop the personnel resources necessary to continue the success of the system once the Contractor's involvement has ended.

The State's staffing commitments for the project should not be considered indicative of either the level of effort required for a project or the complexity of that effort. One of the key roles the state will play will be to monitor progress of the project. The establishment of standards, the acceptance testing process, and a quality assurance program will be utilized to ensure that upon departure of the Contractor, the state is left with a system that meets its functional and technical requirements. This does not in any way diminish the Contractor's responsibility for task management.

The State also expects to actively participate in the effort to complete the deliverables and project. State personnel will provide knowledge of business requirements, operational application data, and technical knowledge of the application development environment.

State personnel are prepared to perform tasks assigned for system design, programming, database administration, procedure development, software and hardware configuration, and other customary work of a systems development project. State personnel are also available to act as facilitators in resolving any problems the Contractor encounters that may impede the progress of the project.

Once the project is complete, there may no longer be on-site Contractor personnel to maintain and support the system. At that point, the State must have established a broad base of expertise in the tools and the application. The State support staff must have the knowledge necessary to

perform continued system development and provide on-going user support and training. The State's technical staff will need the expertise to maintain the related processes, administer system databases, and maintain application software. With this in mind, it will be necessary for state personnel to have meaningful roles in every aspect of the project lifecycle.

### **State Resources**

The Department will make the resources described below available to the Contractor for the Contractor's use in fulfillment of this contract:

#### **Project Director**

The Department will appoint a Project Director for this Contract who will provide oversight of the contract and activities conducted.

#### **Project Manager**

The Department will appoint project managers with experience in the successful implementation of complex projects. The project managers will also possess knowledge of the operational environment.

#### **Functional and Technical Staff**

The State will provide:

- timely access to State Agency staff (including scheduling of meetings) and available documentation required to complete each of the assigned tasks.
- personnel with knowledge of the business process and associated legal requirements as required.
- a minimum of 3 full time programming resources (with .NET experience) to work during the life of the project. Technical support personnel will be available as required.

These employees shall generally possess a broad base of knowledge across all areas of Department systems, and varying degrees of systems administration and programming experience. Reasonable access to other personnel on a limited basis shall be coordinated through the Project Manager.

#### **Office Facilities**

The State shall provide reasonable and normal office space, basic office furniture, supplies, local telephone service, LAN connection, and limited usage of copiers and fax machines. The terms and conditions for remote access to the Department's network are established and thus, advance approval from the State is required.

#### **Computer Facilities**

The State shall make use of computer systems available at reasonable times and in reasonable time increments to support system development, test, and installation activities.

Special facility requirements, such as stress testing shall be addressed in the appropriate planning documents or documented by the Contractor in a memorandum.

Any State resources furnished to the Contractor shall be used only for the performance of this contract.

## **Project Work Schedules**

The Contractor shall ensure the schedules of the proposed project consulting staff have been designed to guarantee timely completion of deliverables and adequate coverage that is acceptable to the State. The Contractor shall be expected to maintain an up to date work plan of all project tasks, activities and resources including estimated start and completion dates, actual start and completion dates, estimated task hours, and completion percentage for all in-process tasks. It is envisioned that the project work plan will be revised from time to time as provided in this contract and that it will incorporate all tasks, activities and resources, other than work performed by State personnel as part of their on-going, non-project responsibilities needed to complete the project.



**ATTACHMENT II: CONTRACTOR PERSONNEL AND OTHER RESOURCES**

**1.0 CONTRACTOR PERSONNEL**

The following individuals are assigned to the project, on a full time basis (unless otherwise indicated), and in the capacities set forth below:

Name	Classification	Rate	Availability	Duration
Wanda Lamarche	Project Manager	\$148.00	Full Time	Term of engagement
Thomas Shaw	Senior Database Administrator	\$121.00	10 hours per week	Term of engagement
Stephen Triche	Senior Developer Security Engineer	\$129.00 \$121.00	Full Time	Term of engagement
Santosh Aryal	Senior Developer/ Security Engineer	\$129.00 \$121.00	Full Time	Term of engagement
Rahul Shrestha	Staff Developer	\$108.00	Full Time	Term of engagement
Tanner Rhodus	Staff Developer	\$108.00	Full Time	Term of engagement
Kumar Pittala	Staff Developer	\$108.00	Full Time	Term of engagement
Tamika Brooks	Business Analyst	\$129.00	Full Time	Term of engagement
Panna Shingala	Business Analyst	\$129.00	Full Time	Term of engagement
Thelma Van	UI/UX/Usability Designer	\$129.00	2 hours per week	Term of engagement
Luis Montenegro	Quality Assurance Analyst	\$129.00	Full Time	Term of engagement
Roderick Kemp	Quality Assurance Analyst	\$129.00	Full Time	Term of engagement

**2.0 PC WORKSTATIONS**

Contractor shall provide their own workstations, any workstation resident software and maintenance thereof.

**3.0 NETWORK CONNECTIVITY**

Any Contractor-provided workstations or devices to be connected to the State's network, shall comply with State network and security standards. Contractor shall provide the hardware components, operating system, and software licenses necessary to function as part of the State network. All hardware and software shall be reviewed before it is used on the Local Area Network, and may be made operable on the Local Area Network with written approval of the State.

## **ATTACHMENT III: INSURANCE REQUIREMENTS FOR CONTRACTORS**

### **1.0 MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 001). "Claims Made" form is unacceptable. The "occurrence form" shall not have a "sunset clause".
2. Insurance Services Office form number CA 0001 (Ed 1/78) covering Automobile Liability and endorsement CA 0025 or CA 0001 12 90. The policy shall provide coverage for owned, hired, and non-owned coverage. If an automobile is to be utilized in the execution of this contract, and the contractor does not own a vehicle, then proof of hired and non-owned coverage is sufficient.
3. Workers' Compensation insurance as required by the Labor Code of the State of Louisiana, including Employers Liability insurance.

### **2.0 MINIMUM LIMITS OF INSURANCE**

Contractor shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
2. Automobile Liability: \$1,000,000 combined single limit per accident, for bodily injury and property damage.
3. Workers Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of Louisiana and Employers Liability coverage. Exception: Employers liability limit is to be \$1,000,000 when work is to be over water and involves maritime exposure.

### **3.0 DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

### **4.0 OTHER INSURANCE PROVISIONS**

The policies shall contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages
  - a. The Agency, its officials, employees, Boards and Commissions and volunteers are to be added as "additional insureds" as respects liability arising out of activities performed by or on



behalf of the Contractor; products and completed operations of the Contractor, premises owned, occupied or used by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers. It is understood that the business auto policy under "Who is an Insured" automatically provides liability coverage in favor of the State of Louisiana.

b. Any failure to comply with reporting provision of the policy shall not affect coverage provided to the Agency, its officers, officials, employees Boards and Commissions or volunteers.

c. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

## 2. Workers' Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, officials, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

## 3. All Coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency.

## 5.0 ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a Best's rating of A-:VI or higher. This rating requirement may be waived for workers' compensation coverage only.

## 6.0 VERIFICATION OF COVERAGE

Contractor shall furnish the Agency with certificates of insurance affecting coverage required by this clause. 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 Agency before work commences. The Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

## 7.0 SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements state herein.

**ATTACHMENT IV: CONFIDENTIALITY AGREEMENT**

THIS AGREEMENT, effective \_\_\_\_\_ (mm/dd/yr),  
between the Louisiana Department of State, ("DOS"), herein represented by its Director for  
Information Technology, Brad Harris, and  
PCC Technology Inc. (Co.) and name of individual representing the Co.  
Dan Cox, ("Contractor"), collectively  
hereinafter  
known as the "Parties".

I.  
WHEREAS, the DOS is entering into a Consulting Services Contract for geauxBIZ  
Application Development; and

WHEREAS, there is certain proprietary information that will be disseminated to the  
Contractor during the contract term that the DOS wishes to keep confidential and protected from  
unauthorized use.

NOW THEREFORE, in consideration of the foregoing and the mutual promises  
contained herein, the Parties agree as follows:

II.  
DOS requires the Contractor to protect and keep confidential the document entitled  
"Technical Requirements for geauxBIZ Application Development" as provided, ("Confidential  
Information") a copy of which is attached hereto and made a part of this Agreement.

III.  
Contractor shall limit disclosure of Confidential Information within its own organization to  
its directors, officers, partners, members and/or employees having a need to know and shall not  
disclose Confidential Information to any third party (whether an individual, corporation, or other  
entity) without the prior written consent of DOS. Contractor shall have satisfied its obligations  
under this paragraph if it takes affirmative measures to ensure compliance with these  
confidentiality obligations by its employees, agents, consultants and others who are permitted  
access to or use of the Confidential Information.

IV.  
Contractor agrees to hold in confidence any and all Confidential Information disclosed,  
and further agrees not to disclose Confidential Information to any other person or third party or  
use Confidential Information, except for internal discussion and evaluation purposes permitted  
pursuant to this Agreement or with written permission from the DOS. However, Contractor may  
disclose Confidential Information to any of its own employees assisting Contractor in providing  
the requested services which are the object of the Contract.

V.

All Confidential Information shall be kept secure and no reproduction will be made of the Confidential Information or the notes taken from the Confidential Information that implicate the confidential nature of the information by the Contractor. All Confidential Information shall be returned within thirty (30) days after the DOS makes written request for its return or at the conclusion of evaluation or other purpose for which the information has been requested by Contractor and provided by the DOS pursuant to the terms of this Agreement; and provided, further, that all copies or notes that are not destroyed or returned to DOS remain confidential and subject to the terms of this Agreement.

#### VI.

Contractor agrees only to use Confidential Information identified in this Agreement for the purpose of providing the services requested in the geauxBIZ Application Development Contract. Contractor shall not use any information identified in this agreement for financial gain or for any use other than providing requested services for the aforementioned Contract. Furthermore and specifically, no license or conveyance of any intellectual property rights is granted or implied by this Agreement.

#### VII.

Contractor agrees and acknowledges that the Confidential Information is of a proprietary and confidential nature and that any failure to maintain the confidentiality of the Confidential Information in breach of this Agreement cannot be reasonably or adequately compensated for in money damages and would cause irreparable injury to DOS. Accordingly, the Contractor agrees that DOS is entitled to, in addition to all other rights and remedies available to DOS at law or equity, an injunction restraining the Contractor and any agents of the Contractor, from directly or indirectly committing or engaging in any act restricted by this Agreement in relation to the Confidential Information.

#### VIII.

The Parties to this Agreement understand and agree that the provisions herein shall, between them, have the effect of law, but in reference to matters not provided herein, this Agreement shall be governed by the laws of the State of Louisiana.

DEPARTMENT OF STATE

8585 Archives Ave, Baton Rouge, LA 70809  
225-362-5212

WITNESS:

By: [Signature]

Print: Brad Harris

By: Shanda R. Jones

Print: Shanda R. Jones

Title: UNDERSECRETARY  
MANAGEMENT AND FINANCE

Date: 4/30/19

PCC Technology Inc. (Co.)

Address: 100 Northfield Dr., Ste. 300A

Windsor, CT 06095

WITNESS:

By: [Signature]

Print: Audrey Kull

Telephone: 504-304-2500

By: [Signature]

Print: DAN COX

Title: CEO

Date: 4/30/2019

John Bel Edwards  
GOVERNOR



Dr. Courtney N. Phillips  
SECRETARY

# State of Louisiana

Louisiana Department of Health  
Office of Management and Finance

September 21, 2021

The Honorable Mack "Bodi" White  
Louisiana State House of Representatives  
Chairman, Joint Legislative Committee on the Budget  
P.O. Box 44294  
Baton Rouge, LA 70804

Re: LDH Request for September JLCB Agenda Item Pursuant to La. R.S. 39:1615(J)

Dear Senator White:

The Louisiana Department of Health (LDH) requests that the following contracts be placed on the agenda for the Joint Legislative Committee on the Budget (JLCB) September hearing for consideration by your committee pursuant to La. R.S. 39:1615(J). LDH wishes to extend these contracts pursuant to the extension options in the contracts; however, La. R.S. 39:1615(J) requires the approval of your committee before proceeding. The contracts are as follows:

Acumen Fiscal Agent, LLC. and Morning Sun Financial Services

Both the Acumen and Morning Sun Fiscal Employer Agent (F/EA) contracts provide for an initial three-year term, both of which expire on 9/30/22. These contracts support self-direction of services, which is an alternative service delivery method that allows Medicaid waiver participants or a designee to directly recruit, hire, and manage their direct care staff. The F/EA ensures compliance with payroll and tax requirements for those Medicaid waiver participants who have opted for self-direction of services.

Due to growth in the program over the past several years, LDH is exploring the possibility of transitioning this activity from an administrative service provided under contracts to a Medicaid service provided under our 1915(c) waivers. This change would reduce State general fund costs by allowing the State to utilize the higher Federal Medical Assistance Percentage rate for Medicaid services instead of the lower administrative match rate that is available under the current model. To allow additional time LDH staff to further research this option and submit the required waiver amendments to CMS, we are requesting approval from the JLCB to extend the current contracts an additional year through September 2023.

Thank you for considering our request to have this contract extension included on the September JLCB agenda. I am enclosing a copy of the contracts for your convenience. If you have any questions or need any additional information, please feel free to contact Kelly Zimmerman at 225-342-1353 or Kelly.Zimmerman@la.gov.

Sincerely,

DocuSigned by

*Ruth Johnson*

Ruth Johnson  
Undersecretary



TALKING POINTS  
FISCAL/EMPLOYER AGENT (F/EA) CONTRACTS  
CONTRACT EXTENSION

**CONTRACT SUMMARY:**

<b>Contract</b>	<b>Acumen Fiscal Agent, LLC</b>	<b>Morning Sun Financial Services</b>
<b>Start Date</b>	<b>10-1-2019</b>	<b>10-01-2019</b>
<b>End Date</b>	<b>09-30-2022</b>	<b>09-30-2022</b>
<b>Contract Total</b>	<b>\$6,148,385</b>	<b>\$ 984,851</b>
<b>Requested Extension (Amendment 1)</b>	<b>\$2,499,840</b>	<b>\$ 49,044</b>
<b>Total Contract Amount</b>	<b>\$8,648,225</b>	<b>\$1,033,895</b>

**BACKGROUND:**

- The Self-Direction Fiscal/Employer Agent (F/EA) contracts allow Medicaid participants enrolled in the self-direction option to have decision-making authority over their personal care services and take direct responsibility to manage their services with assistance from a fiscal/employer agent.
- The F/EA ensures payroll and tax obligations are met. This option provides an alternative service delivery method, as participants do not receive services from a traditional Medicaid provider.
- Self-Direction has been an option in Louisiana for nearly 20 years.
- LDH would like to explore moving this service from being an administrative service to a waiver service.
- LDH is requesting permission to extend the current contracts by 12 months, through September 30, 2023 to research this option and complete the required waiver amendments to add the service as a waiver service in the applicable waivers.
- The current contracts provide an option to extend up to twenty-four (24) months with the same services at the same rates.

**JUSTIFICATION:**

- As a result of the RFP process, Acumen has been the F/EA contractor in LA since 2007.
- A Request for Proposal (RFP) was released in 2016 and the contract was awarded to PALCO. After receiving a multitude of payroll and customer service complaints, an emergency contract was given to Acumen to resume FEA duties and reconcile payroll issues. LDH then developed the long-term goal of F/EA services being provided by Medicaid enrolled F/EA providers as other waiver services are provided, rather than a contracted service. This would allow choice of providers and avoid disruption of services due to changing vendors.
- The RFP that was issued in 2019 allowed the opportunity to award a contract to more than one vendor as the short-term solution.
- Contracts were awarded to two vendors, Acumen and Morning Sun, in October 2019.

**FISCAL IMPACT:**

- The Self-Direction program continues to grow each year and enrollment has increased over 200% from FY15 to FY21. If we are able to transition the F/EA service from an administrative activity to a waiver service, this would allow Medicaid to receive a higher federal match rate and would save state general fund dollars.
- The total payments in FY21 for F/EA services (excluding the cost of criminal background checks) is \$1,964,807. With the change from the administrative to the service federal match rate, the savings to the state for FY21 would have been \$461,337. For FY23, the anticipated savings to the state is approximately \$500k.

AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH

Amendment #: 1

LAGOV#: 2000440780

LDH #: 062488

MVA Medical Vendor Administration  
(Regional/ Program/ Facility) Bureau of Health Services Financing  
**AND**  
Acumen Fiscal Agent, L.L.C.  
Contractor Name

Original Contract Amount \$ 6,148,385.00  
Original Contract Begin Date 10-01-2019  
Original Contract End Date 09-30-2022  
RFP Number: 3000012241

**AMENDMENT PROVISIONS**

Change Contract From: From Maximum Amount: \_\_\_\_\_ Current Contract Term: 10-01-2019

Change maximum contract amount from \$6,148,385.00 (as approved)  
Change end date of contract from September 30, 2022 (as approved)

Change Contract To: To Maximum Amount: \_\_\_\_\_ Changed Contract Term: 9-30-2023

Change maximum contract amount to \$8,648,225.00 (as revised)  
Change end date to September 30, 2023 (as revised)

Justifications for amendment:

Pursuant to the extension options in the contract, LDH is requesting Amendment 1 to extend the contract term for one year. LDH is exploring the possibility of transitioning this activity from an administrative service provided under contracts to a Medicaid service provided under our 1915c waivers. The extension will allow for time to further research this option and submit the required waiver amendments to CMS without interruption in services to participants.

This Amendment Becomes Effective: 10-01-2022

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

**CONTRACTOR**  
Acumen Fiscal Agent, L.L.C.  
**STATE OF LOUISIANA**  
**LOUISIANA DEPARTMENT OF HEALTH**  
**Secretary, Louisiana Department of Health or Designee**

CONTRACTOR SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_  
PRINT NAME \_\_\_\_\_  
CONTRACTOR TITLE \_\_\_\_\_

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_  
OFFICE \_\_\_\_\_

PROGRAM SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_  
NAME \_\_\_\_\_

**AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

Amendment #: 1

LAGOV#: 2000

LDH #: 062466

MVA (Regional/ Program/ Facility)	Medical Vendor Administration	Original Contract Amount	\$ 984,851.00
	Bureau of Health Services Financing	Original Contract Begin Date	10-01-2019
	<b>AND</b>	Original Contract End Date	09-30-2022
	Morning Sun Financial Services	RFP Number:	3000012241
	Contractor Name		

**AMENDMENT PROVISIONS**

Change Contract From: From Maximum Amount: \_\_\_\_\_ Current Contract Term : 9-30-2022

Change maximum contract amount from \$984,851.00 (as approved)

Change end date of contract from September 30, 2022 (as approved)

Change Contract To: To Maximum Amount: \_\_\_\_\_ Changed Contract Term: 9-30-2023

Change maximum contract amount to \$1,033,895.00 (as revised)

Change end date to September 30, 2023 (as revised)

Justifications for amendment:

Pursuant to the extension options in the contract, LDH is requesting Amendment 1 to extend the contract term for one year. LDH is exploring the possibility of transitioning this activity from an administrative service provided under contracts to a Medicaid service provided under our 1915c waivers. The extension will allow for time to further research this option and submit the required waiver amendments to CMS without interruption in services to participants.

This Amendment Becomes Effective: 10-01-2022

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

<b>CONTRACTOR</b>  Morning Sun Financial Services	<b>STATE OF LOUISIANA</b> <b>LOUISIANA DEPARTMENT OF HEALTH</b>  Secretary, Louisiana Department of Health or Designee
---	---

CONTRACTOR SIGNATURE _____ DATE _____  PRINT NAME _____  CONTRACTOR TITLE _____	SIGNATURE _____ DATE _____  NAME _____  TITLE _____  OFFICE _____  PROGRAM SIGNATURE _____ DATE _____  NAME _____
---	---



**CONTRACT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

LAGOV: 2000440780

LDH: 062488

BHSF

Bureau of Health Services Financing

Agency # **305**

**AND**

Acumen Fiscal Agent, L.L.C.

**FOR**

Personal Service    Professional Service    Consulting Services    Social Services    Governmental (State/Agency)    Governmental (Local)

RFP NUMBER (if applicable): 3000012241

<b>1) Contractor (Registered Legal Name)</b> Acumen Fiscal Agent, L.L.C.	<b>5) Federal Employer Tax ID#</b> <b>State LDR Account #</b> 87057622400                                  2982098												
<b>2) Street Address</b> 5416 E. Baseline Rd., Suite 200	<b>6) Parish(es) Served</b> <b>Choose Parishes...</b> ST												
<table style="width:100%; border: none;"> <tr> <td style="border: none;"><b>City</b></td> <td style="border: none;"><b>State</b></td> <td style="border: none;"><b>Zip Code</b></td> </tr> <tr> <td style="border: none;">Mesa</td> <td style="border: none;">AZ</td> <td style="border: none;">85206</td> </tr> </table>	<b>City</b>	<b>State</b>	<b>Zip Code</b>	Mesa	AZ	85206	<b>7) License or Certification #</b> N/A						
<b>City</b>	<b>State</b>	<b>Zip Code</b>											
Mesa	AZ	85206											
<b>3) Telephone Number</b> (888) 221-7041	<b>8) Contractor Status</b>  <table style="width:100%; border: none;"> <tr> <td><b>Subrecipient:</b></td> <td><input type="checkbox"/> Yes</td> <td><input checked="" type="checkbox"/> No</td> </tr> <tr> <td><b>Corporation:</b></td> <td><input type="checkbox"/> Yes</td> <td><input checked="" type="checkbox"/> No</td> </tr> <tr> <td><b>For Profit:</b></td> <td><input checked="" type="checkbox"/> Yes</td> <td><input type="checkbox"/> No</td> </tr> <tr> <td><b>Publicly Traded:</b></td> <td><input type="checkbox"/> Yes</td> <td><input checked="" type="checkbox"/> No</td> </tr> </table>	<b>Subrecipient:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<b>Corporation:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<b>For Profit:</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<b>Publicly Traded:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>Subrecipient:</b>		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No										
<b>Corporation:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No											
<b>For Profit:</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No											
<b>Publicly Traded:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No											
<b>4) Mailing Address (if different)</b> same as above	<b>8a) CFDA#(Federal Grant #)</b>												
<table style="width:100%; border: none;"> <tr> <td style="border: none;"><b>City</b></td> <td style="border: none;"><b>State</b></td> <td style="border: none;"><b>Zip Code</b></td> </tr> </table>		<b>City</b>	<b>State</b>	<b>Zip Code</b>									
<b>City</b>	<b>State</b>	<b>Zip Code</b>											

**9) Brief Description Of Services To Be Provided:**

Contractor shall provide fiscal management services for self-direction participants which includes ensuring current and initial participants are provided with information they need to effectively participate in this option; processing employee payroll and required taxes in accordance with state, federal, and Medicaid regulations regarding vendor fiscal/employer agents; and ensuring questions from participants, support coordinators, and LDH Staff are responded to in a timely manner.

<b>10) Effective Date</b> 10-01-2019	<b>11) Termination Date</b> 09-30-2022
<b>12) Maximum Contract Amount</b> \$6,148,385.00	
<b>13) Estimated Amounts by Fiscal Year</b> FY20 \$1,330,545.00    FY21 \$1,987,654.00    FY22 \$2,233,277.00    FY23 \$596,909.00	

**14) Terms of Payment**

If progress and/or completion of services are provided to the satisfaction of the initiating Office/Facility, payments are to be made as follows:

The contractor will be paid a per member per month (PMPM) rate for the performance of tasks, anticipated costs of successful implementation of all deliverables. The contractor will be paid the rate of \$97.13 PMPM.

Contractor obligated to submit final invoices to Agency within fifteen (15) days after termination of contract.

<b>PAYMENT WILL BE MADE ONLY UPON APPROVAL OF:</b>	<b>First Name</b> Becky	<b>Last Name</b> Palmer	
	<b>Title</b> Program Manager	<b>Phone Number</b> (225) 342-4349	

**15) Special or Additional Provisions which are incorporated herein, if any (IF NECESSARY, ATTACH SEPARATE SHEET AND REFERENCE):**

Attachment A: HIPAA Addendum  
Attachment B: Statement of Work

Exhibit 1: Board Resolution  
Exhibit 2: Disclosure of Ownership  
Exhibit 3: Out of State Justification  
Exhibit 4: Resume  
Exhibit 5: Multi Year Letter  
Exhibit 6: Certificate of Authority



Attachment:HIPAA Addendum  
Attachment:Standard Provisions  
Attachment:Special Provisions  
Attachment:Statement of Work  
Attachment:Fee Schedule  
Attachment:Budget  
Attachment:  
Exhibit:Board Resolution  
Exhibit:Disclosure of Ownership  
Exhibit:Multi Year Letter  
Exhibit:Late Letter  
Exhibit:Out of State Justification  
Exhibit:Certificate of Authority  
Exhibit:Resume  
Exhibit:License  
Exhibit:

**During the performance of this contract, the Contractor hereby agrees to the following terms and conditions:**

1. **Discrimination Clause:** Contractor hereby agrees to abide by the requirements of the following as applicable: Titles VI and VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972; the Vietnam Era Veterans' Readjustment Assistance Act of 1974; Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973; Federal Executive Order 11246 as amended; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and all applicable requirements imposed by or pursuant to the regulations of the U. S. Department of Health and Human Services.

Contractor agrees not to discriminate in the rendering of services to and/or employment of individuals because of race, color, religion, sex, sexual orientation, age, national origin, disability, political affiliation, veteran status, or any other non-merit factor. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this contract.

2. **Confidentiality:** Contractor shall abide by the laws and regulations concerning confidentiality which safeguard information and the patient/client confidentiality. Information obtained shall not be used in any manner except as necessary for the proper discharge of Contractor's obligations. (The Contractor shall establish, subject to review and approval of the Department, confidentiality rules and facility access procedures.)
3. **Auditors:** The State Legislative Auditor, Office of the Governor, Division of Administration, and Department Auditors or those designated by the Department shall have the option of auditing all accounts pertaining to this contract during the contract and for a five year period following final payment. Contractor grants to the State of Louisiana, through the Office of the Legislative Auditor, Louisiana Department of Health, and Inspector General's Office, Federal Government and/or other such officially designated body the right to inspect and review all books and records pertaining to services rendered under this contract, and further agrees to guidelines for fiscal administration as may be promulgated by the Department. Records will be made available during normal working hours.

Contractor shall comply with federal and state laws and/or LDH Policy requiring an audit of the Contractor's operation as a whole or of specific program activities. Audit reports shall be sent within thirty (30) days after the completion of the audit, but no later than six (6) months after the end of the audit period. If an audit is performed within the contract period, for any period, four (4) copies of the audit report shall be sent to the Louisiana Department of Health, Attention: **Division of Fiscal Management, P.O. Box 91117, Baton Rouge, LA 70821-3797** and one (1) copy of the audit shall be sent to the **originating LDH Office**.

4. **Record Retention:** Contractor agrees to retain all books, records and other documents relevant to the contract and funds expended thereunder for at least four (4) years after final payment or as prescribed in 45 CFR 74:53 (b) whichever is longer. Contractor shall make available to the Department such records within thirty (30) days of the Department's written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana, all without expense to the Department. Contractor shall allow the Department to inspect, audit or copy records at the contractor's site, without expense to the Department.
5. **Record Ownership:** All records, reports, documents and other material delivered or transmitted to Contractor by the Department shall remain the property of the Department, and shall be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract. All records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the Department, and shall, upon request, be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract.
6. **Nonassignability:** Contractor shall not assign any interest in this contract and shall not transfer any interest in the same (whether by assignment or novation), without written consent of the Department thereto, provided, however, that claims for money due or to become due to Contractor from the Department under this contract may be assigned to a bank, trust company or other financial institution without advanced approval. Notice of any such assignment or transfer shall be promptly furnished to the Department and the Division of Administration, Office of State Procurement.
7. **Taxes:** Contractor hereby agrees that the responsibility for payment of taxes from the funds received under this contract shall be Contractor's. The Contractor assumes responsibility for its personnel providing services hereunder and shall make all deductions for withholding taxes, and contributions for unemployment compensation funds.
8. **Insurance:** Contractor shall obtain and maintain during the contract term all necessary insurance including automobile insurance, workers' compensation insurance, and general liability insurance. The required insurances shall protect the Contractor, the Louisiana Department of Health, and the State of Louisiana from all claims related to Contractor's performance of this contract. Certificates of Insurance shall be filed with the Department for approval. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days advance written notice to the Department. Commercial General Liability Insurance shall provide protection during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as claims for property damages, with combined single limits prescribed by the Department.
9. **Travel:** In cases where travel and related expenses are required to be identified separate from the fee for services, such costs shall be in accordance with State Travel Regulations. The contract contains a maximum compensation which shall be inclusive of all charges including fees and travel expenses.
10. **Political Activities:** No funds provided herein shall be used 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 Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition or any election ballot or a proposition or matter having the effect of law being considered by the Legislature or any local governing authority. Contracts with individuals shall be exempt from this provision.
11. **State Employment:** Should Contractor become an employee of the classified or unclassified service of the State of Louisiana during the effective period of the contract, Contractor must notify his/her appointing authority of any existing contract with State of Louisiana and notify the contracting office of any additional state employment. This is applicable only to contracts with individuals.
12. **Ownership of Proprietary Data:** All non-third party software and source code, records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract. All non-third party software and source code, records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract.



13. **Subcontracting:** Contractor shall not enter into any subcontract for work or services contemplated under this contract without obtaining prior written approval of the Department. Any subcontracts approved by the Department shall be subject to conditions and provisions as the Department may deem necessary; provided, however, that notwithstanding the foregoing, unless otherwise provided in this contract, such prior written approval shall not be required for the purchase by the contractor of and services which are incidental but necessary for the performance of the work required under this contract.

No subcontract shall relieve the Contractor of the responsibility for the performance of contractual obligations described herein.

14. **Conflict of Interest:** Contractor warrants that no person and no entity providing services pursuant to this contract on behalf of Contractor or any subcontractor is prohibited from providing such services by the provisions of R.S. 42:1113.
15. **Unauthorized Services:** No claim for services furnished or requested for reimbursement by Contractor, not provided for in this contract, shall be allowed by the Department. In the event the Department determines that certain costs which have been reimbursed to Contractor pursuant to this or previous contracts are not allowable, the Department shall have the right to set off and withhold said amounts from any amount due the Contractor under this contract for costs that are allowable.
16. **Fiscal Funding:** This contract is subject to and conditioned upon the availability and appropriation of Federal and/or State funds; and no liability or obligation for payment will develop between the parties until the contract has been approved by required authorities of the Department; and, if contract exceeds \$2,000, the Division of Administration, Office of State Procurement.

The continuation of this contract is contingent upon the appropriation of funds from the legislature to fulfill the requirements of the contract. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act 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 are not appropriated.

17. **State and Federal Funding Requirements:** Contractor shall comply with all applicable requirements of state or federal laws or regulations relating to Contractor's receipt of state or federal funds under this contract.

If Contractor is a "subrecipient" of federal funds under this contract, as defined in 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), Contractor shall comply with all applicable requirements of 2 CFR Part 200, including but not limited to the following:

- Contractor must disclose any potential conflict of interest to the Department and the federal awarding agency as required by 2 CFR §200.112.
- Contractor must disclose to the Department and the federal awarding agency, timely and in writing, all violations of federal criminal laws that may affect the federal award, as required by 2 CFR §200.113.
- Contractor must safeguard protected personally identifiable information and other sensitive information, as required by 2 CFR §200.303.
- Contractor must have and follow written procurement standards and procedures in compliance with federally approved methods of procurement, as required by 2 CFR §§200.317 - 200.326.
- Contractor must comply with the audit requirements set forth in 2 CFR §§200.501 - 200.521, as applicable, including but not limited to:
  - o Electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 CFR §200.512(d)).
  - o Ensuring that reports do not include protected personally identifiable information (2 CFR §200.512(a)(2)).

Notwithstanding the provisions of paragraph 3 (Auditors) of these Terms and Conditions, copies of audit reports for audits conducted pursuant to 2 CFR Part 200 shall not be required to be sent to the Department.

18. **Amendments:** Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when reduced to writing, as an amendment duly signed, and approved by required authorities of the Department; and, if the contract exceeds \$2,000, by the Division of Administration, Office of State Procurement. Budget revisions approved by both parties in cost reimbursement contracts do not require an amendment if the revision only involves the realignment of monies between originally approved cost categories.
19. **Non-Infringement:** Contractor will warrant all materials, products and/or services produced hereunder will not infringe upon or violate any patent, copyright, trade secret, or other proprietary right of any third party. In the event of any such claim by any third party against LDH, the Department shall promptly notify Contractor in writing and Contractor shall defend such claim in LDH's name, but at Contractor's expense and shall indemnify and hold harmless LDH against any loss, expense or liability arising out of such claim, whether or not such claim is successful. This provision is not applicable to contracts with physicians, psychiatrists, psychologists or other allied health providers solely for medical services.
20. **Purchased Equipment:** Any equipment purchased under this contract remains the property of the Contractor for the period this contract and future continuing contracts for the provision of the same services. Contractor must submit vendor invoice with reimbursement request. For the purpose of this contract, equipment is defined as any tangible, durable property having a useful life of at least (1) year and acquisition cost of \$1000.00 or more. The contractor has the responsibility to submit to the Contract Monitor an inventory list of LDH equipment items when acquired under the contract and any additions to the listing as they occur. Contractor will submit an updated, complete inventory list on a quarterly basis to the Contract Monitor. Contractor agrees that upon termination of contracted services, the equipment purchased under this contract reverts to the Department. Contractor agrees to deliver any such equipment to the Department within 30 days of termination of services.
21. **Indemnity:** Contractor agrees to protect, indemnify and hold harmless the State of Louisiana, LDH, from all claims for damages, costs, expenses and attorney fees arising in contract or tort from this contract or from any acts or omissions of Contractor's agents, employees, officers or clients, including premises liability and including any claim based on any theory of strict liability. This provision does not apply to actions or omissions for which R.S. 40:1237.1 et seq. provides malpractice coverage to the Contractor, nor claims related to treatment and performance of evaluations of persons when such persons cause harm to third parties (R.S. 13:5108.1(E)). Further, it does not apply to premises liability when the services are being performed on premises owned and operated by LDH.

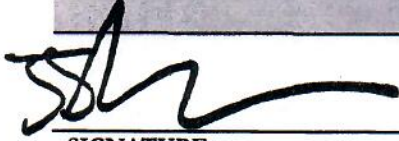
22. **Severability:** Any provision of this contract is severable if that provision is in violation of the laws of the State of Louisiana or the United States, or becomes inoperative due to changes in State and Federal law, or applicable State or Federal regulations.
23. **Entire Agreement:** Contractor agrees that the current contract supersedes all previous contracts, negotiations, and all other communications between the parties with respect to the subject matter of the current contract.
24. **E-Verify:** Contractor acknowledges and agrees to comply with the provision of R.S. 38:2212.10 and federal law pertaining to E-Verify in the performance of services under this contract.
25. **Remedies for Default:** Any claim or controversy arising out of this contract shall be resolved by the provisions of R.S. 39:1672.2-1672.4.
26. **Governing Law:** This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, and specifications listed in the RFP (if applicable); and this Contract.
27. **Contractor's Cooperation:** The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the state when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.
28. **Continuing Obligation:** Contractor has a continuing obligation to disclose any suspension or debarment by any government entity, including but not limited to the General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future contracts.
29. **Eligibility Status:** Contractor and each tier of Subcontractors, shall certify that it is not excluded, disqualified, disbarred, or suspended from contracting with or receiving federal funds or grants from the Federal Government. Contractor and each tier of Subcontractors shall certify that it is not on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24CFR Part 24, and "NonProcurement Debarment and Suspension" set forth at 2CFR Part 2424.
30. **Act 211 Taxes Clause:** In accordance with R.S. 39:1624(A)(10), the Louisiana Department of Revenue 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 LDH 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. LDH 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) business days of such notification.
31. **Termination for Cause:** The Department 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 that the Department shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) 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) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the Department may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the Department to comply with the terms and conditions of this contract; provided that the Contractor shall give the Department written notice specifying the Department's failure and a reasonable opportunity for the state to cure the defect.
32. **Termination for Convenience:** The Department may terminate this Contract at any time by giving thirty (30) days written notice to the Contractor. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.
33. **Prohibition of Discriminatory Boycotts of Israel:** In accordance with La. R.S. 39:1602.1, 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.
34. **Countersignature:** This contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.
35. **No Employment Relationship:** Nothing in this Agreement shall be construed to create an employment or agency relationship, partnership or joint venture between the employees, agents, or subcontractors of the Contractor and the State of Louisiana.
36. **Venue:** Venue for any action brought with regard to this Agreement shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.
37. **Commissioner's Statements:** Statements, acts and omissions made by or on behalf of the Commissioner of Administration regarding the RFP or RFP process, this Contract, any Contractor and/or any subcontractor of the Contractor shall not be deemed a conflict of interest when the Commissioner is discharging his duties and responsibilities under law, including, but not limited, to the Commissioner of Administration's authority in procurement matters.
38. **Order of Precedence Clause:** In the event of any inconsistent or incompatible provisions in an agreement which resulted from an RFP, this signed Agreement (excluding the RFP and Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's proposal. *This Order of Precedence Clause applies only to contracts that resulted from an RFP.*

**SIGNATURES TO FOLLOW ON THE NEXT PAGE**



THIS CONTRACT CONTAINS OR HAS ATTACHED HERETO ALL THE TERMS AND CONDITIONS AGREED UPON BY THE CONTRACTING PARTIES. IN WITNESS THEREOF, THIS CONTRACT IS SIGNED ON THE DATE INDICATED BELOW.

Acumen Fiscal Agent, L.L.C.



10/29/19

SIGNATURE

DATE

Joshua Auer

NAME

CEO

TITLE

[Blank signature box]

SIGNATURE

DATE

NAME

TITLE

STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH

*Credley Rivers* 10/18/19

SIGNATURE

DATE

NAME

Secretary, Louisiana Department of Health or Designee

TITLE

Bureau of Health Services Financing

SIGNATURE

DATE

NAME

TITLE

# STATEMENT OF WORK

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## GLOSSARY

**508 Compliant:** This refers to section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794d), which requires that when Federal agencies develop, procure, maintain, or use electronic and information technology, Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities, unless an undue burden would be imposed on the agency. Section 508 also requires that individuals with disabilities, who are members of the public seeking information or services from a Federal agency, have access to and use of information and data that is comparable to that provided to the public who are not individuals with disabilities, unless an undue burden would be imposed on the agency.

**42 U.S.C. 1396n (Sec. §1915(c)):** The provision of the Social Security Act that authorizes the Secretary of HHS to grant waivers of certain Medicaid statutory requirements so that a state may furnish home and community services to Medicaid beneficiaries who need a level of institutional care that is provided in a hospital, nursing facility or Intermediate Care Facility for the Developmentally Disabled (ICF/DD).

**Adult Day Health Care Waiver (ADHC):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer supplemental services and supports as an alternative to nursing facility care to elders age 65 years or those 22 through 64 years of age with a physical disability to assist them to remain in or return to the community.

**BHSF:** Bureau of Health Services Financing.

**Bureau of Health Services Financing:** The agency within the Louisiana Department of Health responsible for day-to-day administrative operations of the Louisiana Medicaid Program.

**Can/May:** Denotes a preference, but not a mandatory requirement.

**Children's Choice Waiver (CC Waiver):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer supplemental support to children through age 21 with developmental disabilities who currently live at home with their families or with a foster family.

**Centers for Medicare and Medicaid Services:** The agency in the U.S. Department of Health and Human Services (DHHS) responsible for federal administration of the Medicare and Medicaid programs.

**CMS:** Centers for Medicare and Medicaid Services.

**Common Law Employer:** A common law employer-employee relationship generally exists when the person for whom services are performed has the authority to control and direct the individual who performs the services, not only as to the result to be accomplished, but also as to the detail and means by which that result is accomplished.

**Community Choices Waiver (CCW):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer supplemental services and supports to elders and adults with disabilities to assist them to remain in or return to the community.

**Complaint:** A verbal or written expression of dissatisfaction which requires resolution.

**Contractor:** Any person having a contract with a governmental body; the selected Proposer of this RFP.

**Contract Monitor:** A person designated by the Department to be responsible for negotiating, administering, and enforcing the terms and conditions of the contract. The contract monitor is the Department's primary point of contact through which all contracting information flows between the Department and the Fiscal/Employer Agent (F/EA).

**Database Administrator:** An information technology professional who is responsible for the development and design of database strategies; system monitoring and improving database performance and capacity; planning for future expansion requirements; and planning, coordinating and implementing security measures to safeguard the database.

**Department:** Louisiana Department of Health; LDH.

**Direct Service Worker (DSW)/Domestic Service Worker:** A person who is paid to provide personal care and other direct service and support to persons with disabilities, or to the elderly to enhance their well-being.

**Division of Administration:** The Division of Administration is the executive office of the State which oversees the

general management of all state finances and financial operations.

**DOA:** Louisiana Division of Administration.

**Employer(s):** A participant and/or responsible representative that selects the self-direction option for receiving personal care services and supports, and exercises full decision-making authority over their direct service workers.

**Federal Employer Identification Number:** A 9-digit code used by businesses in order to classify and identify them as a tax payer, for banking services and other official and legal purposes.

**Federal Insurance Contributions Act tax:** The Federal law that authorizes taxes on the wages of employed persons to provide for contributions to the Federal Old Age, Survivors and Disability Insurance (OASDI – Social Security) and Medicare Health Insurance (Part A) programs. Covered workers and their employers pay FICA taxes in equal amounts.

**FEIN:** Federal Employer Identification Number.

**FICA:** Federal Insurance Contributions Act tax.

**Financial Management Services (FMS):** A support that is provided to waiver participants who direct some or all of their waiver services. This support may be furnished as a waiver service or conducted as an administrative activity. When used in conjunction with the Employer Authority, this support includes, but is not necessarily limited to, operating a payroll service for participant employed workers and making required payroll withholdings. When used in conjunction with the Budget Authority, this support includes, but is not necessarily limited to, paying invoices for waiver goods and services and tracking expenditures against the participant-directed budget.

**Fiscal/Employer Agent (F/EA):** The contractor with whom BHSF will contract to provide financial management services to participants enrolled in an approved Medicaid self-direction option/program. The F/EA will operate as a Vendor Fiscal/Employer Agent in accordance with Section 3504 of the Internal Revenue Code, IRS Revenue Procedure 2013-39, and IRS Notice 2003-70.

**FUTA:** Federal Unemployment Tax Act.

**Health Insurance Portability and Accountability Act (HIPAA) Rules:** Refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 C.F.R. Parts 160 and 164, which were originally promulgated by the U. S. Department of Health and Human Services (DHHS) pursuant to the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and were subsequently amended pursuant to the Health Information Technology for Economic and Clinical Health (HITECH) Act of the American Recovery and Reinvestment Act of 2009.

**HIPAA:** Health Insurance Portability and Accountability Act.

**Home and Community-Based Services (HCBS) Waiver:** An optional Medicaid program established under 42 U.S.C. 1396n (Section 1915(c) of the Social Security Act) designed to provide services in the community as an alternative to institutional services to persons who meet the requirement of an institutional level of care. It provides a collection of services through an approved CMS waiver that are provided in a community setting through enrolled providers of specific Medicaid services. The number of individuals receiving these services is limited to the number of approved and available waiver opportunities.

**Intermediate Care Facility for Individuals with Developmental Disabilities (ICF/DD):** A public or private facility that provides health and habilitation services to individuals with developmental disabilities. ICF/DDs have four (4) or more beds and provide “active treatment” to their residents.

**IRS:** Internal Revenue Service.

**LGE:** Local Governing Entity.

**Long Term-Personal Care Services (LTPCS):** A service offered under the Louisiana Medicaid State Plan to provide assistance with the activities of daily living and instrumental activities of daily living to qualified Medicaid participants age 21 and over.

**Louisiana Department of Health (LDH):** The state agency responsible for administering the state’s Medicaid programs and other health and related services including public health, mental health, developmental disabilities, and addictive disorder services in Louisiana.



**Louisiana Service Reporting System (LASRS):** The LASRS system is a web based application for collecting check-in and check-out times electronically for HCBS.

**Medicaid Fiscal Intermediary:** The private contractor with whom LDH contracts to operate the Medicaid Management Information System. It processes claims for Medicaid services provided under the Medicaid Assistance Program, issues appropriate payment, and provides assistance to providers on claims.

**Medicaid Management Information System (MMIS):** A claims processing and information retrieval system designed to improve the management and control of service expenditures and reduce program costs through effective claims processing and utilization control.

**Medicaid Program Support and Waivers (MPSW):** The organizational section within BHSF responsible for the self-direction contract.

**Medicaid State Plan:** The formal agreement between Louisiana and CMS regarding the policies and payment methodologies governing the administration of Louisiana's Medicaid program.

**Must:** Denotes a mandatory requirement.

**New Opportunities Waiver (NOW):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer individuals age 3 and older who otherwise would require the level of care of an Intermediate Care Facility for individuals with Developmental Disabilities (ICF/DD) services that allow them to remain in their communities.

**Nursing Facility (NF):** A facility which meets the requirements of sections 1819 or 1919(a), (b), (c), and (d) of the Social Security Act. A nursing facility provides long term care and placement for those individuals who meet the eligibility requirements.

**Office of Aging and Adult Services (OAAS):** The office in LDH that is responsible for the management and oversight of certain Medicaid home and community-based state plan and waiver services for individuals age 65 and older and individuals ages 21 – 64 with a physical disability. The office also provides protective services for vulnerable adults ages 18-59. OAAS serves as one of the State of Louisiana's voter registration agencies.

**Office of Behavioral Health (OBH):** The office in LDH that is responsible for behavioral health services provided to Louisiana Medicaid enrollees.

**Office for Citizens with Developmental Disabilities (OCDD):** The office in LDH that is responsible for the day-to-day operation and administration of the Medicaid waivers that offer services to individuals with developmental disabilities.

**Office of Public Health (OPH):** The office in LDH that is responsible for personal and environmental health services.

**Operating Agencies:** Refers to the two (2) LDH agencies, Office of Aging and Adult Services (OAAS) and Office for Citizens with Developmental Disabilities (OCDD), that operate the CMS-approved home and community-based service programs that are under the administrative authority of Louisiana's Medicaid program.

**Original:** Denotes must be signed in ink or electronically as indicated in La. R.S. 9.2607.

**PACE:** Program of All-Inclusive Care for the Elderly.

**Participant:** An individual who has met Medicaid waiver or Medicaid State Plan personal services entrance requirements, chooses to receive Medicaid waiver or Medicaid State Plan personal care services, and subsequently receives Medicaid waiver or Medicaid State Plan personal care services authorized in a service plan.

**Participant Direction:** Provision of the opportunity for a waiver participant to exercise choice and control in identifying, accessing, managing waiver services, and other supports in accordance with their needs and personal preferences.

**PCA:** Personal Care Attendant.

**Plan of Care (POC):** A written plan developed by the participant, his/her authorized representative and support coordinator that is based on assessment results and specifies services to be accessed and coordinated by the support coordinator on the participant's behalf. It includes long-range goals, assignment of responsibility, and time frames for completion or review by the support coordinator.

**Prior Authorization Period:** The period of time in which authorization for service delivery based on the participant's approved Plan of Care has been released. Prior authorization must be obtained before any waiver services can be provided.

**Procurement:** The buying, purchasing, renting, leasing, or otherwise obtaining any supplies, services, or major repairs. It also includes all functions that pertain to the obtaining of any public procurement, including description of requirements, selection and solicitation of sources, preparation, evaluation, and award of contract, and all phases of contract administration.

**Program of All-Inclusive Care for the Elderly (PACE):** This program coordinates and provides all needed preventive, primary, acute, and long-term care services so that older individuals can continue living in the community. The emphasis is on enabling senior citizens to remain in their communities while enhancing their quality of life.

**Programmer:** A specialist who writes computer software or code for many kinds of software.

**Proposer:** An entity or individual who responds to this RFP.

**Prospective DSW:** A Direct Service Worker who has submitted an application and is proceeding through the application process to become a DSW for a participant in the Medicaid waiver.

**Reporting Agency:** Is defined by the IRS (Notice 2003-70) as an accounting service, franchiser, bank, service bureau, or other entity authorized to perform one or more acts on behalf of an employer, including signing and filing Forms 940 and 941 and making federal tax deposits for the taxes reported in those forms. For the purpose of this Request for Proposal, the F/EA will not be allowed to use the services of a Reporting Agency. All contracted tasks must be performed by the F/EA in-house.

**Request for Proposals (RFP):** The process used by the state in public procurement of contracted services, supplies, or repairs including description of requirements, selection and solicitation of sources, preparation and award of contract.

**Residential Options Waiver (ROW):** A Louisiana Medicaid 1915c waiver approved by CMS to offer individuals of all ages services designed to support them to move from ICF/DDs and nursing facilities to community-based settings and to serve as an alternative to institutionalization.

**Responsible Representative:** An adult who has been designated by the participant to act on his/her behalf with respect to his/her services. The written designation of a responsible representative does not give legal authority for that individual to independently handle the participant's business without the participant's involvement. In the case of an interdicted individual, the responsible party must be the curator appointed by the court of competent jurisdiction.

**Self-Direction:** Provision of the opportunity for a waiver participant to exercise choice and control in identifying, accessing, and managing waiver services and other supports in accordance with their needs and personal preferences; Participant Direction.

**Shall/Will:** Denotes a mandatory requirement.

**Should:** The term "should" denotes a desirable action.

**SOC:** Service Organization Controls Report.

**SSAE:** Statements on Standards for Attestation Engagements.

**State:** Used to refer to the State of Louisiana.

**Successful Proposer:** The successful Proposer is the entity to whom the contract is awarded for purposes of this RFP and is used interchangeably throughout this RFP with the terms Contractor and Fiscal Employer Agent.

**Support Coordinator (SC):** A person who is employed by a public or private entity compensated by the State of Louisiana through the Medicaid State Plan or waiver services to create and coordinate a comprehensive Plan of Care, which identifies all services and supports deemed necessary for the participant to remain in the community as an alternative to institutionalization.

**Supports Waiver (SW):** A Louisiana Medicaid 1915(c) waiver designed to enhance the home and community based supports and services available to recipients with developmental disabilities who require the level of care of an Intermediate Care Facility for the Developmentally Disabled (ICF/DD).

**SUTA:** State Unemployment Tax Act.

**Target Population:** Individuals enrolled in an approved Medicaid self-direction program.

**US Citizenship and Immigration Service:** The Federal agency responsible for immigration service functions, which was formed to enhance the security and improve the efficiency of national immigration services by exclusively focusing on the administration of benefit applications.

**USCIS:** US Citizenship and Immigration Service.

**Vendor:** Supplier of goods and/or services to the self-direction employer.

## 1. GOAL

### 1.1. Organizational Overview

- 1.1.1.** The mission of the Louisiana Department of Health (LDH) is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana. LDH is dedicated to fulfilling its mission through direct provision of quality services, the development and stimulation of the services of others, and the utilization of available resources in the most effective manner.
- 1.1.2.** LDH is comprised of the Office of the Secretary and the Office of Management & Finance under the supervision of the Secretary. The Bureau of Health Services Financing (BHSF) is under the Office of Management & Finance (OMF) and the following program offices are under the Office of the Secretary: the Office for Citizens with Developmental Disabilities (OCDD), the Office of Behavioral Health (OBH), the Office of Aging and Adult Services (OAAS), and the Office of Public Health (OPH).
- 1.1.3.** Within this structure, OCDD and OAAS currently serve as the operating agencies/program offices for Medicaid-funded home and community-based services (HCBS) programs. OCDD and OAAS have state offices located in Baton Rouge. OAAS oversees regional waiver operations performed by OAAS regional offices. OCDD oversees waiver operations performed by Local Governing Entities (LGEs). The state operating agencies share responsibility with the regional offices and LGEs to meet the federally-mandated assurances and sub-assurances.
- 1.1.3.1. OCDD currently operates the following waivers for individuals with developmental disabilities:
- 1.1.3.1.1. Children’s Choice (CC) Waiver;
  - 1.1.3.1.2. New Opportunities Waiver (NOW);
  - 1.1.3.1.3. Residential Options Waiver (ROW); and
  - 1.1.3.1.4. Supports Waiver (SW).
- 1.1.3.2. OAAS currently operates the following HCBS programs for the elderly and/or individuals with adult-onset disabilities:
- 1.1.3.2.1. Community Choices Waiver (CCW);
  - 1.1.3.2.2. Adult Day Health Care (ADHC) Waiver;
  - 1.1.3.2.3. Long Term-Personal Care Services (LTPCS); and
  - 1.1.3.2.4. Program of All-Inclusive Care for the Elderly (PACE).
- 1.1.4.** In Louisiana, Medicaid is administered by BHSF. Medicaid is the public assistance program that finances primary and preventative health care coverage to low-income families, and long-term

care to low-income seniors and persons with disabilities. Medicaid is funded by both the federal and State government and covers a wide range of services including physician, hospital, nursing home, and home and community-based services.

- 1.1.5.** BHSF operates a Medicaid Management Information System (MMIS) for the purpose of paying claims for covered medical services and for the management of Medicaid vendor payments. MMIS is a claims processing and information retrieval system designed to improve the management and control of service expenditures, and reduce program costs through effective claims processing and utilization control.
- 1.1.6.** To ensure compliance with federal regulations governing waivers and state-plan home and community-based services (HCBS), BHSF created the Medicaid Program Support and Waivers (MPSW) Section to oversee the administration of all Medicaid waiver programs and HCBS within Louisiana. MPSW staff monitor contracts that assist Medicaid with complying with CMS guidelines and with maintaining its administrator authority over HCBS.
- 1.1.7.** The Centers for Medicare and Medicaid Services (CMS) approved the self-direction option for personal care services which is currently being utilized by individuals enrolled in:
  - 1.1.7.1.** The New Opportunities Waiver (NOW), which serves individuals age 3 and older who otherwise would require the level of care of an Intermediate Care Facility for the Developmentally Disabled (ICF/DD) services program;
  - 1.1.7.2.** The Community Choices Waiver (CCW), which provides services and supports to elders or adults with disabilities;
  - 1.1.7.3.** The Children’s Choice Waiver (CC Waiver), which provides supplemental support to children through age 18 who currently live at home with their families or with a foster family; and
  - 1.1.7.4.** The Residential Options Waiver (ROW), which has no age restriction and provides opportunities for individuals with developmental disabilities to transition from intermediate care facilities/developmental disabilities or nursing home facilities.
- 1.1.8.** The current Fiscal/Employer Agent Contractor provides financial management services for approximately twelve hundred (1,200) participants in NOW, CC Waiver, CCW, and ROW with an average of fifteen to twenty (15-20) new participants enrolling each month.

## **1.2. Purpose**

- 1.2.1.** The purpose of this this contract is to provide financial management services to Medicaid participants enrolled in an approved self-directed program, such as managing payroll, providing bill pay functions, and distributing funds contained in individual participant budgets.

## **3. OUTCOMES AND DELIVERABLES**

### **3.1. Contract Overview**

- 3.1.1.** The Contractor shall assist the Department in complying with the Centers for Medicare and Medicaid (CMS) guidelines for financial management in self-direction, including but not limited to:
- 3.1.1.1. Verifying qualifications (criminal background check, etc.) of Direct Service Workers (DSWs);
  - 3.1.1.2. Processing payroll, withholding and filing and paying applicable federal income tax withholding, FICA and FUTA, SUTA and State income taxes;
  - 3.1.1.3. Disbursing payment to all DSWs identified in the participant's approved plan of care and budget;
  - 3.1.1.4. Billing for expenditures disbursed, based on the approved plan of care and budget, and making refunds to Louisiana Medicaid as appropriate;
  - 3.1.1.5. Maintaining all records related to the DSWs' payroll, taxes and benefits;
  - 3.1.1.6. Producing and sending periodic reports to BHSF as set forth herein; and
  - 3.1.1.7. Providing support to participants in the self-direction process.
- 3.1.2.** Participants/Responsible Representatives serve as employers under the CMS Employer Authority guidance. Participants/Responsible Representatives' decision making authority includes:
- 3.1.2.1. Recruit staff;
  - 3.1.2.2. Hire staff;
  - 3.1.2.3. Verify staff qualifications;
  - 3.1.2.4. Receive criminal history and/or background investigation results;
  - 3.1.2.5. Specify additional staff qualifications based on participant needs and preferences so long as such qualifications are consistent with the qualifications specified in the waiver application;
  - 3.1.2.6. Determine staff duties consistent with the service specifications in the waiver application;
  - 3.1.2.7. Determine individual staff wages and benefits;
  - 3.1.2.8. Schedule staff;
  - 3.1.2.9. Orient and instruct staff in duties;
  - 3.1.2.10. Supervise staff;
  - 3.1.2.11. Evaluate staff performance;
  - 3.1.2.12. Verify time worked by staff and approve time sheets; and

3.1.2.13. Discharge staff (common law employer).

**3.1.3.** The contract may be modified in the future to include other components, if state or federally required. Such modifications would be implemented through an allowable contract amendment which requires approval by the Office of State Procurement, and cost shall be negotiated within the State's current budgetary status. Inclusions may include:

3.1.3.1. Processing of payment for independent Contractors who provide services to participants;

3.1.3.2. Managing of invoices for goods and services rendered and included in the participants' service plans and budgets; or

3.1.3.3. Making available a package of insurance options including disability, health, and/or life insurance for DSWs employed by participants.

3.1.3.4. Additional waivers and/or target populations may be added upon request and approval from CMS.

**3.2. Contractor Responsibilities:**

**3.2.1.** The Contractor shall:

3.2.1.1. Have a customer service operation system in place physically located in the United States;

3.2.1.2. Have policies, procedures, and internal controls in place to stay up-to-date with Federal and State tax, labor, immigration, workers' compensation, and program regulations to perform effectively as a Fiscal/Employer Agent (F/EA) and limit any risk of liability as a result of non-compliance;

3.2.1.3. Provide financial management services statewide to Medicaid enrollees residing in all sixty-four (64) Louisiana parishes;

3.2.1.4. Establish and maintain registration with the Louisiana Secretary of State;

3.2.1.5. Inform participants of changes that relate to self-direction;

3.2.1.6. Show proof of a separate FEIN for the sole purpose of filing certain federal employment tax forms and making federal payments on the participant's behalf. This FEIN must only be used for processing wages and federal forms and taxes for the participant-employers it represents as agent and not for processing wages and related federal forms and taxes for employees of parent organizations or sub-entities. This FEIN must be obtained in addition to the F/EA organization's corporate FEIN;

3.2.1.7. Obtain a FEIN for each Medicaid self-direction participant it represents and maintain copies of the participant's FEIN, IRS FEIN notification, and the filed Form SS-4 in the participant's file;

3.2.1.8. Retire participants' FEIN when they are no longer employers;

- 3.2.1.9. Prepare and submit a signed IRS Form 2678 for each participant it represents and maintain documentation (copy of IRS 2678, Request for Approval Letter, and IRS Notification of F/EA Approval) on file;
- 3.2.1.10. Revoke the IRS Form 2678 for each participant it no longer represents in accordance with IRS requirements and maintain documentation in each participant's file;
- 3.2.1.11. File a signed IRS Form 8821 for each participant it represents and maintain copies of the Form in each participant's file;
- 3.2.1.12. Renew IRS Form 8821 for each applicable participant at the appropriate time and maintain copies of the renewals in each participant's file;
- 3.2.1.13. Revoke the IRS Form 8821 when the agent no longer represents the participant and maintain documentation in each participant's file;
- 3.2.1.14. Obtain a State power of attorney (for State income tax, unemployment tax or both, as required by the State) from each participant it represents, and maintain documentation in each participant's file;
- 3.2.1.15. Revoke a State power of attorney (for State income tax, unemployment tax or both, as required by the State) when it no longer represents a participant, and maintain documentation in each participant's file;
- 3.2.1.16. Develop and implement policies and procedures to accommodate expansion of participants into the self-direction program; and
- 3.2.1.17. Enroll as a Medicaid provider and follow all relevant Medicaid provider rules (see link: [General Information and Administration Provider Manual](#)).

### **3.3. Deliverables**

#### **3.3.1. General Requirements and Expected Outcomes**

- 3.3.1.1. The Contractor shall provide the following services:
  - 3.3.1.1.1. File and deposit federal taxes (federal income tax withholding, Medicare and Social Security, and federal unemployment taxes) and any unfulfilled federal tax obligations, including penalties and interest, even before approval is received from the IRS to serve as an agent for an individual participant;
  - 3.3.1.1.2. Bill the LDH Fiscal Intermediary for all Medicaid service claims at least bi-weekly (every two weeks);
  - 3.3.1.1.3. Resolve all billing discrepancies timely and pursuant to Medicaid policy;
  - 3.3.1.1.4. Utilize a BHSF approved current technology-based accounting system that operates



effectively on a large scale;

- 3.3.1.1.5. Utilize a BHSF approved payroll system and payroll calendar that addresses all related tax obligations;
  - 3.3.1.1.6. Utilize a BHSF approved accounting and information system to track and report service expenditures;
  - 3.3.1.1.7. Prepare and maintain a policies and procedures manual approved by BHSF which describes the policies, procedures, and internal controls for all tasks related to the F/EA function. The manual must be reviewed annually and updated as necessary, and as directed by BHSF;
  - 3.3.1.1.8. Develop, implement, and maintain an online orientation and skills training for participants and responsible representatives, which must be updated annually and/or upon request of BHSF and which is subject to approval by BHSF;
  - 3.3.1.1.9. Have a functional disaster recovery plan in place for restoring software and master files, and hardware backup in the event management information systems are disabled to ensure the payroll and payment systems remain intact. This plan should be tested and revised annually and results submitted to LDH for review and approval;
  - 3.3.1.1.10. Maintain the confidentiality of participant information in accordance with HIPAA requirements, as amended;
  - 3.3.1.1.11. Be culturally sensitive and emphasize the philosophy of self-direction in all business practices in order to communicate effectively with participants;
  - 3.3.1.1.12. Receive approval from BHSF before conducting any marketing, including approval of marketing materials (BHSF approval on materials is generally less than thirty (30) days and BHSF reserves the right to reject any and all materials);
  - 3.3.1.1.13. Receive approval from BHSF for all materials, participant and DSW letters, rates, and forms prior to dissemination or implementation; and
  - 3.3.1.1.14. Attend meetings (e.g. conference call, video-conference) as requested by BHSF.
- 3.3.2. Programmatic Responsibility for the F/EA**
- 3.3.2.1. Verify qualifications of new DSWs;
  - 3.3.2.2. Disburse payment to all DSWs hired by participants enrolled in the self-direction option;
  - 3.3.2.3. Process payroll, withhold and file and pay applicable federal income tax withholding, FICA and FUTA, SUTA and State income taxes;
  - 3.3.2.4. Bill for expenditures disbursed, based on the approved plan of care and budget, and make refunds to Louisiana Medicaid as appropriate;

- 3.3.2.5. Set up accounting records to track expenses for each participant's approved budget;
- 3.3.2.6. Set up procedures for payroll and non-labor items;
- 3.3.2.7. Maintain all records related to the DSW's payroll, taxes and benefits;
- 3.3.2.8. Be responsible for retaining all criminal background checks for all DSWs hired by a self-direction participant;
- 3.3.2.9. Provide customer support, which includes but is not limited to:
  - 3.3.2.9.1. Conducting background checks, including criminal history conviction(s), DSW registry, and state and federal Medicaid exclusion checks for participants' DSWs as required by the Department. A fingerprint-based search should be utilized for criminal background checks if adopted by the Department;
  - 3.3.2.9.2. Assisting with verification of DSWs' authorization to work;
  - 3.3.2.9.3. Collecting and processing DSW timesheets;
  - 3.3.2.9.4. Training and education in reading and understanding participant expenditure reports;
  - 3.3.2.9.5. Producing other periodic reports timely which include, but are not limited to:
    - 3.3.2.9.5.1. Individual budget expenditure reports with name of participant/employer;
    - 3.3.2.9.5.2. Monies expended broken out per DSW;
    - 3.3.2.9.5.3. Dates of services; and
    - 3.3.2.9.5.4. Total units/costs billed.

**3.3.3. Operations Responsibilities for the F/EA**

- 3.3.3.1. Preparation and Distribution of Participant Enrollment and DSW Employment Packets
  - 3.3.3.1.1. The F/EA must provide a system, documented internal controls, and written policies and procedures for:
    - 3.3.3.1.1.1. Producing and distributing the participant enrollment packets;
    - 3.3.3.1.1.2. Collecting And processing the information contained in the participant enrollment packet;
    - 3.3.3.1.1.3. Maintaining documentation in each participant's file; and
    - 3.3.3.1.1.4. Preparing, having available, distributing, and providing instructions on

completing the enrollment packet and orienting the participant to the self-direction program. The enrollment packet must be user-friendly; written at, or below, sixth grade reading level; sent to the participant within two (2) business days of request to enroll in self-direction; and forms included in the packet should be partially populated in advance where appropriate in order to assist participants in their accurate completion.

3.3.3.1.2. Participant Enrollment Packets must include:

- 3.3.3.1.2.1. F/EA brochure that includes information about the F/EA's services and operations (e.g., roles and responsibilities of the F/EA, hours of operation, toll-free number, key F/EA staff and contact information, web address, and mailing address);
  - 3.3.3.1.2.2. Federal and State forms the participant must complete, such as IRS Forms SS-4, 2678, and 8821, and State power of attorney form(s) as applicable;
  - 3.3.3.1.2.3. Service agreement form;
  - 3.3.3.1.2.4. Other applicable consent and agreement forms;
  - 3.3.3.1.2.5. Workers' compensation insurance coverage (e.g., description of coverage, how to file a claim);
  - 3.3.3.1.2.6. Payment schedule;
  - 3.3.3.1.2.7. Timesheet submittal information;
  - 3.3.3.1.2.8. Timesheet and instructions;
  - 3.3.3.1.2.9. Rate sheet; and
  - 3.3.3.1.2.10. Sample payroll report and instructions.
- 3.3.3.1.3. The F/EA must process the participant's enrollment information within seven (7) business days after it is received and must notify the participant if any paperwork is missing or incomplete. If the participant is required to submit additional/corrected information, then the F/EA must process this information within two (2) business days from the date of receipt of the new paperwork. The F/EA should process the new information immediately upon receipt.
- 3.3.3.1.4. The F/EA must have a system in place, internal controls documented, and written policies and procedures for producing and distributing:
- 3.3.3.1.4.1. The DSW employment packet;
  - 3.3.3.1.4.2. Collecting and processing the information contained in the employment packet; and

3.3.3.1.4.3. Maintaining documentation in each DSW's file.

3.3.3.1.5. The employment packet, which should be distributed within two (2) business days of request, must be user-friendly; written at, or below, sixth grade reading level; and contain all required information about the F/EA, one-page employment application, Federal and State forms and instructions (e.g., IRS Form W-4, L-4 (State version of W-4), USCIS Form I-9, and IRS Notice 797), criminal background check authorization form, payment information (e.g., direct deposit, mailed check), and agreements and documents to enroll DSWs into the F/EA's payroll system.

3.3.3.1.6. The F/EA must process the prospective DSW's paperwork (employment packet) within four (4) business days after it is received and must notify the participant of the DSW's hire status. The F/EA is responsible for ensuring that the DSW meets the qualifications set by the Department before clearing a DSW for hire and/or processing payment for the DSW on behalf of the participant.

3.3.3.2. Management of Participant's Budget Funds

3.3.3.2.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented for receiving and maintaining participants' initial and updated plans of care and budgets;

3.3.3.2.2. The F/EA must have internal controls documented for monitoring billing of the State's Medicaid Management Information System. All billings must be submitted in the current BHSF format, as amended; and

3.3.3.2.3. The F/EA must have information systems in place, written policies and procedures, and internal controls documented to receive and disburse participants' Medicaid budget funds and track budget funds received, disbursed and remaining balances for each participant individually and in the aggregate.

3.3.3.3. Payroll Process for F/EA:

3.3.3.3.1. The F/EA must:

3.3.3.3.1.1. Have a system in place, written policies and procedures, and internal controls documented for:

3.3.3.3.1.1.1. Collecting and processing an IRS Form W-4 and Form L-4 from each DSW for whom it processes payroll and maintaining a copy of the form in each DSW's file;

3.3.3.3.1.1.2. Assisting Participants in verifying DSW's citizenship and alien status by collecting a completed USCIS Form I-9 for every DSW for whom it processes payroll in each DSW's file and maintaining a copy of the form in each DSW's file;

- 3.3.3.3.1.1.3. Processing criminal background checks, including state and federal Medicaid exclusion checks and DSW registry checks on prospective DSWs as required by the Department, notifying the Department and participant of the results, and maintaining copies of the documentation in the DSWs' files as required by the Department;
  - 3.3.3.3.1.1.4. Preventing prospective DSWs from being hired if they are barred from employment for patient abuse or neglect, for Medicaid or Medicare program related crimes or felony convictions for health care fraud or controlled substance offenses, or if they do not meet the training or program requirements established by the Department;
  - 3.3.3.3.1.1.5. Verifying each DSW's Social Security number and maintaining the appropriate documentation in each DSW's file;
  - 3.3.3.3.1.1.6. Verifying the State of residence for each DSW through examination of, but not limited to, State-issued identification cards, such as a driver's license, and maintaining the appropriate documentation in each DSW's file;
  - 3.3.3.3.1.1.7. Ensuring that DSWs are paid in compliance with Federal and State Department of Labor wage and hour rules for regular and overtime pay;
  - 3.3.3.3.1.1.8. Enabling participant/employers to negotiate and pay different rates to different workers; and
  - 3.3.3.3.1.1.9. Reporting new hires per Department requirements and maintaining documentation in the participant's file.
- 3.3.3.3.1.2. Design and produce a user-friendly timesheet and instructions for completing and submitting the timesheet;
  - 3.3.3.3.1.3. Indicate in pay stubs and pay statements when overtime was earned;
  - 3.3.3.3.1.4. Design the pay period to align with the defined work week (Sunday 12:00 a.m. midnight – Saturday 11:59 p.m.);
  - 3.3.3.3.1.5. Indicate in pay statements the remaining hours or dollars in the budget per LDH requirements;
  - 3.3.3.3.1.6. Design and produce an expenditure planning tool and instructions for each target population, as requested, to assist participants in managing their budget allocation;
  - 3.3.3.3.1.7. Verify through LaSRS or other system designated by LDH that the participant has a current authorization for self-direction and the type and amount of services provided prior to authorizing payment for goods or services on behalf of the participant (documentation in the F/EA's system is required for post

authorization to release reimbursement to providers for prior authorized services, and the F/EA must enter all service events into the F/EA's system or other system designated by LDH prior to billing the Fiscal Intermediary in order to receive reimbursement);

- 3.3.3.3.1.8. Notify via e-mail and telephone the BHSF Contract Monitor and participant/employer within four (4) hours if any error by F/EA impacts participants or DSWs;
- 3.3.3.3.1.9. Pay the participant's DSWs in full for net wages earned, not to exceed the authorized number of hours approved;
- 3.3.3.3.1.10. As directed by the Department, process out of cycle checks when timesheets are submitted late due to an error by the participant/employer, Department or its Contractor(s);
- 3.3.3.3.1.11. All payroll processing discrepancies or delays caused by the F/EA shall be corrected within the payroll disbursement cycle regardless of payroll schedule. The F/EA shall have policies and procedures, including timelines, and internal controls to refund employees; reimburse their bank accounts or debit cards; and have bank and debit card fees, penalties, and all costs borne by the F/EA that have resulted from F/EA errors or untimely payments. All untimely and improper checks shall be overnighted within one (1) business day upon the direction of the Department at the F/EA's expense;
- 3.3.3.3.1.12. Have a system, policies and procedures, and internal controls for managing weekly off cycle checks that includes submission to the Department for approval;
- 3.3.3.3.1.13. Make adjustments and voids for prior authorization and data collection with the Medicaid Fiscal Intermediary as necessary;
- 3.3.3.3.1.14. Meet the requirements of the MMIS for transactions, confidentiality, and security, and demonstrate on-going compliance with these requirements;
- 3.3.3.3.1.15. Have a system in place, written policies and procedures, and internal controls documented for:
  - 3.3.3.3.1.15.1. Producing, distributing, collecting, verifying, and processing DSWs' timesheets and maintaining copies in the DSWs' files;
  - 3.3.3.3.1.15.2. Collecting time entry data through various mechanisms including fax, mail, email, and web portal entry;
  - 3.3.3.3.1.15.3. Developing and maintaining a database that is effective for tracking and responding to occurrences of timesheet overbilling and timesheets that cannot be paid due to missing or erroneous information, or an overlap in work hours by the DSW with another self-direction participant;

- 3.3.3.3.1.15.4. Determining whether the participant's DSWs are family members who might be exempt from paying into FICA, FUTA, and SUTA, and for processing them accordingly;
- 3.3.3.3.1.15.5. Withholding FICA and federal income tax withholding for all participants it represents and their DSWs per payroll period and for maintaining documentation in the F/EA's files;
- 3.3.3.3.1.15.6. Filing FICA and federal income tax withholdings using an IRS Form 941 quarterly and in the aggregate with its separate FEIN for all individuals it represents and for maintaining a copy of each IRS Form 941 filed and other documentation in the F/EA's files;
- 3.3.3.3.1.15.7. Depositing FICA and federal income tax withholdings in the aggregate for all participants it represents using the F/EA's separate FEIN, in accordance with IRS depositing rules and for maintaining documentation in the F/EA's files;
- 3.3.3.3.1.15.8. Withholding FUTA for all participants it represents per payroll period and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.15.9. Filing FUTA using an IRS Form 940 annually in the aggregate using the F/EA's separate FEIN for all participants it represents and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.15.10. Depositing FUTA in the aggregate using the F/EA's separate FEIN quarterly for all participants it represents and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.15.11. Registering participants as employers and obtaining each participant's State income tax registration number for income tax and State Unemployment Tax filing and payment purposes for each participant it represents and maintaining documentation in the participant's file;
- 3.3.3.3.1.15.12. Retiring a participant's State income and unemployment tax registration number when the participant no longer is participating in self-direction and maintaining documentation in the participant's file;
- 3.3.3.3.1.15.13. Withholding, filing, and depositing/paying State income tax and unemployment insurance taxes individually for each participant it represents per State requirements and for maintaining documentation in the participant's file;
- 3.3.3.3.1.15.14. Filing and depositing out-of-state income tax withholdings, as required by the Department or requested by the DSW, for DSWs who reside outside of the state they work in and for maintaining documentation in the DSWs' files;

- 3.3.3.3.1.15.15. Filing and depositing locality taxes related to employment, as applicable, and for maintaining documentation in the participant's file;
  - 3.3.3.3.1.15.16. Managing the application of all garnishments, levies, and liens on DSWs' payroll checks in an accurate and timely manner and for maintaining documentation in the participant's file;
  - 3.3.3.3.1.15.17. Paying DSWs within the time period required by the State of Louisiana Workforce Commission (e.g., per State "Payday" requirement) and for maintaining documentation in each DSW's file;
  - 3.3.3.3.1.15.18. Ensuring that Louisiana labor laws are compiled with (See <http://www.laworks.net/laborlawinfo.asp>);
  - 3.3.3.3.1.15.19. Processing DSW's direct deposit and for maintaining documentation in the DSW's file;
  - 3.3.3.3.1.15.20. Submitting any funds disbursed to DSWs that are unclaimed for all entities (DSWs and vendors) to the State Department of the Treasury in accordance with the State's unclaimed property laws and for maintaining documentation in the DSWs' and vendors' files; and
  - 3.3.3.3.1.15.21. Processing wage information requests from Federal and State agencies and other qualified entities and maintaining documentation and correspondence in the DSW's file.
- 3.3.3.4. End of Federal Tax Year Processes for F/EA
- 3.3.3.4.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented for:
    - 3.3.3.4.1.1. Refunding over collected FICA to applicable individual employers (or State or parish government) and employees in accordance with the annual FICA wage threshold set forth in IRS Publication 15 and for maintaining documentation in the F/EA's files;
    - 3.3.3.4.1.2. Preparing, filing and distributing IRS Forms W-2 for DSWs per IRS instructions for agents, for electronic filing when processing two hundred and fifty (250) or more IRS Forms W-2 and for maintaining documentation in the DSWs' files; and
    - 3.3.3.4.1.3. Preparing, filing and distributing IRS Forms W-3 in the aggregate for all Participants the agent represents per IRS instructions and for maintaining documentation in the F/EA's files.
- 3.3.3.5. Customer Service System for F/EA
- 3.3.3.5.1. The F/EA must:



- 3.3.3.5.1.1. Have a customer service operation in place, physically located in the United States, that includes:
- 3.3.3.5.1.1.1. A 24/7 toll free telephone number and shall provide prompt (within four (4) rings or less) live answering during business hours (8:00 am to 5:00 pm Central Time Monday-Friday) excluding official state holidays. Unanswered calls shall have no more than a two (2) minute wait before rolling over to an automatic messaging system. The messaging system must provide the option for caller to leave a number for a returned call. The call must be returned within one (1) working day;
  - 3.3.3.5.1.1.2. A 24/7 high-speed fax machine;
  - 3.3.3.5.1.1.3. Web-based information regarding F/EA services;
  - 3.3.3.5.1.1.4. A website that is 508 compliant and has a participant friendly design;
  - 3.3.3.5.1.1.5. Capability for internet/email communication and secure email;
  - 3.3.3.5.1.1.6. Ability to provide translation and interpreter services (*i.e.*, American Sign Language and services for persons with Limited English Proficiency);
  - 3.3.3.5.1.1.7. Written materials in plain English at 6th grade reading level available in alternate formats (e.g., large print, use of telecommunication devices for the hearing and speech impaired, languages other than English);
  - 3.3.3.5.1.1.8. Methods for receiving, returning and tracking calls from participants, support coordinators, and DSWs during and after regular business hours;
  - 3.3.3.5.1.1.9. Methods for receiving, responding to and tracking complaints from participants, support coordinators, and DSWs within the established time period not to exceed thirty (30) calendar days; and
  - 3.3.3.5.1.1.10. Methods for acting as a mandatory reporter, including financial fraud and abuse issues, to the appropriate State agencies.
- 3.3.3.5.1.2. Develop, implement, and maintain an online orientation and skills training course for participants/responsible representatives and DSWs. Examples of required skill training are fiscal management of payroll, documentation required for all directly hired DSWs, completion of timesheets accurately and timely, and self-direction policies and procedures (consistent with the program's policy and existing handbook). The F/EA will be responsible for making the orientation and skills training available to participants and DSWs upon the start of the contract. BHSF must approve all elements of the orientation/skill training prior to implementation and revision;
- 3.3.3.5.1.3. Provide training for participants/responsible representatives and DSWs on the

Contractor's Electronic Visit Verification (EVV) system;

- 3.3.3.5.1.4. Work with LDH staff, participants, and DSWs to provide training on the completion of State and Federal forms, and provide the necessary forms and packets for participants. The F/EA will be available to answer questions and provide additional training by telephone to support coordinators and participants;
- 3.3.3.5.1.5. Develop and implement customer service training for F/EA staff;
- 3.3.3.5.1.6. Develop and implement an annual participant/responsible representative satisfaction survey, based on Department measuring criteria. The survey questions to be used will be developed by BHSF;
- 3.3.3.5.1.7. Develop policies and procedures that emphasize the application of the philosophy of self-direction and being culturally sensitive in all business practices in order to communicate effectively with a diverse population of participants of all ages and with a variety of needs, disabilities and chronic conditions; and
- 3.3.3.5.1.8. Have written policies and procedures and internal controls documented for implementing the components of its customer service system.

### 3.3.3.6. Record Management System for F/EA

- 3.3.3.6.1. All participant and DSW records will be the sole property of BHSF and must be returned to BHSF upon termination of the contract.
- 3.3.3.6.2. The F/EA must:
  - 3.3.3.6.2.1. Have a system in place, written policies and procedures, and internal controls documented for establishing and maintaining current and archived participant, DSW, vendor and F/EA files in a secure and confidential manner as required by federal and State rules and regulations (e.g., meet any applicable HIPAA requirements);
  - 3.3.3.6.2.2. Have a functional disaster recovery plan for electronic and hard copy files in place and documented. This plan will include a description of hardware backup if management information systems are disabled and include a process to allow for the continuation of budget allowance disbursements, which would ensure the rapid return to limited operation of at least the following:
    - 3.3.3.6.2.2.1. The accuracy of software and data at return to operation;
    - 3.3.3.6.2.2.2. The ability to return to full capacity as soon as possible;
    - 3.3.3.6.2.2.3. A complete backup of all non-software data sets at the end of each production day;

- 3.3.3.6.2.2.4. Removal of the resultant discs to an external secure site; these back-up discs should be cycled, on at least, a weekly basis;
  - 3.3.3.6.2.2.5. A server that is designed to employ a method of redundancy for operational integrity and production; and
  - 3.3.3.6.2.2.6. Workstations attached to the network that have sufficient processing capability to be used interchangeably and are able to back up one another until repair or replacement can be achieved on a failed workstation.
- 3.3.3.6.2.3. Have a system in place, written policies and procedures, and internal controls documented for testing and updating the disaster recovery plan for electronic and hard copy files.
- 3.3.3.7. Brokering Workers' Compensation Insurance
- 3.3.3.7.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented for processing and paying for workers' compensation insurance policies for each participant it represents in accordance with the State's Workers' Compensation Insurance Law and for maintaining the documentation in each participant's file.
- 3.3.3.8. Policies and Procedures and Internal Controls (Preparing and Maintaining a F/EA Policies and Procedures Manual and Staying Up-to-Date with Federal and State Rules and Regulations Regarding F/EAs and Household Employers)
- 3.3.3.8.1. The F/EA must have a comprehensive F/EA policies and procedures manual which includes all policies and procedures related to the tasks associated with performing the F/EA functions, any overlapping communication and data transmission tasks, and internal controls for monitoring the completion of all F/EA tasks. The manual must be available to all F/EA staff and must be incorporated into all training programs for new and existing F/EA staff. The F/EA's policies and procedures must be approved by BHSF prior to implementation.
  - 3.3.3.8.2. The F/EA must have a system in place, written policies and procedures and internal controls for:
    - 3.3.3.8.2.1. Maintaining and updating its F/EA policies and procedures manual at least annually, and as needed;
    - 3.3.3.8.2.2. Reviewing and updating all IRS forms, instructions, notices and publications related to F/EAs, household employers and domestic service workers and preparing, filing and depositing federal taxes on behalf of household employers/participants it represents at [www.irs.gov](http://www.irs.gov);
    - 3.3.3.8.2.3. Reviewing and maintaining compliance with all applicable US Citizenship and

Immigration Service (USCIS) rules, forms (i.e., Form I-9) and instructions (Key web site: [www.uscis.gov](http://www.uscis.gov));

- 3.3.3.8.2.4. Reviewing and maintaining compliance with all applicable Federal Department of Labor rules, forms and instructions related to household employers and domestic service employees pertaining to the Federal Fair Labor Standards Wage and Hour rules (Key website: [www.dol.gov](http://www.dol.gov));
- 3.3.3.8.2.5. Reviewing and maintaining compliance with all State income tax withholding forms and State unemployment insurance tax forms, instructions and manuals related to F/EAs, household employers and domestic service workers and preparing, filing and depositing State taxes on behalf of household employers/participants it represents (Key website: [www.rev.state.la.us](http://www.rev.state.la.us));
- 3.3.3.8.2.6. Maintaining compliance with the State's new hire registration process (paper or electronic filing options);
- 3.3.3.8.2.7. Maintaining compliance with State workers' compensation insurance laws pertaining to household employers who hire personal care and other support service workers; and
- 3.3.3.8.2.8. Staying up-to-date with State mandatory disability insurance laws pertaining to household employers who hire personal care and other support service workers, when applicable.

3.3.3.8.3. All changes to the F/EA policies and procedures manual must be approved by BHSF in advance of implementation or revision.

### 3.3.3.9. Reporting Requirements

3.3.3.9.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented to prepare and submit required reports (electronic copy) to BHSF in a timely manner. BHSF reserves the right to change reporting requirements and request ad-hoc reports within seven (7) calendar days of notice. The format and data elements of reports must conform to BHSF requirements. The F/EA will be responsible for all programming functions and costs associated with the design, maintenance, or enhancement of the reporting system. The following are required reports:

3.3.3.9.1.1. Bi-Weekly (due at the end of each pay period):

- 3.3.3.9.1.1.1. Payroll Reports, which will be emailed, mailed, or viewed through the contractor's system to each participant per participant preference and viewable to LDH staff. The payroll report should include the type of program, number of hours and/or units the participant has available for the prior authorization period, the number of hours and/or units used, number of hours and/or units remaining for use, hours and/or units worked by DSW(s), yearly allocated budget amount (if applicable), amount paid to DSW(s) for the current pay check, the remaining allocated budget, check date, amount, number, and taxes by DSW, and any vendor

- payments;
- 3.3.3.9.1.1.2. Over/under utilization reports, which identify the participant and employee(s), service allotment, period range, period utilization, total utilization and balance information;
- 3.3.3.9.1.1.3.
- 3.3.3.9.1.2. Monthly (due by the 15th day of the following month):
  - 3.3.3.9.1.2.1. Criminal Background Check Reports, which specify the individual name of the participant and DSW, program, date authorization was received and submitted, date results received and reported to participant and Department, and results of check;
  - 3.3.3.9.1.2.2. DSW Employee Training Reports (general and participant-specific) that are accessible to employers, which specify the individual name of the participant and DSW, program training by topic, and expiration dates;
  - 3.3.3.9.1.2.3. Complaints, which specify the individual name of the participant, name of the person making the complaint, program, reason for complaint, date complaint received, date complaint resolved, and resolution;
  - 3.3.3.9.1.2.4. Errors that prevent payment including error code, description of error, and remediation;
  - 3.3.3.9.1.2.5. Current and archived listing of employer, participants and DSWs, which includes all applicable enrollment and termination dates, program, physical address, email address, telephone numbers, and last four (4) digits of social security numbers;
  - 3.3.3.9.1.2.6. Quantity of calls received, timeliness of answering calls, quantity of abandoned calls (calls that abandon/disconnect after 60 seconds are considered abandoned calls), and length of calls; and
  - 3.3.3.9.1.2.7. Monthly and historical reports of the participant's budget, authorized services, paid claims, and claims that have not been adjudicated. These reports should include the name and identification number of each participant; services authorized and rate per service for each participant; names of each participant's DSWs and their identification numbers, services provided, dates authorized to provide each service for which they have been hired, termination dates, service code, number of hours of each service provided, hourly rate of pay, check number for each payroll payment, and wages, taxes and insurances paid (as applicable) for the current month and cumulatively; total payments made for each service code by the F/EA on each participant's behalf for the current month and cumulatively; all claims submitted to the F/EA for payment, but not paid and the reason, for each participant for the current month

and cumulatively; statement of funds received, funds expended and any amount remaining; timely identification of participants who are projected to exceed their budget allowance; and identification of participants who incur no expenses in a given month. Other data elements may be added at the discretion of BHSF.

3.3.3.9.1.3. Quarterly (due by the 30th day of the month following the end of the State Fiscal Year Quarter):

3.3.3.9.1.3.1. Demographic information (name of participant/employer, parish/LDH-Region, age, gender);

3.3.3.9.1.3.2. Medicaid billing reports (names/unique identifier of participants in which claims were submitted, number of units billed, DSW rate of pay, cost of units/services, name & unique identifier of DSW, location of service, dates of service); and

3.3.3.9.1.4. Annually (due by the end of the first quarter, *i.e.*, March 31<sup>st</sup>):

3.3.3.9.1.4.1. Expenditure reports (name of participant/employer, monies expended broken out per DSW, number and cost of criminal background checks with name of DSW, number of DSWs per participant/employer, dates of services, total units/costs billed);

3.3.3.9.1.4.2. Trend analysis (utilization, costs across programs);

3.3.3.9.1.4.3. Participant/responsible representative satisfaction survey; and

3.3.3.9.1.4.4. Other reports as required by the Department.

3.3.3.10. Accounting and Banking Requirements

3.3.3.10.1. The F/EA must:

3.3.3.10.1.1. Follow Generally Accepted Accounting Principles and practices in the use of general ledger and subsidiary accounting systems and handling of participant funds; and

3.3.3.10.1.2. Establish a separate, non-interest bearing bank account so that participant funds are not commingled with funds from any other source.

**3.3.4.** Service Delivery Location and Service Times

3.3.4.1. The Contractor shall be responsible for supplying its own facility or building as part of its performance under the contract. All participant, DSW, vendor, and agency records must be maintained in a secure location with protected health information protected.

- 3.3.4.2. The Contractor shall notify the contract monitor in writing a minimum of thirty (30) calendar days prior to making changes in location which will affect the ability of the agency, participants, DSWs, vendors, and support coordinators to contact the Contractor by telephone, facsimile transmission, electronic mail or U.S. mail.
- 3.3.4.3. A Contractor representative shall be available to agency staff, participants, DSWs, and support coordinators between the hours of 8:00 AM and 5:00 PM Central Time, Monday through Friday (excluding State holidays). At other times messaging shall be available. Calls shall be returned within one (1) business day from the time the message is recorded or letter of inquiry is received.

**3.3.5. Business and Professional Qualifications**

- 3.3.5.1. The Contractor shall maintain an adequate administrative organizational structure and support staff sufficient to discharge its contractual responsibilities. The Contractor must employ at least one (1) staff member with a Bachelor's degree in accounting and five (5) years of applicable experience, or a Master's degree in accounting and two (2) years of applicable experience.
- 3.3.5.2. The Contractor must have on staff a database administrator and sufficient programmers with experience in the software languages required.
- 3.3.5.3. The Contractor will designate, subject to BHSF approval, a Project Director for this contract who will have day-to-day authority to manage the overall operations. The Project Director will be available to BHSF by telephone, e-mail, and fax during regular business hours. The Contractor will advise BHSF of the percentage of time the Project Director will devote to the contract and provide an administrative telephone number that will enable BHSF to reach the Project Director directly.
- 3.3.5.4. In the event BHSF determines that the Contractor's staffing levels do not conform to those established by the Contractor, BHSF shall advise the Contractor in writing and the Contractor shall have thirty (30) business days to remedy the identified staffing deficiencies.
- 3.3.5.5. The Contractor shall replace on the project any employee whose continued presence would be detrimental to the success of the project as determined by BHSF with an employee of equal or superior qualifications. The BHSF Contract Monitor will exercise exclusive judgment in this matter.

**3.3.6. Transition Plan**

- 3.3.6.1. Upon notification of the award, the successful Contractor must work with BHSF to ensure connectivity of all information technology systems; to develop forms and materials for participants and DSWs; and to make adjustments to any of the F/EA's business operations necessary to implement the services described in this RFP.
- 3.3.6.2. Within fifteen (15) calendar days of award, the F/EA must complete an implementation plan that includes all tasks, action steps, timelines, and responsible parties for all requirements contained in this RFP. The F/EA must detail a transition plan to enroll current and future

participants and DSWs.

- 3.3.6.3. The F/EA must submit the comprehensive policies and procedure manual to BHSF at least thirty (30) calendar days prior to the start of the contract and incorporate modifications required by BHSF within ten (10) calendar days of notification. The F/EA must review the manual for modifications on an as needed basis, but at least annually, thereafter.

### 3.3.7. Turnover Plan

- 3.3.7.1. The F/EA shall be liable for all payroll claims and contract responsibilities incurred up to the date of termination of contract.
- 3.3.7.2. The F/EA shall develop a turnover plan within one hundred-eighty (180) days of award, acceptable to BHSF in its sole discretion. The turnover plan and any modification or updates must be prior approved by BHSF. The turnover plan must be updated at least annually. The objective of the turnover plan is to provide for an orderly and controlled transition of the F/EA's responsibilities to a successor F/EA at the conclusion or termination of the contract period and to minimize disruption of payroll services provided to participants.

## 3.4. Performance Standards

- 3.4.1. The Contractor will ensure the following performance outcomes are achieved and sustained during each month of the term of the contract:
  - 3.4.1.1. 100% of participant **enrollment** packages will be provided via face to face, mail, e-mail, or fax the within two (2) business days of receiving the referral;
  - 3.4.1.2. 100% of participant **employment** packages will be sent via mail, e-mail, or fax the within two (2) business days of receiving the referral;
  - 3.4.1.3. 100% of payments by Electronic Funds Transfer will be made within five (5) business days and 100% of paper paychecks will be mailed within three (3) business days after the deadline for receiving timesheets for that particular payroll period, provided the F/EA is furnished with current addresses and properly completed and submitted timesheets;
  - 3.4.1.4. 100% of claims submitted for payments for goods and services will be authorized in the current budget/expenditure plan;
  - 3.4.1.5. 99% of payroll payments to DSWs will be calculated correctly;
  - 3.4.1.6. 99% of the time, taxes and fees from participant/DSW accounts will be filed, deducted, and deposited timely;
  - 3.4.1.7. 100% of bi-weekly budget reports will be sent via U.S. mail or electronic mail to participants within three (3) days after the payroll period, providing that the F/EA is furnished with current addresses;
  - 3.4.1.8. 100% of the time participants will be notified of the DSW's eligibility for hire, based on the



results of the criminal background check, DSW registry checks, state and federal Medicaid exclusion checks, CPR/First Aid completion certification (if applicable), completion of required paperwork, and any basic training requirement(s) as mandated by law within four (4) business days. The completion of the required paperwork, criminal background check and receipt of training certificate (as applicable) must be verified as completed and the criminal background check must be received and verified within this timeframe;

- 3.4.1.9. 99% of the time, participant account activity on budget reports will be accurately reported to participants;
- 3.4.1.10. 100% of BHSF requests for individual account reconciliation will be provided within fifteen (15) days of the written request;
- 3.4.1.11. 100% of the time complaints will be responded to within ten (10) business days, and the nature of the complaint and action taken is to be tracked and submitted in the complaint report required by BHSF;
- 3.4.1.12. 100% of the time, calls to customer service or letters of inquiry will be responded to within one (1) business day; and
- 3.4.1.13. The Contractor will obtain a score of 86% or higher on the annual F/EA participant satisfaction survey.

### **3.5. Liquidated Damages**

**3.5.1.** In the event the Contractor fails to meet the performance standards specified within the contract, the liquidated damages defined below may be assessed. If assessed, the liquidated damages will be used to reduce the Department's payments to the Contractor or if the liquidated damages exceed amounts due from the Department, the Contractor will be required to make cash payments for the amount in excess. The Department may also delay the assessment of liquidated damages if it is in the best interest of the Department to do so. The Department may give notice to the Contractor of a failure to meet performance standards but delay the assessment of liquidated damages in order to give the Contractor an opportunity to cure the deficiency. However, if the Contractor subsequently fails to remedy the deficiency to the satisfaction of the Department, LDH may assess the liquidated damages that have been incurred, even following contract termination.

- 3.5.1.1. Late submission of any required report: one thousand dollars (\$1000) per working day, per report;
- 3.5.1.2. Failure to fill vacant contractually-required key staff positions within forty-five (45) business days: one thousand dollars (\$1000) per working day from the forty-sixth (46<sup>th</sup>) day of vacancy until filled with an employee approved by the Department;
- 3.5.1.3. Failure to maintain all participant files and perform all file updates according to the requirements in the contract: one thousand dollars (\$1000) per participant;
- 3.5.1.4. Late submission of invoices beginning ten (10) business days after the stated due date: one

thousand dollars (\$1000) per working day per invoice; and

3.5.1.5. For failure to meet performance outcomes as outlined in section 3.4, LDH may reduce PMPM (per member per month) payments by up to twenty percent (20%) or the amount owed for each employer and/or participant affected.

**3.5.2.** The decision to impose liquidated damages may include consideration of some or all of the following factors:

3.5.2.1. The duration of the violation;

3.5.2.2. Whether the violation (or one that is substantially similar) has previously occurred;

3.5.2.3. The Contractor's history of compliance;

3.5.2.4. The severity of the violation and whether it imposes an immediate threat to the health or safety of the participant(s); and/or

3.5.2.5. The "good faith" exercised by the Contractor in attempting to stay in compliance.

### **3.6. Fraud and Abuse**

**3.6.1.** The Contractor shall have internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected fraud and abuse by participants, DSWs, support coordinators, or any other party. Such policies and procedures must be in accordance with State and Federal regulations.

**3.6.2.** The Contractor shall have adequate staffing and resources to investigate unusual incidents and develop and implement corrective action plans to assist the Contractor in preventing and detecting potential fraud and abuse activities.

### **3.7. Technical Requirements**

**3.7.1.** The Contractor will be required to transmit all non-proprietary data which is relevant for analytical purposes to LDH on a regular schedule in XML format. Final determination of relevant data will be made by LDH based on collaboration between both parties. The schedule for transmission of the data will be established by LDH and dependent on the needs of the Department related to the data being transmitted. XML files for this purpose will be transmitted via Secure File Transfer Protocol (SFTP) to the Department. Any other data or method of transmission used for this purpose must be approved via written agreement by both parties.

**3.7.2.** The Contractor is responsible for procuring and maintaining hardware and software resources which are sufficient for it to successfully perform the services detailed in this RFP.

**3.7.3.** The Contractor shall adhere to state and federal regulations and guidelines as well as industry standards and best practices for systems or functions required to support the requirements of this RFP.

- 3.7.4.** The Contractor shall clearly identify any systems or portions of systems outlined in the proposal which are considered to be proprietary in nature.
- 3.7.5.** Unless explicitly stated to the contrary, the Contractor is responsible for all expenses required to obtain access to LDH systems or resources which are relevant to successful completion of the requirements of this RFP. The Contractor is also responsible for expenses required for LDH to obtain access to the Contractor's systems or resources which are relevant to the successful completion of the requirements of this RFP. Such expenses are inclusive of hardware, software, network infrastructure, and any licensing costs.
- 3.7.6.** Any confidential or protected health information must be encrypted to FIPS 140-2 standards when at rest or in transit.
- 3.7.7.** Each party to the contract shall ensure appropriate protections of shared Personally Identifiable Information ("PII"), in accordance with 45 CFR §155.260.
- 3.7.8.** Each party to the contract shall ensure that its system is operated in compliance with the Centers for Medicare and Medicaid Services' ("CMS") latest version of the *Minimum Acceptable Risk Standards for Exchanges (MARS-E)* Document Suite, currently MARS-E version 2.0.
- 3.7.8.1. Multi-factor authentication is a CMS requirement for all remote users, privileged accounts, and non-privileged accounts. In this context, "remote user" refers to staff accessing the network from offsite, normally with a client VPN ("Virtual Private Network") with the ability to access CM, specifically Medicaid, data.
- 3.7.8.2. A site-to-site tunnel is an extension of LDH's network. If the Contractor utilizes a VPN site-to-site tunnel and also has remote users who access CMS data, the Contractor is responsible for providing and enforcing multi-factor authentication. If the Contractor does not utilize a VPN site-to-site tunnel, they will be charged for dual authentication licensing and hardware tokens as necessary. Costs associated with the purchase and any replacement of lost hardware tokens will be charged to the Contractor.
- 3.7.9.** Contractor owned resources must be compliant with industry standard physical and procedural safeguards (NIST SP 800-114, NIST SP 800-66, NIST 800-53A, ISO 17788, etc.) for confidential information (HITECH, HIPAA part 164).
- 3.7.10.** Any Contractor use of flash drives or external hard drives for storage of LDH data must first receive written approval from the Department and upon such approval shall adhere to FIPS 140-2 hardware level encryption standards.
- 3.7.11.** All Contractor utilized computers and devices must:
- 3.7.11.1. Be protected by industry standard virus protection software that is automatically updated on a regular schedule;
- 3.7.11.2. Have installed all security patches which are relevant to the applicable operating system and any other system software; and

3.7.11.3. Have encryption protection enabled at the Operating System level.

**3.7.12. Electronic Visit Verification (EVV) Requirements:**

3.7.12.1. The Contractor must currently have an EVV solution that complies with the 21<sup>st</sup> Century Cures Act.

3.7.12.2. The EVV system must verify the type of service provided, the individual receiving the service, the individual providing the service, date of service, location of the service, and delivery and time the service begins and ends.

3.7.12.3. Services may be verified via smart phone, biometric recognition systems or a fixed visit verification device in the participant's home.

3.7.12.4. The Contractor is responsible for ensuring system capability to interface with LDH's Electronic Visit Verification (EVV) system (LASRS). The Contractor's system and its interface shall be subject to prior approval by LDH. The Contractor will be required to collect electronic check in/check out information including geolocation data. See technical requirements: [Data Integration Process](#) and [Data Bridge Elements](#).

**3.8. Subcontracting**

**3.8.1.** The Department shall have a single prime contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables specified in the RFP and proposal.

**3.8.2.** This general requirement notwithstanding, Proposers may enter into subcontractor arrangements; however, each Contractor shall acknowledge in their proposal total responsibility for the entire contract.

**3.8.3.** If the Contractor intends to subcontract for portions of the work, the Contractor should identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. Information required of the Contractor under the terms of this RFP shall also be required for each subcontractor. The prime contractor shall be the single point of contact for all subcontract work.

**3.8.4.** Unless provided for in the contract with the Department, the prime contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of the Department.

**3.9. Compliance With Civil Rights Laws**

**3.9.1.** The Contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the 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 Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

**3.9.2.** The Contractor agrees not to discriminate in its employment practices, and will render services under the contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of the contract.

**3.10. Insurance Requirements**

**3.10.1.** The Contractor shall carry insurance in compliance with Attachment VI.

**3.11. Resources Available to Contractor**

**3.11.1.** BHSF will have an assigned staff member who will be responsible for primary oversight of the contract, *i.e.*, the Contract Monitor. This individual will schedule meetings to discuss progress of activities and problems identified.

**3.12. Contract Monitor**

**3.12.1.** All work performed by the Contractor will be monitored by the Contract Monitor, or her successor. The current Contract Monitor's information is as follows:

Becky Palmer  
Louisiana Department of Health  
Bureau of Health Services Financing  
Medicaid Program Support and Waivers  
628 N 4th Street, 6th floor  
Baton Rouge, LA 70802  
Email: [Becky.Palmer@LA.GOV](mailto:Becky.Palmer@LA.GOV)  
Phone: (225) 342-4349  
Fax: (225) 342-9168

**3.13. Term of Contract**

**3.13.1.** The contract shall commence on or near the date approximated in the Schedule of Events. The term of this contract is three (3) years. With all proper approvals and concurrence with the successful Contractor, the agency may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial contract term. Prior to the extension of the contract beyond the initial thirty-six (36) month term, approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such 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 three (3) year term.

**3.13.2.** No contract/amendment shall be valid, nor shall the Department be bound by the contract/amendment, until it has first been executed by the head of the Department, or his designee, the Contractor, and has been approved in writing by the director of the Office of State Procurement. Total contract term, with extensions, shall not exceed five (5) years. The

continuation of the contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

### **3.14. Payment Terms**

- 3.14.1.** The Contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly or as defined in the contract terms. Payment of invoices is subject to approval of BHSF. Continuation of payment is dependent upon available funding.
- 3.14.2.** Payments will be made to the Contractor after written acceptance by the Louisiana Department of Health of the payment task and approval of an invoice. LDH will make every reasonable effort to make payments within thirty (30) business days of the approval of invoice and under a valid contract. LDH will make per member per month (PMPM) payments to the Contractor based on the number of participants enrolled with the contractor to receive FMS. The Contractor will not be paid more than the maximum amount of the contract.
- 3.14.3.** The contractor will be paid a per member per month (PMPM) rate of \$97.13 for the performance of tasks and anticipated costs of successful implementation of all deliverables. Criminal background checks are paid at cost to the vendor. Vendors must use the State approved background check vendor(s) unless another vendor is identified that can provide the service at the same or lower cost and is approved by LDH.
- 3.14.4.** The successful Proposer shall be required to provide a performance (surety) bond in the amount of its total contract cost to ensure the successful performance under the terms and conditions of the contract negotiated between the successful Contractor and the Department. Any performance bond furnished shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Service list of approved bonding companies which is published annually in the *Federal Register*, or by a Louisiana domiciled insurance company with at least an A- rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to ten (10) percent of policyholders' surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds. No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A.M. Best up to a limit of ten (10) percent of policyholders' surplus as shown by A.M. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds fifteen (15) percent of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance. 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.

**7. ADDITIONAL CONTRACTUAL PROVISIONS**

7.1.1.1. Force Majeure

- 7.1.1.1.1. The Contractor and the Department are excused from performance under contract for any period they may be prevented from performance by an Act of God, strike, war, civil disturbance, epidemic or court order.

7.1.1.2. Order of Precedence

- 7.1.1.2.1. The contract shall, to the extent possible, be construed to give effect to all provisions contained therein; however, where provisions conflict, the intent of the parties shall be determined by giving first priority to provisions of the contract excluding the RFP and the proposal; second priority to the provisions of the RFP and its amendments and addenda; and third priority to the provisions of the proposal.

7.1.1.3. Entire Agreement

- 7.1.1.3.1. The contract, together with the RFP and its amendments and addenda issued thereto by the Department, the proposal submitted by the Contractor in response to the Department's RFP, and any exhibits specifically incorporated herein by reference constitute the entire agreement between the parties with respect to the subject matter.

7.1.1.4. Board Resolution/Signature Authority

- 7.1.1.4.1. The Contractor, if a corporation, shall secure and attach to the contract a formal Board Resolution indicating the signatory to the contract is a corporate representative and authorized to sign said contract.

7.1.1.5. Warranty to Comply with State and Federal Regulations

- 7.1.1.5.1. The Contractor shall warrant that it shall comply with all state and federal regulations as they exist at the time of the contract or as subsequently amended.

7.1.1.6. Warranty of Removal of Conflict of Interest

- 7.1.1.6.1. The Contractor shall warrant that it, its officers, and employees have no interest and shall not acquire any interest, direct or indirect, which conflicts in any manner or degree with the performance of services hereunder. The Contractor shall periodically inquire of its officers and employees concerning such conflicts, and shall inform the Department promptly of any potential conflict. The Contractor shall warrant that it shall remove any conflict of interest prior to signing the contract.

7.1.1.7. Contractor Requirements as a Business Entity

- 7.1.1.7.1. If the Contractor is a corporation, the following requirements must be met prior to execution of the contract:

7.1.1.7.1.1. If the Contractor is a for-profit corporation whose stock is not publicly traded, the Contractor shall ensure that a disclosure of ownership form has been properly filed with the Secretary of State of Louisiana at <http://www.sos.la.gov/BusinessServices/Pages/default.aspx>;

7.1.1.7.1.2. If the Contractor is a corporation not incorporated under the laws of the State of Louisiana, the Contractor must obtain a Certificate of Authority pursuant to La. R.S. 12:301- 302 from the Louisiana Secretary of State; and

7.1.1.7.2. The Contractor must provide written assurance to the Department from Contractor's legal counsel that the Contractor is not prohibited by its articles of incorporation, bylaws or the laws under which it is incorporated from performing the services required under the contract.

#### 7.1.1.8. Contract Controversies

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

#### 7.1.1.9. Right To Audit

7.1.1.9.1. The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract for a period of five (5) years from the date of the last payment made under the contract. Records shall be made available during normal working hours for this purpose.

#### 7.1.1.10. Contract Modification

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

#### 7.1.1.11. Severability

7.1.1.11.1. If any term or condition of the 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 the Contract are declared severable.

#### 7.1.1.12. Applicable Law

7.1.1.12.1. The resultant contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to the contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.





**CONTRACT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

LAGOV: 2000440781

LDH: 002480

BHSF

Bureau of Health Services Financing

Agency # 305

**AND**

Morning Sun Financial Services

**FOR**

- Personal Service  Professional Service  Consulting Services  Social Services  Governmental (State/Agency)  Governmental (Local)

RFP NUMBER (if applicable): 30080012241

1) Contractor (Registered Legal Name) Morning Sun Financial Services	5) Federal Employer Tax ID# 00834996816	State LDR Account # 0180715
2) Street Address 9400 Golden Valley Road	6) Parish(es) Served ST	Statewide
City Golden Valley, MN 55427	State LA	Zip Code 55427
3) Telephone Number (763) 450-3780	7) License or Certification #	
4) Mailing Address (if different)	8) Contractor Status	
City	State	Zip Code
	Subsidiary	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	Corporation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	For Profit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Publicly Traded	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	9) CFDA# (Federal Grant #)	

9) Brief Description Of Services To Be Provided:

Contractor shall provide fiscal management services for self-direction participants which includes ensuring current and initial participants are provided with information they need to effectively participate in this option; processing employee payroll and required taxes in accordance with state, federal, and Medicaid regulations regarding vendor fiscal/employer agents; and ensuring questions from participants, support coordinators, and LDH staff are responded to in a timely manner.

10) Effective Date: 10-01-2019	11) Termination Date: 09-30-2022
12) Maximum Contract Amount: \$984,831.07	
13) Estimated Amounts by Fiscal Year: FY20 \$85,880.96 FY21 \$308,027.46 FY22 \$390,942.65	

14) Terms of Payment

If progress and/or completion of services are provided to the satisfaction of the initiating Office/Facility, payments are to be made as follows:

The contractor will be paid a per member per month (PMPM) rate for the performance of tasks, anticipated costs of successful implementation of all deliverables. The contractor will be paid the rate of \$95.00 PMPM if the number of participants enrolled is less than or equal to 500. If the number of participants enrolled is greater than 500, the contractor will be paid the rate of \$89.50 PMPM.

Contractor obligated to submit final invoices to Agency within fifteen (15) days after termination of contract.

**PAYMENT WILL BE MADE ONLY UPON APPROVAL OF:**

First Name Becky	Last Name Palmer	Phone Number (225) 342-4349
Title Program Manager		

15) Special or Additional Provisions which are incorporated herein, if any (IF NECESSARY, ATTACH SEPARATE SHEET AND REFERENCE):

Attachment A: HIPAA Addendum.  
Attachment B: Statement of Work

Exhibit 1: Certificate of Authority  
Exhibit 2: Disclosure of Ownership  
Exhibit 3: Out of State Justification  
Exhibit 4: Multi Year Letter  
Exhibit 5: Resume

Attachment: HIPAA Addendum  
Attachment: Standard Provisions  
Attachment: Special Provisions  
Attachment: Statement of Work  
Attachment: Reschedule  
Attachment: Budget  
Attachment:  
Exhibit: Board Resolution  
Exhibit: Disclosure of Ownership  
Exhibit: Multi Year Letter  
Exhibit: Res Letter  
Exhibit: Out of State Justification  
Exhibit: Certificate of Authority

Exhibit License  
Exhibit:

During the performance of this contract, the Contractor hereby agrees to the following terms and conditions:

1. **Discrimination Clause:** Contractor hereby agrees to abide by the requirements of the following as applicable: Titles VI and VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972; the Vietnam Era Veterans' Readjustment Assistance Act of 1974; Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973; Federal Executive Order 11246 as amended; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and all applicable requirements imposed by or pursuant to the regulations of the U. S. Department of Health and Human Services.

Contractor agrees not to discriminate in the rendering of services to and/or employment of individuals because of race, color, religion, sex, sexual orientation, age, national origin, disability, political affiliation, veteran status, or any other non-merit factor. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this contract.

2. **Confidentiality:** Contractor shall abide by the laws and regulations concerning confidentiality which safeguard information and the patient/client confidentiality. Information obtained shall not be used in any manner except as necessary for the proper discharge of Contractor's obligations. (The Contractor shall establish, subject to review and approval of the Department, confidentiality rules and facility access procedures.)
3. **Auditors:** The State Legislative Auditor, Office of the Governor, Division of Administration, and Department Auditors or those designated by the Department shall have the option of auditing all accounts pertaining to this contract during the contract and for a five year period following final payment. Contractor grants to the State of Louisiana, through the Office of the Legislative Auditor, Louisiana Department of Health, and Inspector General's Office, Federal Government and/or other such officially designated body the right to inspect and review all books and records pertaining to services rendered under this contract, and further agrees to guidelines for fiscal administration as may be promulgated by the Department. Records will be made available during normal working hours.

Contractor shall comply with federal and state laws and/or LDH Policy requiring an audit of the Contractor's operation as a whole or of specific program activities. Audit reports shall be sent within thirty (30) days after the completion of the audit, but no later than six (6) months after the end of the audit period. If an audit is performed within the contract period, for any period, four (4) copies of the audit report shall be sent to the Louisiana Department of Health, Attention: Division of Fiscal Management, P.O. Box 91117, Baton Rouge, LA 70821-3797 and one (1) copy of the audit shall be sent to the originating LDH Office.

4. **Record Retention:** Contractor agrees to retain all books, records and other documents relevant to the contract and funds expended thereunder for at least four (4) years after final payment or as prescribed in 45 CFR 74.53 (b) whichever is longer. Contractor shall make available to the Department such records within thirty (30) days of the Department's written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana, all without expense to the Department. Contractor shall allow the Department to inspect, audit or copy records at the contractor's site, without expense to the Department.
5. **Record Ownership:** All records, reports, documents and other material delivered or transmitted to Contractor by the Department shall remain the property of the Department, and shall be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract. All records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the Department, and shall, upon request, be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract.
6. **Nonassignability:** Contractor shall not assign any interest in this contract and shall not transfer any interest in the same (whether by assignment or novation), without written consent of the Department thereto, provided, however, that claims for money due or to become due to Contractor from the Department under this contract may be assigned to a bank, trust company or other financial institution without advanced approval. Notice of any such assignment or transfer shall be promptly furnished to the Department and the Division of Administration, Office of State Procurement.
7. **Taxes:** Contractor hereby agrees that the responsibility for payment of taxes from the funds received under this contract shall be Contractor's. The Contractor assumes responsibility for its personnel providing services hereunder and shall make all deductions for withholding taxes, and contributions for unemployment compensation funds.
8. **Insurance:** Contractor shall obtain and maintain during the contract term all necessary insurance including automobile insurance, workers' compensation insurance, and general liability insurance. The required insurances shall protect the Contractor, the Louisiana Department of Health, and the State of Louisiana from all claims related to Contractor's performance of this contract. Certificates of insurance shall be filed with the Department for approval. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days advance written notice to the Department. Commercial General Liability Insurance shall provide protection during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as claims for property damages, with combined single limits prescribed by the Department.
9. **Travel:** In cases where travel and related expenses are required to be identified separate from the fee for services, such costs shall be in accordance with State Travel Regulations. The contract contains a maximum compensation which shall be inclusive of all charges including fees and travel expenses.
10. **Political Activities:** No funds provided herein shall be used 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 Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition or any election ballot or a proposition or matter having the effect of law being considered by the Legislature or any local governing authority. Contracts with individuals shall be exempt from this provision.
11. **State Employment:** Should Contractor become an employee of the classified or unclassified service of the State of Louisiana during the effective period of the contract, Contractor must notify his/her appointing authority of any existing contract with State of Louisiana and notify the contracting office of any additional state employment. This is applicable only to contracts with individuals.
12. **Ownership of Proprietary Data:** All non-third party software and source code, records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract. All non-third party software and source code, records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract.

13. **Subcontracting:** Contractor shall not enter into any subcontract for work or services contemplated under this contract without obtaining prior written approval of the Department. Any subcontracts approved by the Department shall be subject to conditions and provisions as the Department may deem necessary; provided, however, that notwithstanding the foregoing, unless otherwise provided in this contract, such prior written approval shall not be required for the purchase by the contractor of and services which are incidental but necessary for the performance of the work required under this contract.

No subcontract shall relieve the Contractor of the responsibility for the performance of contractual obligations described herein.

14. **Conflict of Interest:** Contractor warrants that no person and no entity providing services pursuant to this contract on behalf of Contractor or any subcontractor is prohibited from providing such services by the provisions of R.S. 42:1113.
15. **Unauthorized Services:** No claim for services furnished or requested for reimbursement by Contractor, not provided for in this contract, shall be allowed by the Department. In the event the Department determines that certain costs which have been reimbursed to Contractor pursuant to this or previous contracts are not allowable, the Department shall have the right to set off and withhold said amounts from any amount due the Contractor under this contract for costs that are allowable.
16. **Fiscal Funding:** This contract is subject to and conditioned upon the availability and appropriation of Federal and/or State funds; and no liability or obligation for payment will develop between the parties until the contract has been approved by required authorities of the Department; and, if contract exceeds \$2,000, the Division of Administration, Office of State Procurement.

The continuation of this contract is contingent upon the appropriation of funds from the legislature to fulfill the requirements of the contract. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act 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 are not appropriated.

17. **State and Federal Funding Requirements:** Contractor shall comply with all applicable requirements of state or federal laws or regulations relating to Contractor's receipt of state or federal funds under this contract.

If Contractor is a "subrecipient" of federal funds under this contract, as defined in 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), Contractor shall comply with all applicable requirements of 2 CFR Part 200, including but not limited to the following:

Contractor must disclose any potential conflict of interest to the Department and the federal awarding agency as required by 2 CFR §200.112.

Contractor must disclose to the Department and the federal awarding agency, timely and in writing, all violations of federal criminal laws that may affect the federal award, as required by 2 CFR §200.113.

Contractor must safeguard protected personally identifiable information and other sensitive information, as required by 2 CFR §200.303.

Contractor must have and follow written procurement standards and procedures in compliance with federally approved methods of procurement, as required by 2 CFR §§200.317 - 200.326.

Contractor must comply with the audit requirements set forth in 2 CFR §§200.501 - 200.521, as applicable, including but not limited to:

- o Electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 CFR §200.512(d)).
- o Ensuring that reports do not include protected personally identifiable information (2 CFR §200.512(a)(2)).

Notwithstanding the provisions of paragraph 3 (Auditors) of these Terms and Conditions, copies of audit reports for audits conducted pursuant to 2 CFR Part 200 shall not be required to be sent to the Department.

18. **Amendments:** Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when reduced to writing, as an amendment duly signed, and approved by required authorities of the Department; and, if the contract exceeds \$2,000, by the Division of Administration, Office of State Procurement. Budget revisions approved by both parties in cost reimbursement contracts do not require an amendment if the revision only involves the realignment of monies between originally approved cost categories.
19. **Non-Infringement:** Contractor will warrant all materials, products and/or services produced hereunder will not infringe upon or violate any patent, copyright, trade secret, or other proprietary right of any third party. In the event of any such claim by any third party against LDH, the Department shall promptly notify Contractor in writing and Contractor shall defend such claim in LDH's name, but at Contractor's expense and shall indemnify and hold harmless LDH against any loss, expense or liability arising out of such claim, whether or not such claim is successful. This provision is not applicable to contracts with physicians, psychiatrists, psychologists or other allied health providers solely for medical services.
20. **Purchased Equipment:** Any equipment purchased under this contract remains the property of the Contractor for the period this contract and future continuing contracts for the provision of the same services. Contractor must submit vendor invoice with reimbursement request. For the purpose of this contract, equipment is defined as any tangible, durable property having a useful life of at least (1) year and acquisition cost of \$1000.00 or more. The contractor has the responsibility to submit to the Contract Monitor an inventory list of LDH equipment items when acquired under the contract and any additions to the listing as they occur. Contractor will submit an updated, complete inventory list on a quarterly basis to the Contract Monitor. Contractor agrees that upon termination of contracted services, the equipment purchased under this contract reverts to the Department. Contractor agrees to deliver any such equipment to the Department within 30 days of termination of services.
21. **Indemnity:** Contractor agrees to protect, indemnify and hold harmless the State of Louisiana, LDH, from all claims for damages, costs, expenses and attorney fees arising in contract or tort from this contract or from any acts or omissions of Contractor's agents, employees, officers or clients, including premises liability and including any claim based on any theory of strict liability. This provision does not apply to actions or omissions for which R.S. 40:1237.1 et seq. provides malpractice coverage to the Contractor, nor claims related to treatment and performance of evaluations of persons when such persons cause harm to third parties (R.S. 13:5106.1(E)). Further, it does not apply to premises liability when the services are being performed on premises owned and operated by LDH.

22. **Severability:** Any provision of this contract is severable if that provision is in violation of the laws of the State of Louisiana or the United States, or becomes inoperative due to changes in State and Federal law, or applicable State or Federal regulations.
23. **Entire Agreement:** Contractor agrees that the current contract supersedes all previous contracts, negotiations, and all other communications between the parties with respect to the subject matter of the current contract.
24. **E-Verify:** Contractor acknowledges and agrees to comply with the provision of R.S. 38:2212.10 and federal law pertaining to E-Verify in the performance of services under this contract.
25. **Remedies for Default:** Any claim or controversy arising out of this contract shall be resolved by the provisions of R.S. 38:1672.2-1672.4.
26. **Governing Law:** This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to R.S. 38:1561-1736; rules and regulations; executive orders; standard terms and conditions, and specifications listed in the RFP (if applicable); and this Contract.
27. **Contractor's Cooperation:** The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the state when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.
28. **Continuing Obligation:** Contractor has a continuing obligation to disclose any suspension or debarment by any government entity, including but not limited to the General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future contracts.
29. **Eligibility Status:** Contractor and each tier of Subcontractors, shall certify that it is not excluded, disqualified, debarred, or suspended from contracting with or receiving federal funds or grants from the Federal Government. Contractor and each tier of Subcontractors shall certify that it is not on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12889, "Debarment and Suspension," as set forth at 24CFR Part 24, and "NonProcurement Debarment and Suspension" set forth at 2CFR Part 2424.
30. **Act 211 Taxes Clause:** In accordance with R.S. 38:1624(A)(10), the Louisiana Department of Revenue 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 LDH 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. LDH 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) business days of such notification.
31. **Termination for Cause:** The Department 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 that the Department shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) 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) days; begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the Department may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the Department to comply with the terms and conditions of this contract; provided that the Contractor shall give the Department written notice specifying the Department's failure and a reasonable opportunity for the state to cure the defect.
32. **Termination for Convenience:** The Department may terminate this Contract at any time by giving thirty (30) days written notice to the Contractor. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.
33. **Prohibition of Discriminatory Boycotts of Israel:** In accordance with Executive Order Number JBE 2018-16, 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, hereby certifies 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.
34. **Countersignature:** This contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.
35. **No Employment Relationship:** Nothing in this Agreement shall be construed to create an employment or agency relationship, partnership or joint venture between the employees, agents, or subcontractors of the Contractor and the State of Louisiana.
36. **Venue:** Venue for any action brought with regard to this Agreement shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.
37. **Commissioner's Statements:** Statements, acts and omissions made by or on behalf of the Commissioner of Administration regarding the RFP or RFP process, this Contract, any Contractor and/or any subcontractor of the Contractor shall not be deemed a conflict of interest when the Commissioner is discharging his duties and responsibilities under law, including, but not limited, to the Commissioner of Administration's authority in procurement matters.
38. **Order of Precedence Clause:** In the event of any inconsistent or incompatible provisions in an agreement which resulted from an RFP, this signed Agreement (excluding the RFP and Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's proposal. *This Order of Precedence Clause applies only to contracts that resulted from an RFP.*

**SIGNATURES TO FOLLOW ON THE NEXT PAGE**

THIS CONTRACT CONTAINS OR HAS ATTACHED HERETO ALL THE TERMS AND CONDITIONS AGREED UPON BY THE CONTRACTING PARTIES. IN WITNESS THEREOF, THIS CONTRACT IS SIGNED ON THE DATE INDICATED BELOW.

Meeting See Financial Services

STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH

*[Signature]* *12/9/2019*  
SIGNATURE DATE

Toni Thulen  
NAME  
Chief Financial Officer  
TITLE

*[Signature]*  
SIGNATURE DATE

NAME  
Under Secretary, Louisiana Department of Health or Designee  
TITLE

[Redacted Signature Area]

Bureau of Health Services Financing

SIGNATURE DATE

NAME  
TITLE

SIGNATURE DATE

NAME  
TITLE

# STATEMENT OF WORK

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**GLOSSARY**

**508 Compliant:** This refers to section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794d), which requires that when Federal agencies develop, procure, maintain, or use electronic and information technology, Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities, unless an undue burden would be imposed on the agency. Section 508 also requires that individuals with disabilities, who are members of the public seeking information or services from a Federal agency, have access to and use of information and data that is comparable to that provided to the public who are not individuals with disabilities, unless an undue burden would be imposed on the agency.

**42 U.S.C. 1396n (Sec. §1915(c)):** The provision of the Social Security Act that authorizes the Secretary of HHS to grant waivers of certain Medicaid statutory requirements so that a state may furnish home and community services to Medicaid beneficiaries who need a level of institutional care that is provided in a hospital, nursing facility or Intermediate Care Facility for the Developmentally Disabled (ICF/DD).

**Adult Day Health Care Waiver (ADHC):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer supplemental services and supports as an alternative to nursing facility care to elders age 65 years or those 22 through 64 years of age with a physical disability to assist them to remain in or return to the community.

**BHSF:** Bureau of Health Services Financing.

**Bureau of Health Services Financing:** The agency within the Louisiana Department of Health responsible for day-to-day administrative operations of the Louisiana Medicaid Program.

**Can/May:** Denotes a preference, but not a mandatory requirement.

**Children's Choice Waiver (CC Waiver):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer supplemental support to children through age 21 with developmental disabilities who currently live at home with their families or with a foster family.

**Centers for Medicare and Medicaid Services:** The agency in the U.S. Department of Health and Human Services (DHHS) responsible for federal administration of the Medicare and Medicaid programs.

**CMS:** Centers for Medicare and Medicaid Services.

**Common Law Employer:** A common law employer-employee relationship generally exists when the person for whom services are performed has the authority to control and direct the individual who performs the services, not only as to the result to be accomplished, but also as to the detail and means by which that result is accomplished.

**Community Choices Waiver (CCW):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer supplemental services and supports to elders and adults with disabilities to assist them to remain in or return to the community.

**Complaint:** A verbal or written expression of dissatisfaction which requires resolution.

**Contractor:** Any person having a contract with a governmental body; the selected Proposer of this RFP.

**Contract Monitor:** A person designated by the Department to be responsible for negotiating, administering, and enforcing the terms and conditions of the contract. The contract monitor is the Department's primary point of contact through which all contracting information flows between the Department and the Fiscal/Employer Agent (F/EA).

**Database Administrator:** An information technology professional who is responsible for the development and design of database strategies; system monitoring and improving database performance and capacity; planning for future expansion requirements; and planning, coordinating and implementing security measures to safeguard the database.

**Department:** Louisiana Department of Health; LDH.

**Direct Service Worker (DSW)/Domestic Service Worker:** A person who is paid to provide personal care and other direct service and support to persons with disabilities, or to the elderly to enhance their well-being.

**Division of Administration:** The Division of Administration is the executive office of the State which oversees the



general management of all state finances and financial operations.

**DOA:** Louisiana Division of Administration.

**Employer(s):** A participant and/or responsible representative that selects the self-direction option for receiving personal care services and supports, and exercises full decision-making authority over their direct service workers.

**Federal Employer Identification Number:** A 9-digit code used by businesses in order to classify and identify them as a tax payer, for banking services and other official and legal purposes.

**Federal Insurance Contributions Act tax:** The Federal law that authorizes taxes on the wages of employed persons to provide for contributions to the Federal Old Age, Survivors and Disability Insurance (OASDI – Social Security) and Medicare Health Insurance (Part A) programs. Covered workers and their employers pay FICA taxes in equal amounts.

**FEIN:** Federal Employer Identification Number.

**FICA:** Federal Insurance Contributions Act tax.

**Financial Management Services (FMS):** A support that is provided to waiver participants who direct some or all of their waiver services. This support may be furnished as a waiver service or conducted as an administrative activity. When used in conjunction with the Employer Authority, this support includes, but is not necessarily limited to, operating a payroll service for participant employed workers and making required payroll withholdings. When used in conjunction with the Budget Authority, this support includes, but is not necessarily limited to, paying invoices for waiver goods and services and tracking expenditures against the participant-directed budget.

**Fiscal/Employer Agent (F/EA):** The contractor with whom BHSF will contract to provide financial management services to participants enrolled in an approved Medicaid self-direction option/program. The F/EA will operate as a Vendor Fiscal/Employer Agent in accordance with Section 3504 of the Internal Revenue Code, IRS Revenue Procedure 2013-39, and IRS Notice 2003-70.

**FUTA:** Federal Unemployment Tax Act.

**Health Insurance Portability and Accountability Act (HIPAA) Rules:** Refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 C.F.R. Parts 160 and 164, which were originally promulgated by the U. S. Department of Health and Human Services (DHHS) pursuant to the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and were subsequently amended pursuant to the Health Information Technology for Economic and Clinical Health (HITECH) Act of the American Recovery and Reinvestment Act of 2009.

**HIPAA:** Health Insurance Portability and Accountability Act.

**Home and Community-Based Services (HCBS) Waiver:** An optional Medicaid program established under 42 U.S.C. 1396n (Section 1915(c) of the Social Security Act) designed to provide services in the community as an alternative to institutional services to persons who meet the requirement of an institutional level of care. It provides a collection of services through an approved CMS waiver that are provided in a community setting through enrolled providers of specific Medicaid services. The number of individuals receiving these services is limited to the number of approved and available waiver opportunities.

**Intermediate Care Facility for Individuals with Developmental Disabilities (ICF/DD):** A public or private facility that provides health and habilitation services to individuals with developmental disabilities. ICF/DDs have four (4) or more beds and provide “active treatment” to their residents.

**IRS:** Internal Revenue Service.

**LGE:** Local Governing Entity.

**Long Term-Personal Care Services (LTPCS):** A service offered under the Louisiana Medicaid State Plan to provide assistance with the activities of daily living and instrumental activities of daily living to qualified Medicaid participants age 21 and over.

**Louisiana Department of Health (LDH):** The state agency responsible for administering the state’s Medicaid programs and other health and related services including public health, mental health, developmental disabilities, and addictive disorder services in Louisiana.

**Louisiana Service Reporting System (LASRS):** The LASRS system is a web based application for collecting check-in and check-out times electronically for HCBS.

**Medicaid Fiscal Intermediary:** The private contractor with whom LDH contracts to operate the Medicaid Management Information System. It processes claims for Medicaid services provided under the Medicaid Assistance Program, issues appropriate payment, and provides assistance to providers on claims.

**Medicaid Management Information System (MMIS):** A claims processing and information retrieval system designed to improve the management and control of service expenditures and reduce program costs through effective claims processing and utilization control.

**Medicaid Program Support and Waivers (MPSW):** The organizational section within BHSF responsible for the self-direction contract.

**Medicaid State Plan:** The formal agreement between Louisiana and CMS regarding the policies and payment methodologies governing the administration of Louisiana's Medicaid program.

**Must:** Denotes a mandatory requirement.

**New Opportunities Waiver (NOW):** A Louisiana Medicaid 1915(c) waiver approved by CMS to offer individuals age 3 and older who otherwise would require the level of care of an Intermediate Care Facility for individuals with Developmental Disabilities (ICF/DD) services that allow them to remain in their communities.

**Nursing Facility (NF):** A facility which meets the requirements of sections 1819 or 1919(a), (b), (c), and (d) of the Social Security Act. A nursing facility provides long term care and placement for those individuals who meet the eligibility requirements.

**Office of Aging and Adult Services (OAAS):** The office in LDH that is responsible for the management and oversight of certain Medicaid home and community-based state plan and waiver services for individuals age 65 and older and individuals ages 21 – 64 with a physical disability. The office also provides protective services for vulnerable adults ages 18-59. OAAS serves as one of the State of Louisiana's voter registration agencies.

**Office of Behavioral Health (OBH):** The office in LDH that is responsible for behavioral health services provided to Louisiana Medicaid enrollees.

**Office for Citizens with Developmental Disabilities (OCDD):** The office in LDH that is responsible for the day-to-day operation and administration of the Medicaid waivers that offer services to individuals with developmental disabilities.

**Office of Public Health (OPH):** The office in LDH that is responsible for personal and environmental health services.

**Operating Agencies:** Refers to the two (2) LDH agencies, Office of Aging and Adult Services (OAAS) and Office for Citizens with Developmental Disabilities (OCDD), that operate the CMS-approved home and community-based service programs that are under the administrative authority of Louisiana's Medicaid program.

**Original:** Denotes must be signed in ink or electronically as indicated in La. R.S. 9.2607.

**PACE:** Program of All-Inclusive Care for the Elderly.

**Participant:** An individual who has met Medicaid waiver or Medicaid State Plan personal services entrance requirements, chooses to receive Medicaid waiver or Medicaid State Plan personal care services, and subsequently receives Medicaid waiver or Medicaid State Plan personal care services authorized in a service plan.

**Participant Direction:** Provision of the opportunity for a waiver participant to exercise choice and control in identifying, accessing, managing waiver services, and other supports in accordance with their needs and personal preferences.

**PCA:** Personal Care Attendant.

**Plan of Care (POC):** A written plan developed by the participant, his/her authorized representative and support coordinator that is based on assessment results and specifies services to be accessed and coordinated by the support coordinator on the participant's behalf. It includes long-range goals, assignment of responsibility, and time frames for completion or review by the support coordinator.

**Prior Authorization Period:** The period of time in which authorization for service delivery based on the participant's approved Plan of Care has been released. Prior authorization must be obtained before any waiver services can be provided.

**Procurement:** The buying, purchasing, renting, leasing, or otherwise obtaining any supplies, services, or major repairs. It also includes all functions that pertain to the obtaining of any public procurement, including description of requirements, selection and solicitation of sources, preparation, evaluation, and award of contract, and all phases of contract administration.

**Program of All-Inclusive Care for the Elderly (PACE):** This program coordinates and provides all needed preventive, primary, acute, and long-term care services so that older individuals can continue living in the community. The emphasis is on enabling senior citizens to remain in their communities while enhancing their quality of life.

**Programmer:** A specialist who writes computer software or code for many kinds of software.

**Proposer:** An entity or individual who responds to this RFP.

**Prospective DSW:** A Direct Service Worker who has submitted an application and is proceeding through the application process to become a DSW for a participant in the Medicaid waiver.

**Reporting Agency:** Is defined by the IRS (Notice 2003-70) as an accounting service, franchiser, bank, service bureau, or other entity authorized to perform one or more acts on behalf of an employer, including signing and filing Forms 940 and 941 and making federal tax deposits for the taxes reported in those forms. For the purpose of this Request for Proposal, the F/EA will not be allowed to use the services of a Reporting Agency. All contracted tasks must be performed by the F/EA in-house.

**Request for Proposals (RFP):** The process used by the state in public procurement of contracted services, supplies, or repairs including description of requirements, selection and solicitation of sources, preparation and award of contract.

**Residential Options Waiver (ROW):** A Louisiana Medicaid 1915c waiver approved by CMS to offer individuals of all ages services designed to support them to move from ICF/DDs and nursing facilities to community-based settings and to serve as an alternative to institutionalization.

**Responsible Representative:** An adult who has been designated by the participant to act on his/her behalf with respect to his/her services. The written designation of a responsible representative does not give legal authority for that individual to independently handle the participant's business without the participant's involvement. In the case of an interdicted individual, the responsible party must be the curator appointed by the court of competent jurisdiction.

**Self-Direction:** Provision of the opportunity for a waiver participant to exercise choice and control in identifying, accessing, and managing waiver services and other supports in accordance with their needs and personal preferences; Participant Direction.

**Shall/Will:** Denotes a mandatory requirement.

**Should:** The term "should" denotes a desirable action.

**SOC:** Service Organization Controls Report.

**SSAE:** Statements on Standards for Attestation Engagements.

**State:** Used to refer to the State of Louisiana.

**Successful Proposer:** The successful Proposer is the entity to whom the contract is awarded for purposes of this RFP and is used interchangeably throughout this RFP with the terms Contractor and Fiscal Employer Agent.

**Support Coordinator (SC):** A person who is employed by a public or private entity compensated by the State of Louisiana through the Medicaid State Plan or waiver services to create and coordinate a comprehensive Plan of Care, which identifies all services and supports deemed necessary for the participant to remain in the community as an alternative to institutionalization.

**Supports Waiver (SW):** A Louisiana Medicaid 1915(c) waiver designed to enhance the home and community based supports and services available to recipients with developmental disabilities who require the level of care of an Intermediate Care Facility for the Developmentally Disabled (ICF/DD).

**SUTA:** State Unemployment Tax Act.

**Target Population:** Individuals enrolled in an approved Medicaid self-direction program.

**US Citizenship and Immigration Service:** The Federal agency responsible for immigration service functions, which was formed to enhance the security and improve the efficiency of national immigration services by exclusively focusing on the administration of benefit applications.

**USCIS:** US Citizenship and Immigration Service.

**Vendor:** Supplier of goods and/or services to the self-direction employer.

## 1. GOAL

### 1.1. Organizational Overview

- 1.1.1.** The mission of the Louisiana Department of Health (LDH) is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana. LDH is dedicated to fulfilling its mission through direct provision of quality services, the development and stimulation of the services of others, and the utilization of available resources in the most effective manner.
- 1.1.2.** LDH is comprised of the Office of the Secretary and the Office of Management & Finance under the supervision of the Secretary. The Bureau of Health Services Financing (BHSF) is under the Office of Management & Finance (OMF) and the following program offices are under the Office of the Secretary: the Office for Citizens with Developmental Disabilities (OCDD), the Office of Behavioral Health (OBH), the Office of Aging and Adult Services (OAAS), and the Office of Public Health (OPH).
- 1.1.3.** Within this structure, OCDD and OAAS currently serve as the operating agencies/program offices for Medicaid-funded home and community-based services (HCBS) programs. OCDD and OAAS have state offices located in Baton Rouge. OAAS oversees regional waiver operations performed by OAAS regional offices. OCDD oversees waiver operations performed by Local Governing Entities (LGEs). The state operating agencies share responsibility with the regional offices and LGEs to meet the federally-mandated assurances and sub-assurances.
- 1.1.3.1.** OCDD currently operates the following waivers for individuals with developmental disabilities:
- 1.1.3.1.1.** Children's Choice (CC) Waiver;
  - 1.1.3.1.2.** New Opportunities Waiver (NOW);
  - 1.1.3.1.3.** Residential Options Waiver (ROW); and
  - 1.1.3.1.4.** Supports Waiver (SW).
- 1.1.3.2.** OAAS currently operates the following HCBS programs for the elderly and/or individuals with adult-onset disabilities:
- 1.1.3.2.1.** Community Choices Waiver (CCW);
  - 1.1.3.2.2.** Adult Day Health Care (ADHC) Waiver;
  - 1.1.3.2.3.** Long Term-Personal Care Services (LTPCS); and
  - 1.1.3.2.4.** Program of All-Inclusive Care for the Elderly (PACE).
- 1.1.4.** In Louisiana, Medicaid is administered by BHSF. Medicaid is the public assistance program that finances primary and preventative health care coverage to low-income families, and long-term care to low-income seniors and persons with disabilities. Medicaid is funded by both the federal and State government and covers a wide range of services including physician, hospital, nursing

home, and home and community-based services.

- 1.1.5.** BHSF operates a Medicaid Management Information System (MMIS) for the purpose of paying claims for covered medical services and for the management of Medicaid vendor payments. MMIS is a claims processing and information retrieval system designed to improve the management and control of service expenditures, and reduce program costs through effective claims processing and utilization control.
- 1.1.6.** To ensure compliance with federal regulations governing waivers and state-plan home and community-based services (HCBS), BHSF created the Medicaid Program Support and Waivers (MPSW) Section to oversee the administration of all Medicaid waiver programs and HCBS within Louisiana. MPSW staff monitor contracts that assist Medicaid with complying with CMS guidelines and with maintaining its administrator authority over HCBS.
- 1.1.7.** The Centers for Medicare and Medicaid Services (CMS) approved the self-direction option for personal care services which is currently being utilized by individuals enrolled in:
  - 1.1.7.1.** The New Opportunities Waiver (NOW), which serves individuals age 3 and older who otherwise would require the level of care of an Intermediate Care Facility for the Developmentally Disabled (ICF/DD) services program;
  - 1.1.7.2.** The Community Choices Waiver (CCW), which provides services and supports to elders or adults with disabilities;
  - 1.1.7.3.** The Children's Choice Waiver (CC Waiver), which provides supplemental support to children through age 18 who currently live at home with their families or with a foster family; and
  - 1.1.7.4.** The Residential Options Waiver (ROW), which has no age restriction and provides opportunities for individuals with developmental disabilities to transition from intermediate care facilities/developmental disabilities or nursing home facilities.
- 1.1.8.** The current Fiscal/Employer Agent Contractor provides financial management services for approximately twelve hundred (1,200) participants in NOW, CC Waiver, CCW, and ROW with an average of fifteen to twenty (15-20) new participants enrolling each month.

## **1.2. Purpose**

- 1.2.1.** The purpose of this this contract is to provide financial management services to Medicaid participants enrolled in an approved self-directed program, such as managing payroll, providing bill pay functions, and distributing funds contained in individual participant budgets.

## **3. OUTCOMES AND DELIVERABLES**

### **3.1. Contract Overview**

- 3.1.1.** The Contractor shall assist the Department in complying with the Centers for Medicare and Medicaid (CMS) guidelines for financial management in self-direction, including but not limited to:

- 3.1.1.1. Verifying qualifications (criminal background check, etc.) of Direct Service Workers (DSWs);
  - 3.1.1.2. Processing payroll, withholding and filing and paying applicable federal income tax withholding, FICA and FUTA, SUTA and State income taxes;
  - 3.1.1.3. Disbursing payment to all DSWs identified in the participant's approved plan of care and budget;
  - 3.1.1.4. Billing for expenditures disbursed, based on the approved plan of care and budget, and making refunds to Louisiana Medicaid as appropriate;
  - 3.1.1.5. Maintaining all records related to the DSWs' payroll, taxes and benefits;
  - 3.1.1.6. Producing and sending periodic reports to BHSF as set forth herein; and
  - 3.1.1.7. Providing support to participants in the self-direction process.
- 3.1.2.** Participants/Responsible Representatives serve as employers under the CMS Employer Authority guidance. Participants/Responsible Representatives' decision making authority includes:
- 3.1.2.1. Recruit staff;
  - 3.1.2.2. Hire staff;
  - 3.1.2.3. Verify staff qualifications;
  - 3.1.2.4. Receive criminal history and/or background investigation results;
  - 3.1.2.5. Specify additional staff qualifications based on participant needs and preferences so long as such qualifications are consistent with the qualifications specified in the waiver application;
  - 3.1.2.6. Determine staff duties consistent with the service specifications in the waiver application;
  - 3.1.2.7. Determine individual staff wages and benefits;
  - 3.1.2.8. Schedule staff;
  - 3.1.2.9. Orient and instruct staff in duties;
  - 3.1.2.10. Supervise staff;
  - 3.1.2.11. Evaluate staff performance;
  - 3.1.2.12. Verify time worked by staff and approve time sheets; and
  - 3.1.2.13. Discharge staff (common law employer).
- 3.1.3.** The contract may be modified in the future to include other components, if state or federally required. Such modifications would be implemented through an allowable contract amendment which requires approval by the Office of State Procurement, and cost shall be negotiated within

the State's current budgetary status. Inclusions may include:

- 3.1.3.1. Processing of payment for independent Contractors who provide services to participants;
- 3.1.3.2. Managing of invoices for goods and services rendered and included in the participants' service plans and budgets; or
- 3.1.3.3. Making available a package of insurance options including disability, health, and/or life insurance for DSWs employed by participants.
- 3.1.3.4. Additional waivers and/or target populations may be added upon request and approval from CMS.

### **3.2. Contractor Responsibilities:**

#### **3.2.1. The Contractor shall:**

- 3.2.1.1. Have a customer service operation system in place physically located in the United States;
- 3.2.1.2. Have policies, procedures, and internal controls in place to stay up-to-date with Federal and State tax, labor, immigration, workers' compensation, and program regulations to perform effectively as a Fiscal/Employer Agent (F/EA) and limit any risk of liability as a result of non-compliance;
- 3.2.1.3. Provide financial management services statewide to Medicaid enrollees residing in all sixty-four (64) Louisiana parishes;
- 3.2.1.4. Establish and maintain registration with the Louisiana Secretary of State;
- 3.2.1.5. Inform participants of changes that relate to self-direction;
- 3.2.1.6. Show proof of a separate FEIN for the sole purpose of filing certain federal employment tax forms and making federal payments on the participant's behalf. This FEIN must only be used for processing wages and federal forms and taxes for the participant-employers it represents as agent and not for processing wages and related federal forms and taxes for employees of parent organizations or sub-entities. This FEIN must be obtained in addition to the F/EA organization's corporate FEIN;
- 3.2.1.7. Obtain a FEIN for each Medicaid self-direction participant it represents and maintain copies of the participant's FEIN, IRS FEIN notification, and the filed Form SS-4 in the participant's file;
- 3.2.1.8. Retire participants' FEIN when they are no longer employers;
- 3.2.1.9. Prepare and submit a signed IRS Form 2678 for each participant it represents and maintain documentation (copy of IRS 2678, Request for Approval Letter, and IRS Notification of F/EA Approval) on file;
- 3.2.1.10. Revoke the IRS Form 2678 for each participant it no longer represents in accordance with IRS requirements and maintain documentation in each participant's file;



- 3.2.1.11. File a signed IRS Form 8821 for each participant it represents and maintain copies of the Form in each participant's file;
- 3.2.1.12. Renew IRS Form 8821 for each applicable participant at the appropriate time and maintain copies of the renewals in each participant's file;
- 3.2.1.13. Revoke the IRS Form 8821 when the agent no longer represents the participant and maintain documentation in each participant's file;
- 3.2.1.14. Obtain a State power of attorney (for State income tax, unemployment tax or both, as required by the State) from each participant it represents, and maintain documentation in each participant's file;
- 3.2.1.15. Revoke a State power of attorney (for State income tax, unemployment tax or both, as required by the State) when it no longer represents a participant, and maintain documentation in each participant's file;
- 3.2.1.16. Develop and implement policies and procedures to accommodate expansion of participants into the self-direction program; and
- 3.2.1.17. Enroll as a Medicaid provider and follow all relevant Medicaid provider rules (see link: [General Information and Administration Provider Manual](#)).

### 3.3. Deliverables

#### 3.3.1. General Requirements and Expected Outcomes

- 3.3.1.1. The Contractor shall provide the following services:
  - 3.3.1.1.1. File and deposit federal taxes (federal income tax withholding, Medicare and Social Security, and federal unemployment taxes) and any unfulfilled federal tax obligations, including penalties and interest, even before approval is received from the IRS to serve as an agent for an individual participant;
  - 3.3.1.1.2. Bill the LDH Fiscal Intermediary for all Medicaid service claims at least bi-weekly (every two weeks);
  - 3.3.1.1.3. Resolve all billing discrepancies timely and pursuant to Medicaid policy;
  - 3.3.1.1.4. Utilize a BHSF approved current technology-based accounting system that operates effectively on a large scale;
  - 3.3.1.1.5. Utilize a BHSF approved payroll system and payroll calendar that addresses all related tax obligations;
  - 3.3.1.1.6. Utilize a BHSF approved accounting and information system to track and report service expenditures;
  - 3.3.1.1.7. Prepare and maintain a policies and procedures manual approved by BHSF which describes the policies, procedures, and internal controls for all tasks related to the

F/EA function. The manual must be reviewed annually and updated as necessary, and as directed by BHSF;

- 3.3.1.1.8. Develop, implement, and maintain an online orientation and skills training for participants and responsible representatives, which must be updated annually and/or upon request of BHSF and which is subject to approval by BHSF;
- 3.3.1.1.9. Have a functional disaster recovery plan in place for restoring software and master files, and hardware backup in the event management information systems are disabled to ensure the payroll and payment systems remain intact. This plan should be tested and revised annually and results submitted to LDH for review and approval;
- 3.3.1.1.10. Maintain the confidentiality of participant information in accordance with HIPAA requirements, as amended;
- 3.3.1.1.11. Be culturally sensitive and emphasize the philosophy of self-direction in all business practices in order to communicate effectively with participants;
- 3.3.1.1.12. Receive approval from BHSF before conducting any marketing, including approval of marketing materials (BHSF approval on materials is generally less than thirty (30) days and BHSF reserves the right to reject any and all materials);
- 3.3.1.1.13. Receive approval from BHSF for all materials, participant and DSW letters, rates, and forms prior to dissemination or implementation; and
- 3.3.1.1.14. Attend meetings (e.g. conference call, video-conference) as requested by BHSF.

### **3.3.2. Programmatic Responsibility for the F/EA**

- 3.3.2.1. Verify qualifications of new DSWs;
- 3.3.2.2. Disburse payment to all DSWs hired by participants enrolled in the self-direction option;
- 3.3.2.3. Process payroll, withhold and file and pay applicable federal income tax withholding, FICA and FUTA, SUTA and State income taxes;
- 3.3.2.4. Bill for expenditures disbursed, based on the approved plan of care and budget, and make refunds to Louisiana Medicaid as appropriate;
- 3.3.2.5. Set up accounting records to track expenses for each participant's approved budget;
- 3.3.2.6. Set up procedures for payroll and non-labor items;
- 3.3.2.7. Maintain all records related to the DSW's payroll, taxes and benefits;
- 3.3.2.8. Be responsible for retaining all criminal background checks for all DSWs hired by a self-direction participant;
- 3.3.2.9. Provide customer support, which includes but is not limited to:

- 3.3.2.9.1. Conducting background checks, including criminal history conviction(s), DSW registry, and state and federal Medicaid exclusion checks for participants' DSWs as required by the Department. A fingerprint-based search should be utilized for criminal background checks if adopted by the Department;
  - 3.3.2.9.2. Assisting with verification of DSWs' authorization to work;
  - 3.3.2.9.3. Collecting and processing DSW timesheets;
  - 3.3.2.9.4. Training and education in reading and understanding participant expenditure reports;
  - 3.3.2.9.5. Producing other periodic reports timely which include, but are not limited to:
    - 3.3.2.9.5.1. Individual budget expenditure reports with name of participant/employer;
    - 3.3.2.9.5.2. Monies expended broken out per DSW;
    - 3.3.2.9.5.3. Dates of services; and
    - 3.3.2.9.5.4. Total units/costs billed.
- 3.3.3. Operations Responsibilities for the F/EA**
- 3.3.3.1. Preparation and Distribution of Participant Enrollment and DSW Employment Packets
    - 3.3.3.1.1. The F/EA must provide a system, documented internal controls, and written policies and procedures for:
      - 3.3.3.1.1.1. Producing and distributing the participant enrollment packets;
      - 3.3.3.1.1.2. Collecting And processing the information contained in the participant enrollment packet;
      - 3.3.3.1.1.3. Maintaining documentation in each participant's file; and
      - 3.3.3.1.1.4. Preparing, having available, distributing, and providing instructions on completing the enrollment packet and orienting the participant to the self-direction program. The enrollment packet must be user-friendly; written at, or below, sixth grade reading level; sent to the participant within two (2) business days of request to enroll in self- direction; and forms included in the packet should be partially populated in advance where appropriate in order to assist participants in their accurate completion.
    - 3.3.3.1.2. Participant Enrollment Packets must include:
      - 3.3.3.1.2.1. F/EA brochure that includes information about the F/EA's services and operations (e.g., roles and responsibilities of the F/EA, hours of operation, toll-free number, key F/EA staff and contact information, web address, and mailing address);

**Attachment B**

- 3.3.3.1.2.2. Federal and State forms the participant must complete, such as IRS Forms SS-4, 2678, and 8821, and State power of attorney form(s) as applicable;
  - 3.3.3.1.2.3. Service agreement form;
  - 3.3.3.1.2.4. Other applicable consent and agreement forms;
  - 3.3.3.1.2.5. Workers' compensation insurance coverage (*e.g.*, description of coverage, how to file a claim);
  - 3.3.3.1.2.6. Payment schedule;
  - 3.3.3.1.2.7. Timesheet submittal information;
  - 3.3.3.1.2.8. Timesheet and instructions;
  - 3.3.3.1.2.9. Rate sheet; and
  - 3.3.3.1.2.10. Sample payroll report and instructions.
- 3.3.3.1.3. The F/EA must process the participant's enrollment information within seven (7) business days after it is received and must notify the participant if any paperwork is missing or incomplete. If the participant is required to submit additional/corrected information, then the F/EA must process this information within two (2) business days from the date of receipt of the new paperwork. The F/EA should process the new information immediately upon receipt.
- 3.3.3.1.4. The F/EA must have a system in place, internal controls documented, and written policies and procedures for producing and distributing:
- 3.3.3.1.4.1. The DSW employment packet;
  - 3.3.3.1.4.2. Collecting and processing the information contained in the employment packet; and
  - 3.3.3.1.4.3. Maintaining documentation in each DSW's file.
- 3.3.3.1.5. The employment packet, which should be distributed within two (2) business days of request, must be user-friendly; written at, or below, sixth grade reading level; and contain all required information about the F/EA, one-page employment application, Federal and State forms and instructions (*e.g.*, IRS Form W-4, L-4 (State version of W-4), USCIS Form I-9, and IRS Notice 797), criminal background check authorization form, payment information (*e.g.*, direct deposit, mailed check), and agreements and documents to enroll DSWs into the F/EA's payroll system.
- 3.3.3.1.6. The F/EA must process the prospective DSW's paperwork (employment packet) within four (4) business days after it is received and must notify the participant of the DSW's hire status. The F/EA is responsible for ensuring that the DSW meets the qualifications set by the Department before clearing a DSW for hire and/or processing payment for the DSW on behalf of the participant.

### 3.3.3.2. Management of Participant's Budget Funds

- 3.3.3.2.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented for receiving and maintaining participants' initial and updated plans of care and budgets;
- 3.3.3.2.2. The F/EA must have internal controls documented for monitoring billing of the State's Medicaid Management Information System. All billings must be submitted in the current BHSF format, as amended; and
- 3.3.3.2.3. The F/EA must have information systems in place, written policies and procedures, and internal controls documented to receive and disburse participants' Medicaid budget funds and track budget funds received, disbursed and remaining balances for each participant individually and in the aggregate.

### 3.3.3.3. Payroll Process for F/EA:

#### 3.3.3.3.1. The F/EA must:

- 3.3.3.3.1.1. Have a system in place, written policies and procedures, and internal controls documented for:
  - 3.3.3.3.1.1.1. Collecting and processing an IRS Form W-4 and Form L-4 from each DSW for whom it processes payroll and maintaining a copy of the form in each DSW's file;
  - 3.3.3.3.1.1.2. Assisting Participants in verifying DSW's citizenship and alien status by collecting a completed USCIS Form I-9 for every DSW for whom it processes payroll in each DSW's file and maintaining a copy of the form in each DSW's file;
  - 3.3.3.3.1.1.3. Processing criminal background checks, including state and federal Medicaid exclusion checks and DSW registry checks on prospective DSWs as required by the Department, notifying the Department and participant of the results, and maintaining copies of the documentation in the DSWs' files as required by the Department;
  - 3.3.3.3.1.1.4. Preventing prospective DSWs from being hired if they are barred from employment for patient abuse or neglect, for Medicaid or Medicare program related crimes or felony convictions for health care fraud or controlled substance offenses, or if they do not meet the training or program requirements established by the Department;
  - 3.3.3.3.1.1.5. Verifying each DSW's Social Security number and maintaining the appropriate documentation in each DSW's file;
  - 3.3.3.3.1.1.6. Verifying the State of residence for each DSW through examination of, but not limited to, State-issued identification cards, such as a driver's license, and maintaining the appropriate documentation in each DSW's

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file;

- 3.3.3.3.1.1.7. Ensuring that DSWs are paid in compliance with Federal and State Department of Labor wage and hour rules for regular and overtime pay;
  - 3.3.3.3.1.1.8. Enabling participant/employers to negotiate and pay different rates to different workers; and
  - 3.3.3.3.1.1.9. Reporting new hires per Department requirements and maintaining documentation in the participant's file.
- 3.3.3.3.1.2. Design and produce a user-friendly timesheet and instructions for completing and submitting the timesheet;
  - 3.3.3.3.1.3. Indicate in pay stubs and pay statements when overtime was earned;
  - 3.3.3.3.1.4. Design the pay period to align with the defined work week (Sunday 12:00 a.m. midnight – Saturday 11:59 p.m.);
  - 3.3.3.3.1.5. Indicate in pay statements the remaining hours or dollars in the budget per LDH requirements;
  - 3.3.3.3.1.6. Design and produce an expenditure planning tool and instructions for each target population, as requested, to assist participants in managing their budget allocation;
  - 3.3.3.3.1.7. Verify through LaSRS or other system designated by LDH that the participant has a current authorization for self-direction and the type and amount of services provided prior to authorizing payment for goods or services on behalf of the participant (documentation in the F/EA's system is required for post authorization to release reimbursement to providers for prior authorized services, and the F/EA must enter all service events into the F/EA's system or other system designated by LDH prior to billing the Fiscal Intermediary in order to receive reimbursement);
  - 3.3.3.3.1.8. Notify via e-mail and telephone the BHSF Contract Monitor and participant/employer within four (4) hours if any error by F/EA impacts participants or DSWs;
  - 3.3.3.3.1.9. Pay the participant's DSWs in full for net wages earned, not to exceed the authorized number of hours approved;
  - 3.3.3.3.1.10. As directed by the Department, process out of cycle checks when timesheets are submitted late due to an error by the participant/employer, Department or its Contractor(s);
  - 3.3.3.3.1.11. All payroll processing discrepancies or delays caused by the F/EA shall be corrected within the payroll disbursement cycle regardless of payroll schedule. The F/EA shall have policies and procedures, including timelines, and internal controls to refund employees; reimburse their bank accounts or debit cards;

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and have bank and debit card fees, penalties, and all costs borne by the F/EA that have resulted from F/EA errors or untimely payments. All untimely and improper checks shall be overnighted within one (1) business day upon the direction of the Department at the F/EA's expense;

- 3.3.3.3.1.12. Have a system, policies and procedures, and internal controls for managing weekly off cycle checks that includes submission to the Department for approval;
- 3.3.3.3.1.13. Make adjustments and voids for prior authorization and data collection with the Medicaid Fiscal Intermediary as necessary;
- 3.3.3.3.1.14. Meet the requirements of the MMIS for transactions, confidentiality, and security, and demonstrate on-going compliance with these requirements;
- 3.3.3.3.1.15. Have a system in place, written policies and procedures, and internal controls documented for:
  - 3.3.3.3.1.15.1. Producing, distributing, collecting, verifying, and processing DSWs' timesheets and maintaining copies in the DSWs' files;
  - 3.3.3.3.1.15.2. Collecting time entry data through various mechanisms including fax, mail, email, and web portal entry;
  - 3.3.3.3.1.15.3. Developing and maintaining a database that is effective for tracking and responding to occurrences of timesheet overbilling and timesheets that cannot be paid due to missing or erroneous information, or an overlap in work hours by the DSW with another self-direction participant;
  - 3.3.3.3.1.15.4. Determining whether the participant's DSWs are family members who might be exempt from paying into FICA, FUTA, and SUTA, and for processing them accordingly;
  - 3.3.3.3.1.15.5. Withholding FICA and federal income tax withholding for all participants it represents and their DSWs per payroll period and for maintaining documentation in the F/EA's files;
  - 3.3.3.3.1.15.6. Filing FICA and federal income tax withholdings using an IRS Form 941 quarterly and in the aggregate with its separate FEIN for all individuals it represents and for maintaining a copy of each IRS Form 941 filed and other documentation in the F/EA's files;
  - 3.3.3.3.1.15.7. Depositing FICA and federal income tax withholdings in the aggregate for all participants it represents using the F/EA's separate FEIN, in accordance with IRS depositing rules and for maintaining documentation in the F/EA's files;
  - 3.3.3.3.1.15.8. Withholding FUTA for all participants it represents per payroll period and maintaining documentation in the F/EA's files;

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- 3.3.3.3.1.15.9. Filing FUTA using an IRS Form 940 annually in the aggregate using the F/EA's separate FEIN for all participants it represents and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.15.10. Depositing FUTA in the aggregate using the F/EA's separate FEIN quarterly for all participants it represents and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.15.11. Registering participants as employers and obtaining each participant's State income tax registration number for income tax and State Unemployment Tax filing and payment purposes for each participant it represents and maintaining documentation in the participant's file;
- 3.3.3.3.1.15.12. Retiring a participant's State income and unemployment tax registration number when the participant no longer is participating in self-direction and maintaining documentation in the participant's file;
- 3.3.3.3.1.15.13. Withholding, filing, and depositing/paying State income tax and unemployment insurance taxes individually for each participant it represents per State requirements and for maintaining documentation in the participant's file;
- 3.3.3.3.1.15.14. Filing and depositing out-of-state income tax withholdings, as required by the Department or requested by the DSW, for DSWs who reside outside of the state they work in and for maintaining documentation in the DSWs' files;
- 3.3.3.3.1.15.15. Filing and depositing locality taxes related to employment, as applicable, and for maintaining documentation in the participant's file;
- 3.3.3.3.1.15.16. Managing the application of all garnishments, levies, and liens on DSWs' payroll checks in an accurate and timely manner and for maintaining documentation in the participant's file;
- 3.3.3.3.1.15.17. Paying DSWs within the time period required by the State of Louisiana Workforce Commission (e.g., per State "Payday" requirement) and for maintaining documentation in each DSW's file;
- 3.3.3.3.1.15.18. Ensuring that Louisiana labor laws are compiled with (See <http://www.laworks.net/laborlawinfo.asp>);
- 3.3.3.3.1.15.19. Processing DSW's direct deposit and for maintaining documentation in the DSW's file;
- 3.3.3.3.1.15.20. Submitting any funds disbursed to DSWs that are unclaimed for all entities (DSWs and vendors) to the State Department of the Treasury in accordance with the State's unclaimed property laws and for maintaining documentation in the DSWs' and vendors' files; and
- 3.3.3.3.1.15.21. Processing wage information requests from Federal and State agencies



and other qualified entities and maintaining documentation and correspondence in the DSW's file.

#### 3.3.3.4. End of Federal Tax Year Processes for F/EA

3.3.3.4.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented for:

3.3.3.4.1.1. Refunding over collected FICA to applicable individual employers (or State or parish government) and employees in accordance with the annual FICA wage threshold set forth in IRS Publication 15 and for maintaining documentation in the F/EA's files;

3.3.3.4.1.2. Preparing, filing and distributing IRS Forms W-2 for DSWs per IRS instructions for agents, for electronic filing when processing two hundred and fifty (250) or more IRS Forms W-2 and for maintaining documentation in the DSWs' files; and

3.3.3.4.1.3. Preparing, filing and distributing IRS Forms W-3 in the aggregate for all Participants the agent represents per IRS instructions and for maintaining documentation in the F/EA's files.

#### 3.3.3.5. Customer Service System for F/EA

3.3.3.5.1. The F/EA must:

3.3.3.5.1.1. Have a customer service operation in place, physically located in the United States, that includes:

3.3.3.5.1.1.1. A 24/7 toll free telephone number and shall provide prompt (within four (4) rings or less) live answering during business hours (8:00 am to 5:00 pm Central Time Monday-Friday) excluding official state holidays. Unanswered calls shall have no more than a two (2) minute wait before rolling over to an automatic messaging system. The messaging system must provide the option for caller to leave a number for a returned call. The call must be returned within one (1) working day;

3.3.3.5.1.1.2. A 24/7 high-speed fax machine;

3.3.3.5.1.1.3. Web-based information regarding F/EA services;

3.3.3.5.1.1.4. A website that is 508 compliant and has a participant friendly design;

3.3.3.5.1.1.5. Capability for internet/email communication and secure email;

3.3.3.5.1.1.6. Ability to provide translation and interpreter services (*i.e.*, American Sign Language and services for persons with Limited English Proficiency);

3.3.3.5.1.1.7. Written materials in plain English at 6th grade reading level available in alternate formats (e.g., large print, use of telecommunication devices for the hearing and speech impaired, languages other than English);

- 3.3.3.5.1.1.8. Methods for receiving, returning and tracking calls from participants, support coordinators, and DSWs during and after regular business hours;
  - 3.3.3.5.1.1.9. Methods for receiving, responding to and tracking complaints from participants, support coordinators, and DSWs within the established time period not to exceed thirty (30) calendar days; and
  - 3.3.3.5.1.1.10. Methods for acting as a mandatory reporter, including financial fraud and abuse issues, to the appropriate State agencies.
  - 3.3.3.5.1.2. Develop, implement, and maintain an online orientation and skills training course for participants/responsible representatives and DSWs. Examples of required skill training are fiscal management of payroll, documentation required for all directly hired DSWs, completion of timesheets accurately and timely, and self-direction policies and procedures (consistent with the program's policy and existing handbook). The F/EA will be responsible for making the orientation and skills training available to participants and DSWs upon the start of the contract. BHSF must approve all elements of the orientation/skill training prior to implementation and revision;
  - 3.3.3.5.1.3. Provide training for participants/responsible representatives and DSWs on the Contractor's Electronic Visit Verification (EVV) system;
  - 3.3.3.5.1.4. Work with LDH staff, participants, and DSWs to provide training on the completion of State and Federal forms, and provide the necessary forms and packets for participants. The F/EA will be available to answer questions and provide additional training by telephone to support coordinators and participants;
  - 3.3.3.5.1.5. Develop and implement customer service training for F/EA staff;
  - 3.3.3.5.1.6. Develop and implement an annual participant/responsible representative satisfaction survey, based on Department measuring criteria. The survey questions to be used will be developed by BHSF;
  - 3.3.3.5.1.7. Develop policies and procedures that emphasize the application of the philosophy of self-direction and being culturally sensitive in all business practices in order to communicate effectively with a diverse population of participants of all ages and with a variety of needs, disabilities and chronic conditions; and
  - 3.3.3.5.1.8. Have written policies and procedures and internal controls documented for implementing the components of its customer service system.
- 3.3.3.6. Record Management System for F/EA
- 3.3.3.6.1. All participant and DSW records will be the sole property of BHSF and must be returned to BHSF upon termination of the contract.

- 3.3.3.6.2. The F/EA must:
- 3.3.3.6.2.1. Have a system in place, written policies and procedures, and internal controls documented for establishing and maintaining current and archived participant, DSW, vendor and F/EA files in a secure and confidential manner as required by federal and State rules and regulations (e.g., meet any applicable HIPAA requirements);
  - 3.3.3.6.2.2. Have a functional disaster recovery plan for electronic and hard copy files in place and documented. This plan will include a description of hardware backup if management information systems are disabled and include a process to allow for the continuation of budget allowance disbursements, which would ensure the rapid return to limited operation of at least the following:
    - 3.3.3.6.2.2.1. The accuracy of software and data at return to operation;
    - 3.3.3.6.2.2.2. The ability to return to full capacity as soon as possible;
    - 3.3.3.6.2.2.3. A complete backup of all non-software data sets at the end of each production day;
    - 3.3.3.6.2.2.4. Removal of the resultant discs to an external secure site; these back-up discs should be cycled, on at least, a weekly basis;
    - 3.3.3.6.2.2.5. A server that is designed to employ a method of redundancy for operational integrity and production; and
    - 3.3.3.6.2.2.6. Workstations attached to the network that have sufficient processing capability to be used interchangeably and are able to back up one another until repair or replacement can be achieved on a failed workstation.
  - 3.3.3.6.2.3. Have a system in place, written policies and procedures, and internal controls documented for testing and updating the disaster recovery plan for electronic and hard copy files.
- 3.3.3.7. Brokering Workers' Compensation Insurance
- 3.3.3.7.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented for processing and paying for workers' compensation insurance policies for each participant it represents in accordance with the State's Workers' Compensation Insurance Law and for maintaining the documentation in each participant's file.
- 3.3.3.8. Policies and Procedures and Internal Controls (Preparing and Maintaining a F/EA Policies and Procedures Manual and Staying Up-to-Date with Federal and State Rules and Regulations Regarding F/EAs and Household Employers)
- 3.3.3.8.1. The F/EA must have a comprehensive F/EA policies and procedures manual which includes all policies and procedures related to the tasks associated with performing

the F/EA functions, any overlapping communication and data transmission tasks, and internal controls for monitoring the completion of all F/EA tasks. The manual must be available to all F/EA staff and must be incorporated into all training programs for new and existing F/EA staff. The F/EA's policies and procedures must be approved by BHSF prior to implementation.

3.3.3.8.2. The F/EA must have a system in place, written policies and procedures and internal controls for:

3.3.3.8.2.1. Maintaining and updating its F/EA policies and procedures manual at least annually, and as needed;

3.3.3.8.2.2. Reviewing and updating all IRS forms, instructions, notices and publications related to F/EAs, household employers and domestic service workers and preparing, filing and depositing federal taxes on behalf of household employers/participants it represents at [www.irs.gov](http://www.irs.gov);

3.3.3.8.2.3. Reviewing and maintaining compliance with all applicable US Citizenship and Immigration Service (USCIS) rules, forms (i.e., Form I-9) and instructions (Key web site: [www.uscis.gov](http://www.uscis.gov));

3.3.3.8.2.4. Reviewing and maintaining compliance with all applicable Federal Department of Labor rules, forms and instructions related to household employers and domestic service employees pertaining to the Federal Fair Labor Standards Wage and Hour rules (Key website: [www.dol.gov](http://www.dol.gov));

3.3.3.8.2.5. Reviewing and maintaining compliance with all State income tax withholding forms and State unemployment insurance tax forms, instructions and manuals related to F/EAs, household employers and domestic service workers and preparing, filing and depositing State taxes on behalf of household employers/participants it represents (Key website: [www.rev.state.la.us](http://www.rev.state.la.us));

3.3.3.8.2.6. Maintaining compliance with the State's new hire registration process (paper or electronic filing options);

3.3.3.8.2.7. Maintaining compliance with State workers' compensation insurance laws pertaining to household employers who hire personal care and other support service workers; and

3.3.3.8.2.8. Staying up-to-date with State mandatory disability insurance laws pertaining to household employers who hire personal care and other support service workers, when applicable.

3.3.3.8.3. All changes to the F/EA policies and procedures manual must be approved by BHSF in advance of implementation or revision.

3.3.3.9. Reporting Requirements

3.3.3.9.1. The F/EA must have a system in place, written policies and procedures, and internal controls documented to prepare and submit required reports (electronic copy) to

BHSF in a timely manner. BHSF reserves the right to change reporting requirements and request ad-hoc reports within seven (7) calendar days of notice. The format and data elements of reports must conform to BHSF requirements. The F/EA will be responsible for all programming functions and costs associated with the design, maintenance, or enhancement of the reporting system. The following are required reports:

3.3.3.9.1.1. Bi-Weekly (due at the end of each pay period):

- 3.3.3.9.1.1.1. Payroll Reports, which will be emailed, mailed, or viewed through the contractor's system to each participant per participant preference and viewable to LDH staff. The payroll report should include the type of program, number of hours and/or units the participant has available for the prior authorization period, the number of hours and/or units used, number of hours and/or units remaining for use, hours and/or units worked by DSW(s), yearly allocated budget amount (if applicable), amount paid to DSW(s) for the current pay check, the remaining allocated budget, check date, amount, number, and taxes by DSW, and any vendor payments;
- 3.3.3.9.1.1.2. Over/under utilization reports, which identify the participant and employee(s), service allotment, period range, period utilization, total utilization and balance information;
- 3.3.3.9.1.1.3.

3.3.3.9.1.2. Monthly (due by the 15th day of the following month):

- 3.3.3.9.1.2.1. Criminal Background Check Reports, which specify the individual name of the participant and DSW, program, date authorization was received and submitted, date results received and reported to participant and Department, and results of check;
- 3.3.3.9.1.2.2. DSW Employee Training Reports (general and participant-specific) that are accessible to employers, which specify the individual name of the participant and DSW, program training by topic, and expiration dates;
- 3.3.3.9.1.2.3. Complaints, which specify the individual name of the participant, name of the person making the complaint, program, reason for complaint, date complaint received, date complaint resolved, and resolution;
- 3.3.3.9.1.2.4. Errors that prevent payment including error code, description of error, and remediation;
- 3.3.3.9.1.2.5. Current and archived listing of employer, participants and DSWs, which includes all applicable enrollment and termination dates, program, physical address, email address, telephone numbers, and last four (4) digits of social security numbers;
- 3.3.3.9.1.2.6. Quantity of calls received, timeliness of answering calls, quantity of abandoned calls (calls that abandon/disconnect after 60 seconds are considered abandoned calls), and length of calls; and

3.3.3.9.1.2.7. Monthly and historical reports of the participant's budget, authorized services, paid claims, and claims that have not been adjudicated. These reports should include the name and identification number of each participant; services authorized and rate per service for each participant; names of each participant's DSWs and their identification numbers, services provided, dates authorized to provide each service for which they have been hired, termination dates, service code, number of hours of each service provided, hourly rate of pay, check number for each payroll payment, and wages, taxes and insurances paid (as applicable) for the current month and cumulatively; total payments made for each service code by the F/EA on each participant's behalf for the current month and cumulatively; all claims submitted to the F/EA for payment, but not paid and the reason, for each participant for the current month and cumulatively; statement of funds received, funds expended and any amount remaining; timely identification of participants who are projected to exceed their budget allowance; and identification of participants who incur no expenses in a given month. Other data elements may be added at the discretion of BHSF.

3.3.3.9.1.3. Quarterly (due by the 30th day of the month following the end of the State Fiscal Year Quarter):

3.3.3.9.1.3.1. Demographic information (name of participant/employer, parish/LDH-Region, age, gender);

3.3.3.9.1.3.2. Medicaid billing reports (names/unique identifier of participants in which claims were submitted, number of units billed, DSW rate of pay, cost of units/services, name & unique identifier of DSW, location of service, dates of service); and

3.3.3.9.1.4. Annually (due by the end of the first quarter, *i.e.*, March 31<sup>st</sup>):

3.3.3.9.1.4.1. Expenditure reports (name of participant/employer, monies expended broken out per DSW, number and cost of criminal background checks with name of DSW, number of DSWs per participant/employer, dates of services, total units/costs billed);

3.3.3.9.1.4.2. Trend analysis (utilization, costs across programs);

3.3.3.9.1.4.3. Participant/responsible representative satisfaction survey; and

3.3.3.9.1.4.4. Other reports as required by the Department.

### 3.3.3.10. Accounting and Banking Requirements

3.3.3.10.1. The F/EA must:

3.3.3.10.1.1. Follow Generally Accepted Accounting Principles and practices in the use of

general ledger and subsidiary accounting systems and handling of participant funds; and

3.3.3.10.1.2. Establish a separate, non-interest bearing bank account so that participant funds are not commingled with funds from any other source.

#### **3.3.4. Service Delivery Location and Service Times**

3.3.4.1. The Contractor shall be responsible for supplying its own facility or building as part of its performance under the contract. All participant, DSW, vendor, and agency records must be maintained in a secure location with protected health information protected.

3.3.4.2. The Contractor shall notify the contract monitor in writing a minimum of thirty (30) calendar days prior to making changes in location which will affect the ability of the agency, participants, DSWs, vendors, and support coordinators to contact the Contractor by telephone, facsimile transmission, electronic mail or U.S. mail.

3.3.4.3. A Contractor representative shall be available to agency staff, participants, DSWs, and support coordinators between the hours of 8:00 AM and 5:00 PM Central Time, Monday through Friday (excluding State holidays). At other times messaging shall be available. Calls shall be returned within one (1) business day from the time the message is recorded or letter of inquiry is received.

#### **3.3.5. Business and Professional Qualifications**

3.3.5.1. The Contractor shall maintain an adequate administrative organizational structure and support staff sufficient to discharge its contractual responsibilities. The Contractor must employ at least one (1) staff member with a Bachelor's degree in accounting and five (5) years of applicable experience, or a Master's degree in accounting and two (2) years of applicable experience.

3.3.5.2. The Contractor must have on staff a database administrator and sufficient programmers with experience in the software languages required.

3.3.5.3. The Contractor will designate, subject to BHSF approval, a Project Director for this contract who will have day-to-day authority to manage the overall operations. The Project Director will be available to BHSF by telephone, e-mail, and fax during regular business hours. The Contractor will advise BHSF of the percentage of time the Project Director will devote to the contract and provide an administrative telephone number that will enable BHSF to reach the Project Director directly.

3.3.5.4. In the event BHSF determines that the Contractor's staffing levels do not conform to those established by the Contractor, BHSF shall advise the Contractor in writing and the Contractor shall have thirty (30) business days to remedy the identified staffing deficiencies.

3.3.5.5. The Contractor shall replace on the project any employee whose continued presence would be detrimental to the success of the project as determined by BHSF with an employee of equal or superior qualifications. The BHSF Contract Monitor will exercise exclusive judgment in this matter.

### 3.3.6. Transition Plan

- 3.3.6.1. Upon notification of the award, the successful Contractor must work with BHSF to ensure connectivity of all information technology systems; to develop forms and materials for participants and DSWs; and to make adjustments to any of the F/EA's business operations necessary to implement the services described in this RFP.
- 3.3.6.2. Within fifteen (15) calendar days of award, the F/EA must complete an implementation plan that includes all tasks, action steps, timelines, and responsible parties for all requirements contained in this RFP. The F/EA must detail a transition plan to enroll current and future participants and DSWs.
- 3.3.6.3. The F/EA must submit the comprehensive policies and procedure manual to BHSF at least thirty (30) calendar days prior to the start of the contract and incorporate modifications required by BHSF within ten (10) calendar days of notification. The F/EA must review the manual for modifications on an as needed basis, but at least annually, thereafter.

### 3.3.7. Turnover Plan

- 3.3.7.1. The F/EA shall be liable for all payroll claims and contract responsibilities incurred up to the date of termination of contract.
- 3.3.7.2. The F/EA shall develop a turnover plan within one hundred-eighty (180) days of award, acceptable to BHSF in its sole discretion. The turnover plan and any modification or updates must be prior approved by BHSF. The turnover plan must be updated at least annually. The objective of the turnover plan is to provide for an orderly and controlled transition of the F/EA's responsibilities to a successor F/EA at the conclusion or termination of the contract period and to minimize disruption of payroll services provided to participants.

## 3.4. Performance Standards

- 3.4.1. The Contractor will ensure the following performance outcomes are achieved and sustained during each month of the term of the contract:
  - 3.4.1.1. 100% of participant **enrollment** packages will be provided via face to face, mail, e- mail, or fax the within two (2) business days of receiving the referral;
  - 3.4.1.2. 100% of participant **employment** packages will be sent via mail, e-mail, or fax the within two (2) business days of receiving the referral;
  - 3.4.1.3. 100% of payments by Electronic Funds Transfer will be made within five (5) business days and 100% of paper paychecks will be mailed within three (3) business days after the deadline for receiving timesheets for that particular payroll period, provided the F/EA is furnished with current addresses and properly completed and submitted timesheets;
  - 3.4.1.4. 100% of claims submitted for payments for goods and services will be authorized in the current budget/expenditure plan;
  - 3.4.1.5. 99% of payroll payments to DSWs will be calculated correctly;



- 3.4.1.6. 99% of the time, taxes and fees from participant/DSW accounts will be filed, deducted, and deposited timely;
- 3.4.1.7. 100% of bi-weekly budget reports will be sent via U.S. mail or electronic mail to participants within three (3) days after the payroll period, providing that the F/EA is furnished with current addresses;
- 3.4.1.8. 100% of the time participants will be notified of the DSW's eligibility for hire, based on the results of the criminal background check, DSW registry checks, state and federal Medicaid exclusion checks, CPR/First Aid completion certification (if applicable), completion of required paperwork, and any basic training requirement(s) as mandated by law within four (4) business days. The completion of the required paperwork, criminal background check and receipt of training certificate (as applicable) must be verified as completed and the criminal background check must be received and verified within this timeframe;
- 3.4.1.9. 99% of the time, participant account activity on budget reports will be accurately reported to participants;
- 3.4.1.10. 100% of BHSF requests for individual account reconciliation will be provided within fifteen (15) days of the written request;
- 3.4.1.11. 100% of the time complaints will be responded to within ten (10) business days, and the nature of the complaint and action taken is to be tracked and submitted in the complaint report required by BHSF;
- 3.4.1.12. 100% of the time, calls to customer service or letters of inquiry will be responded to within one (1) business day; and
- 3.4.1.13. The Contractor will obtain a score of 86% or higher on the annual F/EA participant satisfaction survey.

### **3.5. Liquidated Damages**

- 3.5.1.** In the event the Contractor fails to meet the performance standards specified within the contract, the liquidated damages defined below may be assessed. If assessed, the liquidated damages will be used to reduce the Department's payments to the Contractor or if the liquidated damages exceed amounts due from the Department, the Contractor will be required to make cash payments for the amount in excess. The Department may also delay the assessment of liquidated damages if it is in the best interest of the Department to do so. The Department may give notice to the Contractor of a failure to meet performance standards but delay the assessment of liquidated damages in order to give the Contractor an opportunity to cure the deficiency. However, if the Contractor subsequently fails to remedy the deficiency to the satisfaction of the Department, LDH may assess the liquidated damages that have been incurred, even following contract termination.
  - 3.5.1.1. Late submission of any required report: one thousand dollars (\$1000) per working day, per report;
  - 3.5.1.2. Failure to fill vacant contractually-required key staff positions within forty-five (45) business days: one thousand dollars (\$1000) per working day from the forty-sixth (46<sup>th</sup>) day of vacancy

until filled with an employee approved by the Department;

3.5.1.3. Failure to maintain all participant files and perform all file updates according to the requirements in the contract: one thousand dollars (\$1000) per participant;

3.5.1.4. Late submission of invoices beginning ten (10) business days after the stated due date: one thousand dollars (\$1000) per working day per invoice; and

3.5.1.5. For failure to meet performance outcomes as outlined in section 3.4, LDH may reduce PMPM (per member per month) payments by up to twenty percent (20%) or the amount owed for each employer and/or participant affected.

**3.5.2.** The decision to impose liquidated damages may include consideration of some or all of the following factors:

3.5.2.1. The duration of the violation;

3.5.2.2. Whether the violation (or one that is substantially similar) has previously occurred;

3.5.2.3. The Contractor's history of compliance;

3.5.2.4. The severity of the violation and whether it imposes an immediate threat to the health or safety of the participant(s); and/or

3.5.2.5. The "good faith" exercised by the Contractor in attempting to stay in compliance.

### **3.6. Fraud and Abuse**

**3.6.1.** The Contractor shall have internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected fraud and abuse by participants, DSWs, support coordinators, or any other party. Such policies and procedures must be in accordance with State and Federal regulations.

**3.6.2.** The Contractor shall have adequate staffing and resources to investigate unusual incidents and develop and implement corrective action plans to assist the Contractor in preventing and detecting potential fraud and abuse activities.

### **3.7. Technical Requirements**

**3.7.1.** The Contractor will be required to transmit all non-proprietary data which is relevant for analytical purposes to LDH on a regular schedule in XML format. Final determination of relevant data will be made by LDH based on collaboration between both parties. The schedule for transmission of the data will be established by LDH and dependent on the needs of the Department related to the data being transmitted. XML files for this purpose will be transmitted via Secure File Transfer Protocol (SFTP) to the Department. Any other data or method of transmission used for this purpose must be approved via written agreement by both parties.

**3.7.2.** The Contractor is responsible for procuring and maintaining hardware and software resources which are sufficient for it to successfully perform the services detailed in this RFP.

- 3.7.3.** The Contractor shall adhere to state and federal regulations and guidelines as well as industry standards and best practices for systems or functions required to support the requirements of this RFP.
- 3.7.4.** The Contractor shall clearly identify any systems or portions of systems outlined in the proposal which are considered to be proprietary in nature.
- 3.7.5.** Unless explicitly stated to the contrary, the Contractor is responsible for all expenses required to obtain access to LDH systems or resources which are relevant to successful completion of the requirements of this RFP. The Contractor is also responsible for expenses required for LDH to obtain access to the Contractor's systems or resources which are relevant to the successful completion of the requirements of this RFP. Such expenses are inclusive of hardware, software, network infrastructure, and any licensing costs.
- 3.7.6.** Any confidential or protected health information must be encrypted to FIPS 140-2 standards when at rest or in transit.
- 3.7.7.** Each party to the contract shall ensure appropriate protections of shared Personally Identifiable Information ("PII"), in accordance with 45 CFR §155.260.
- 3.7.8.** Each party to the contract shall ensure that its system is operated in compliance with the Centers for Medicare and Medicaid Services' ("CMS") latest version of the *Minimum Acceptable Risk Standards for Exchanges (MARS-E)* Document Suite, currently MARS-E version 2.0.
- 3.7.8.1. Multi-factor authentication is a CMS requirement for all remote users, privileged accounts, and non-privileged accounts. In this context, "remote user" refers to staff accessing the network from offsite, normally with a client VPN ("Virtual Private Network") with the ability to access CM, specifically Medicaid, data.
- 3.7.8.2. A site-to-site tunnel is an extension of LDH's network. If the Contractor utilizes a VPN site-to-site tunnel and also has remote users who access CMS data, the Contractor is responsible for providing and enforcing multi-factor authentication. If the Contractor does not utilize a VPN site-to-site tunnel, they will be charged for dual authentication licensing and hardware tokens as necessary. Costs associated with the purchase and any replacement of lost hardware tokens will be charged to the Contractor.
- 3.7.9.** Contractor owned resources must be compliant with industry standard physical and procedural safeguards (NIST SP 800-114, NIST SP 800-66, NIST 800-53A, ISO 17788, etc.) for confidential information (HITECH, HIPAA part 164).
- 3.7.10.** Any Contractor use of flash drives or external hard drives for storage of LDH data must first receive written approval from the Department and upon such approval shall adhere to FIPS 140-2 hardware level encryption standards.
- 3.7.11.** All Contractor utilized computers and devices must:
- 3.7.11.1. Be protected by industry standard virus protection software that is automatically updated on a regular schedule;
- 3.7.11.2. Have installed all security patches which are relevant to the applicable operating system and

any other system software; and

3.7.11.3. Have encryption protection enabled at the Operating System level.

**3.7.12. Electronic Visit Verification (EVV) Requirements:**

3.7.12.1. The Contractor must currently have an EVV solution that complies with the 21<sup>st</sup> Century Cures Act.

3.7.12.2. The EVV system must verify the type of service provided, the individual receiving the service, the individual providing the service, date of service, location of the service, and delivery and time the service begins and ends.

3.7.12.3. Services may be verified via smart phone, biometric recognition systems or a fixed visit verification device in the participant's home.

3.7.12.4. The Contractor is responsible for ensuring system capability to interface with LDH's Electronic Visit Verification (EVV) system (LASRS). The Contractor's system and its interface shall be subject to prior approval by LDH. The Contractor will be required to collect electronic check in/check out information including geolocation data. See technical requirements: [Data Integration Process](#) and [Data Bridge Elements](#).

**3.8. Subcontracting**

**3.8.1.** The Department shall have a single prime contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables specified in the RFP and proposal.

**3.8.2.** This general requirement notwithstanding, Contractor may enter into subcontractor arrangements; however, each Contractor shall acknowledge in their proposal total responsibility for the entire contract.

**3.8.3.** If the Contractor intends to subcontract for portions of the work, the Contractor should identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. Information required of the Contractor under the terms of this RFP shall also be required for each subcontractor. The prime contractor shall be the single point of contact for all subcontract work.

**3.8.4.** Unless provided for in the contract with the Department, the prime contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of the Department.

**3.9. Compliance With Civil Rights Laws**

**3.9.1.** The Contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the 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 Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

- 3.9.2.** The Contractor agrees not to discriminate in its employment practices, and will render services under the contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of the contract.

**3.10. Insurance Requirements**

- 3.10.1.** The Contractor shall carry insurance in compliance with Attachment VI.

**3.11. Resources Available to Contractor**

- 3.11.1.** BHSF will have an assigned staff member who will be responsible for primary oversight of the contract, *i.e.*, the Contract Monitor. This individual will schedule meetings to discuss progress of activities and problems identified.

**3.12. Contract Monitor**

- 3.12.1.** All work performed by the Contractor will be monitored by the Contract Monitor, or her successor. The current Contract Monitor's information is as follows:

Becky Palmer  
Louisiana Department of Health  
Bureau of Health Services Financing  
Medicaid Program Support and Waivers  
628 N 4th Street, 6th floor  
Baton Rouge, LA 70802  
Email: [Becky.Palmer@LA.GOV](mailto:Becky.Palmer@LA.GOV)  
Phone: (225) 342-4349  
Fax: (225) 342-9168

**3.13. Term of Contract**

- 3.13.1.** The contract shall commence on or near the date approximated in the Schedule of Events. The term of this contract is three (3) years. With all proper approvals and concurrence with the successful Contractor, the agency may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial contract term. Prior to the extension of the contract beyond the initial thirty-six (36) month term, approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such 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 three (3) year term.
- 3.13.2.** No contract/amendment shall be valid, nor shall the Department be bound by the contract/amendment, until it has first been executed by the head of the Department, or his designee, the Contractor, and has been approved in writing by the director of the Office of State Procurement. Total contract term, with extensions, shall not exceed five (5) years. The continuation of the contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

**3.14. Payment Terms**

- 3.14.1.** The Contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly or as defined in the contract terms. Payment of invoices is subject to approval of BHSF. Continuation of payment is dependent upon available funding.
- 3.14.2.** Payments will be made to the Contractor after written acceptance by the Louisiana Department of Health of the payment task and approval of an invoice. LDH will make every reasonable effort to make payments within thirty (30) business days of the approval of invoice and under a valid contract. LDH will make per member per month (PMPM) payments to the Contractor based on the number of participants enrolled with the contractor to receive FMS. The Contractor will not be paid more than the maximum amount of the contract.
- 3.14.3.** The contractor will be paid a per member per month (PMPM) rate of for the performance of tasks and anticipated costs of successful implementation of all deliverables outlined as follows:

Number of Participants	PMPM
Less than or equal to 500	\$95.00
Greater than 500	\$89.50

- 3.14.4.** Criminal background checks are paid at cost to the vendor. Vendors must use the State approved background check vendor(s) unless another vendor is identified that can provide the service at the same or lower cost and is approved by LDH.
- 3.14.5.** The successful Contractor shall be required to provide a performance (surety) bond in the amount of its total contract cost to ensure the successful performance under the terms and conditions of the contract negotiated between the successful Contractor and the Department. Any performance bond furnished shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Service list of approved bonding companies which is published annually in the *Federal Register*, or by a Louisiana domiciled insurance company with at least an A- rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to ten (10) percent of policyholders' surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds. No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A.M. Best up to a limit of ten (10) percent of policyholders' surplus as shown by A.M. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds fifteen (15) percent of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance. 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.

## 7. ADDITIONAL CONTRACTUAL PROVISIONS

### 7.1.1.1. Force Majeure

- 7.1.1.1.1. The Contractor and the Department are excused from performance under contract for any period they may be prevented from performance by an Act of God, strike, war, civil disturbance, epidemic or court order.

### 7.1.1.2. Order of Precedence

- 7.1.1.2.1. The contract shall, to the extent possible, be construed to give effect to all provisions contained therein; however, where provisions conflict, the intent of the parties shall be determined by giving first priority to provisions of the contract excluding the RFP and the proposal; second priority to the provisions of the RFP and its amendments and addenda; and third priority to the provisions of the proposal.

### 7.1.1.3. Entire Agreement

- 7.1.1.3.1. The contract, together with the RFP and its amendments and addenda issued thereto by the Department, the proposal submitted by the Contractor in response to the Department's RFP, and any exhibits specifically incorporated herein by reference constitute the entire agreement between the parties with respect to the subject matter.

### 7.1.1.4. Board Resolution/Signature Authority

- 7.1.1.4.1. The Contractor, if a corporation, shall secure and attach to the contract a formal Board Resolution indicating the signatory to the contract is a corporate representative and authorized to sign said contract.

### 7.1.1.5. Warranty to Comply with State and Federal Regulations

- 7.1.1.5.1. The Contractor shall warrant that it shall comply with all state and federal regulations as they exist at the time of the contract or as subsequently amended.

### 7.1.1.6. Warranty of Removal of Conflict of Interest

- 7.1.1.6.1. The Contractor shall warrant that it, its officers, and employees have no interest and shall not acquire any interest, direct or indirect, which conflicts in any manner or degree with the performance of services hereunder. The Contractor shall periodically inquire of its officers and employees concerning such conflicts, and shall inform the Department promptly of any potential conflict. The Contractor shall warrant that it shall remove any conflict of interest prior to signing the contract.

### 7.1.1.7. Contractor Requirements as a Business Entity

- 7.1.1.7.1. If the Contractor is a corporation, the following requirements must be met prior to execution of the contract:

- 7.1.1.7.1.1. If the Contractor is a for-profit corporation whose stock is not publicly traded, the

**Attachment B**

Contractor shall ensure that a disclosure of ownership form has been properly filed with the Secretary of State of Louisiana at <http://www.sos.la.gov/BusinessServices/Pages/default.aspx>;

7.1.1.7.1.2. If the Contractor is a corporation not incorporated under the laws of the State of Louisiana, the Contractor must obtain a Certificate of Authority pursuant to La. R.S. 12:301- 302 from the Louisiana Secretary of State; and

7.1.1.7.2. The Contractor must provide written assurance to the Department from Contractor's legal counsel that the Contractor is not prohibited by its articles of incorporation, bylaws or the laws under which it is incorporated from performing the services required under the contract.

7.1.1.8. Contract Controversies

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

7.1.1.9. Right To Audit

7.1.1.9.1. The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract for a period of five (5) years from the date of the last payment made under the contract. Records shall be made available during normal working hours for this purpose.

7.1.1.10. Contract Modification

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

7.1.1.11. Severability

7.1.1.11.1. If any term or condition of the 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 the Contract are declared severable.

7.1.1.12. Applicable Law

7.1.1.12.1. The resultant contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to the contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.





# Louisiana Emergency Rental Assistance Program

## Program Status

As of October 15, 2021 | 7:00 A.M.

Parish	Parish Population	Rental Assistance Allocation	Total Applications	Amount Approved for Payment
Acadia	62,045	\$2,702,017.67	1060	\$870,348.13
Allen	25,627	\$1,116,038.47	296	\$145,013.43
Ascension	126,604	\$5,513,518.33	1714	\$2,508,344.00
Assumption	21,891	\$953,338.20	242	\$151,606.51
Avoyelles	40,144	\$1,748,243.97	594	\$354,621.58
Beauregard	37,497	\$1,632,968.92	272	\$204,913.84
Bienville	13,241	\$576,636.57	262	\$203,016.61
Bossier	127,039	\$5,532,462.29	2059	\$2,826,144.54
Caldwell	9918	\$431,922.17	114	\$85,174.43
Cameron	6973	\$303,669.42	11	\$0.00
Catahoula	9494	\$413,457.26	76	\$48,081.69
Claiborne	15,670	\$682,417.87	135	\$76,211.12
Concordia	19,259	\$838,716.39	260	\$133,083.35
De Soto	27,463	\$1,195,995.02	283	\$258,683.51
East Carroll	6861	\$298,791.90	46	\$0.00
East Feliciana	19,135	\$833,316.27	135	\$121,844.86
Evangeline	33,395	\$1,454,329.60	546	\$286,677.16
Franklin	20,015	\$871,639.67	376	\$260,621.79
Grant	22,389	\$975,025.76	262	\$220,310.28
Iberia	69,830	\$3,041,049.14	1739	\$1,820,256.75
Iberville	32,511	\$1,415,832.00	595	\$862,204.65
Jackson	15,744	\$685,640.52	179	\$74,429.92
Jefferson Davis	31,594	\$1,375,897.27	336	\$223,105.53
Lafourche	97,614	\$4,251,023.49	1293	\$1,433,340.99
La Salle	14,892	\$648,536.50	90	\$24,615.93
Lincoln	46,742	\$2,035,582.40	886	\$770,034.16
Livingston	140,789	\$6,131,265.46	1825	\$2,459,658.56
Madison	10,951	\$476,908.62	235	\$157,146.45
Morehouse	24,874	\$1,083,245.83	517	\$281,503.75
Natchitoches	38,158	\$1,661,755.02	787	\$702,935.65
Ouachita	153,279	\$6,675,196.49	5532	\$5,684,829.19
Plaquemines	23,197	\$1,010,213.62	171	\$179,846.92
Pointe Coupee	21,730	\$946,326.76	295	\$420,488.39
Rapides	129,648	\$5,646,082.47	3445	\$3,319,588.72
Red River	8442	\$367,643.37	109	\$70,125.00

Parish	Parish Population	Rental Assistance Allocation	Total Applications	Amount Approved for Payment
Richland	20,122	\$876,299.45	369	\$279,465.88
Sabine	23,884	\$1,040,132.00	203	\$65,065.13
St. Bernard	47,244	\$2,057,444.16	1202	\$2,298,547.90
St. Charles	53,100	\$2,312,468.99	554	\$701,530.06
St. Helena	10,132	\$441,241.73	173	\$237,738.46
St. James	21,096	\$918,716.49	280	\$300,007.63
St. John the Baptist	42,837	\$1,865,522.30	965	\$1,444,844.87
St. Landry	82,124	\$3,576,444.50	1495	\$1,150,253.70
St. Martin	53,431	\$2,326,883.81	666	\$725,694.30
St. Mary	49,348	\$2,149,071.93	1014	\$934,466.16
Tangipahoa	134,758	\$5,868,619.50	3448	\$3,433,738.92
Tensas	4334	\$188,742.76	28	\$13,839.00
Terrebonne	110,461	\$4,810,501.63	2128	\$2,108,485.17
Union	22,108	\$962,788.41	179	\$157,750.08
Vermilion	59,511	\$2,591,663.69	688	\$546,052.55
Vernon	47,429	\$2,065,500.78	425	\$304,047.54
Washington	10,830	\$471,639.15	756	\$614,225.93
Webster	15,568	\$677,975.84	620	\$529,978.06
West Baton Rouge	46,194	\$2,011,717.37	442	\$620,939.76
West Carroll	38,340	\$1,669,681.00	104	\$109,890.92
West Feliciana	26,465	\$1,152,532.80	80	\$135,473.51
Winn	13,904	\$605,509.77	108	\$47,639.77
<b>TOTAL</b>	<b>2,437,875</b>	<b>\$106,167,802.77</b>	<b>42,704</b>	<b>\$43,998,482.69</b>

## LGU-Administered Program Summary

Data reported below was provided by LGUs on 10/15/21.

Parish	Total # Applications Received	Total # Applications Approved	Total Dollar Amount Approved	Total Dollar Amount Disbursed
Caddo	8,709	4,513	ERAP1: \$14,250,851	ERAP1: \$14,250,851
		2,066	ERAP2: \$4,900,926	ERAP2: \$4,900,926
Calcasieu	1,668	258	\$1,709,510	\$1,639,309
East Baton Rouge*	10,443	2,286	\$13,050,854	\$11,330,703
Jefferson	4,601	827	\$6,206,728	\$5,603,596
Lafayette	4,896	2,345	\$7,756,782	\$7,756,782
Orleans	18,216	7,480	\$34,178,425	ERAP1: \$12,933,425
				ERAP2: \$8,245,000
St. Tammany	898	428	\$2,886,504	\$2,886,504
<b>TOTAL</b>	<b>49,431</b>	<b>20,203</b>	<b>\$84,940,580</b>	<b>\$69,547,096</b>

\*Includes City of Baton Rouge

## Payments Made from State Allocation

Parish	State Allocations to LGU's	Directly Disbursed by State to LGUs
Caddo	\$15,729,765	\$9,633,438
Calcasieu	\$7,339,997	
East Baton Rouge*	\$29,349,945	\$11,629,393
Jefferson	\$22,325,478	
Lafayette	\$8,817,622	
Orleans	\$37,483,468	\$9,097,306
St. Tammany	\$9,395,950	
<b>TOTAL</b>	<b>\$130,442,225</b>	<b>\$30,360,137</b>

\*Includes City of Baton Rouge

**KEY:**

\* There is a week delay in initial and continued claim data from Bureau Labor Statistics. This data is released on Fridays.

^ Other Activity is the net of combined wage claim reimbursements and taxes and interest collected for that week.

^^ Money comes from 3rd quarter tax collections.

\*\* Typically payments do not occur on Saturday but the final numbers can change with any adjustments made by the end of the week.

**Weekly Trust Fund Update**

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
3/14/2020	\$2,234,949.96	(\$588,970.88)	\$1,051,551,910.29		2,255	13,987
3/21/2020	\$2,222,543.37	(\$1,966,460.99)	\$1,047,362,905.93		72,438	14,143
3/28/2020	\$4,802,281.94	\$2,337,155.64	\$1,044,897,779.63		97,400	58,027
4/4/2020	\$21,200,360.13	\$6,871,152.23	\$1,030,568,571.73		102,172	120,744
4/11/2020	\$28,152,999.29	\$950,000.00	\$1,003,365,572.44		79,653	217,532
4/18/2020	\$40,964,287.87	\$2,685,835.11	\$965,087,119.68		91,923	246,296
4/25/2020	\$47,029,129.98	\$3,473,708.74	\$921,531,698.44		66,141	300,657
5/2/2020	\$52,714,647.38	\$8,509,209.07	\$877,326,260.13		50,941	310,013
5/9/2020	\$54,699,717.54	\$66,126,538.73	\$888,753,081.32		40,125	325,136
5/16/2020	\$55,105,823.09	\$628,109.02	\$834,275,367.25		28,545	326,504
5/23/2020	\$54,330,661.04	\$6,048,304.91	\$785,993,011.12		23,961	328,409

**KEY:**

\* There is a week delay in initial and continued claim data from Bureau Labor Statistics. This data is released on Fridays.

^ Other Activity is the net of combined wage claim reimbursements and taxes and interest collected for that week.

^^ Money comes from 3rd quarter tax collections.

\*\* Typically payments do not occur on Saturday but the final numbers can change with any adjustments made by the end of the week.

### Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
5/30/2020	\$47,326,472.92	\$1,297,802.05	\$739,964,340.25		19,334	301,598
6/6/2020	\$53,622,579.90	\$1,082,999.47	\$687,424,759.82		21,879	305,083
6/13/2020	\$50,556,547.36	\$6,198,431.73	\$643,066,644.19		23,122	306,358
6/20/2020	\$50,904,761.46	\$4,935,063.20	\$597,096,945.93		19,524	300,389
6/27/2020	\$51,313,091.38	\$856,365.76	\$546,640,220.31		21,976	306,089
7/4/2020	\$50,344,019.97	\$7,367,796.25	\$503,663,996.59		31,417	313,157
7/11/2020	\$52,907,778.17	\$3,656,652.06	\$454,412,870.48		26,351	312,893
7/18/2020	\$52,078,441.92	\$359,828.12	\$402,694,256.68		32,079	313,117
7/25/2020	\$52,764,310.61	\$1,532,868.29	\$351,462,814.36		18,511	324,357
8/1/2020	\$52,396,259.80	\$2,629,391.93	\$301,695,946.49		13,402	327,467
8/8/2020	\$50,567,494.04	\$14,779,923.53	\$265,908,375.98		11,131	299,974

**KEY:**

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^ Other Activity is the net of combined wage claim reimbursements and taxes and interest collected for that week.

^^ Money comes from 3rd quarter tax collections.

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### Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
8/15/2020	\$42,060,807.30	\$513,150.35	\$224,360,719.03		14,365	255,068
8/22/2020	\$42,331,816.97	\$59,059,943.40	\$241,088,845.46		12,529	250,720
8/29/2020	\$41,081,472.92	\$392,981.84	\$200,400,354.38		16,191	249,610
9/5/2020	\$40,624,632.25	\$615,697.13	\$160,391,419.26		24,566	256,184
9/12/2020	\$38,743,318.69	\$2,029,191.66	\$123,677,292.23		16,182	250,244
9/19/2020	\$40,475,397.85	\$1,710,263.15	\$84,912,157.53		14,842	238,724
9/26/2020	\$35,835,929.16	(\$981,193.23)	\$48,095,035.14		16,296	214,860
10/3/2020	\$31,275,433.91	\$1,749,863.67	\$18,569,464.90		13,461	195,223
10/10/2020	\$27,451,459.76	(\$1,354,987.81)	\$0.00	(\$10,236,982.67)	13,577	165,320
10/17/2020	\$23,760,103.10	(\$27,087,095.89)	\$0.00	(\$61,084,181.66)	13,039	146,622
10/24/2020	\$20,467,122.14	\$1,183,413.91	\$0.00	(\$80,367,889.89)	9,943	128,378

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### Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
10/31/2020	\$22,269,521.25	\$1,386,154.81	\$0.00	(\$101,251,256.33)	8,419	115,350
11/7/2020	\$16,266,367.57	\$14,338,700.70	\$5,577,170.53 ^^	(\$108,756,093.73)	10,045	98,935
11/14/2020	\$14,515,589.51	\$4,333,702.53	\$0.00	(\$118,937,980.71)	43,618	91,023
11/21/2020	\$13,281,553.17	(\$2,023,455.75)	\$0.00	(\$133,460,334.29)	10,045	83,338
11/28/2020	\$11,615,879.75	\$85,470,618.48	\$73,854,738.73	(\$133,460,334.29)	11,780	74,863
12/5/2020	\$11,223,499.06	\$772,884.83	\$63,404,124.50	(\$133,460,334.29)	9,114	75,004
12/12/2020	\$9,983,869.95	(\$751,260.32)	\$52,668,994.23	(\$133,460,334.29)	9,289	66,810
12/19/2020	\$8,823,006.24	\$1,705,279.11	\$45,551,267.10	(\$133,460,334.29)	7,926	64,448
12/26/2020	\$7,886,671.18	\$553,623.11	\$38,218,219.03	(\$133,460,334.29)	8,246	60,641
1/2/2021	\$8,485,145.85	\$9,283,522.91	\$39,016,596.09	(\$133,460,334.29)	25,365	64,404
1/9/2021	\$7,790,034.19	\$1,125,556.17	\$32,352,118.07	(\$133,460,334.29)	20,497	85,773

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### Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
1/16/2021	\$6,359,294.23	\$46,941.92	\$26,039,765.76	(\$133,460,334.29)	16,340	63,888
1/23/2021	\$5,917,679.70	\$1,229,133.73	\$21,351,219.79	(\$133,460,334.29)	12,004	64,916
1/30/2021	\$6,898,259.38	\$517,770.58	\$14,970,730.99	(\$133,460,334.29)	10,376	65,649
2/6/2021	\$6,809,829.02	\$15,604,543.37	\$23,765,445.34	(\$133,460,334.29)	9,010	60,711
2/13/2021	\$7,608,542.68	\$1,044,383.09	\$17,201,285.75	(\$133,460,334.29)	6,458	54,587
2/20/2021	\$6,233,982.22	\$252,961.79	\$11,220,265.32	(\$133,460,334.29)	6,447	52,721
2/27/2021	\$6,301,861.15	\$574,702.04	\$5,493,106.21	(\$133,460,334.29)	6,981	53,212
3/6/2021	\$6,581,466.60	\$801,833.98	\$0.00	(\$133,746,860.70)	7,100	48,016
3/13/2021	\$6,702,335.24	\$1,109,951.62	\$0.00	(\$139,339,244.32)	7,195	46,170
3/20/2021	\$6,574,691.83	\$841,342.70	\$0.00	(\$145,072,593.45)	6,468	40,840
3/27/2021	\$6,329,352.50	(\$3,482,645.82)	\$0.00	(\$154,884,591.77)	12,845	42,546



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### Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
4/3/2021	\$5,919,942.38	\$1,303,348.28	\$0.00	(\$159,501,185.87)	12,263	46,530
4/10/2021	\$6,216,392.63	(\$11,048,544.49)	\$0.00	(\$176,766,122.99)	9,809	50,796
4/17/2021	\$4,955,541.08	\$2,270,541.99	\$313,222.59	(\$179,764,344.67)	8,829	52,698
4/24/2021	\$8,554,828.69	\$5,128,784.19	\$1,240,774.95	(\$184,117,941.53)	7,114	51,308
5/1/2021	\$6,644,824.39	\$11,081,192.17	\$5,705,142.74	(\$184,145,941.54)	6,783	52,018
5/8/2021	\$6,355,949.63	\$73,289,934.33	\$72,639,127.44	(\$184,145,941.54)	7,129	50,556
5/15/2021	\$7,480,528.43	(\$853,764.90)	\$64,304,834.11	(\$184,145,941.54)	6,327	51,726
5/22/2021	\$6,491,901.58	\$778,012.87	\$58,590,945.40	(\$184,145,941.54)	5,976	51,031
5/29/2021	\$8,077,285.81	\$1,134,207.87	\$51,647,867.46	(\$184,145,941.54)	5,573	47,680
6/5/2021	\$7,025,025.35	\$354,220.48	\$44,977,062.59	(\$184,145,941.54)	5,569	50,040
6/12/2021	\$7,198,740.33	\$308,424.98	\$38,086,747.24	(\$184,145,941.54)	5,242	49,355

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### Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
6/19/2021	\$7,708,108.29	\$14,690,198.42	\$45,068,837.37	(\$184,145,941.54)	4,278	49,503
6/26/2021	\$7,820,986.24	\$1,752,554.64	\$39,000,405.77	(\$184,145,941.54)	4,129	49,163
7/3/2021	\$7,510,618.27	\$4,017,556.17	\$35,507,343.67	(\$184,145,941.54)	4,222	49,973
7/10/2021	\$7,306,020.42	(\$441,762.50)	\$27,759,560.75	(\$184,145,941.54)	4,558	49,230
7/17/2021	\$7,022,454.40	\$483,431,374.50	\$504,168,480.85	(\$184,145,941.54)	5,492	48,045
7/24/2021	\$6,973,128.58	\$1,737,384.14	\$314,786,794.87	\$0.00	3,122	44,996
7/31/2021	\$6,905,932.85	\$3,941,939.36	\$311,822,801.38	\$0.00	3,228	47,230
8/7/2021	\$6,473,692.10	\$22,330,742.83	\$327,679,852.11	\$0.00	2,411	43,992
8/14/2021	\$6,154,325.88	\$357,644.69	\$321,883,170.92	\$0.00	2,332	40,433
8/21/2021	\$5,741,463.08	\$300,707.46	\$316,442,415.30	\$0.00	2,217	37,315
8/28/2021	\$5,784,067.63	\$454,816.95	\$311,113,164.62	\$0.00	2,060	35,659

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**Weekly Trust Fund Update**

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
9/4/2021	\$4,757,627.86	\$9,195.47	\$306,364,732.23	\$0.00	9,724	33,598
9/11/2021	\$7,059,479.80	\$120,095.61	\$299,425,348.04	\$0.00	14,042	37,364
9/18/2021	\$6,485,208.32	\$249,649.26	\$293,189,788.98	\$0.00	7,107	43,034
9/25/2021	\$6,642,210.51	(\$1,028,096.42)	\$285,519,482.05	\$0.00	3,947	43,003
10/2/2021	\$6,098,460.83	\$2,379,834.54	\$281,800,855.76	\$0.00	3,130	40,302
10/9/2021	\$5,486,896.19	(\$27,778,996.93)	\$248,534,962.64	\$0.00	3,141	36,425
10/15/2021	\$4,881,554.03	\$447,335.17	\$244,100,743.78	\$0.00	TBD	TBD