



JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
STATE CAPITOL
P.O. BOX 44294, CAPITOL STATION
BATON ROUGE, LOUISIANA 70804
(225) 342-1964

REPRESENTATIVE JEROME ZERINGUE
CHAIRMAN

SENATOR BODI WHITE
VICE-CHAIRMAN

AGENDA

Thursday, April 28, 2022

8:00 A.M.

House Committee Room 5

I. CALL TO ORDER

II. ROLL CALL

III. BUSINESS

1. Fiscal Status Statement and Five-Year Base-Line Budget
2. BA-7 Agenda
3. Facility Planning and Control Agenda
4. Review and approval of a contract extension between the Louisiana Department of Health and Magellan Medicaid Administration in accordance with the provisions of R.S. 39:1615(J)
5. Review and approval of an emergency contract between the office of group benefits and Optum Financial, Inc., in accordance with the provisions of R.S. 42:802(D)
6. Review and approval of a supplemental funding recommendation by the Water Sector Commission in accordance with the provisions of R.S. 39:100.56
7. Review and approval of Deputy Sheriffs' Back Supplemental Pay in accordance with the provisions of R.S. 40:1667.8
8. Approval of operating budget modification for the Teachers' Retirement System of Louisiana in accordance with the provisions of R.S. 11:176(C)
9. Review of the contract extension between the Department of Children & Family Services and Postlethwaite & Netterville, APAC, in accordance with the provisions of R.S. 39:1615(J)
10. Review of a contract extension between the office of technology services and Creative Information Technology, Inc., in accordance with the provisions of R.S. 39:1615(J)
11. Review of a contract extension between the Louisiana Board of Pharmacy and Bamboo Health for the Prescription Monitoring Program in accordance with the provisions of R.S. 39:1615(J)
12. Review of a contract extension between the Louisiana Department of Health and Statistical Resources, Inc., in accordance with the provisions of R.S. 39:1615(J)
13. Update from the Louisiana Workforce Commission on the Unemployment Compensation Fund balance, tax collections, and benefits paid

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 House Rule 14.33 in lieu of appearing before the committee:

A. Any interested person or any committee member may file with the committee a prepared statement concerning a specific instrument or matter under consideration by the committee or concerning any matter within the committee's scope of authority, and the committee records shall reflect receipt of such statement and the date and time thereof.

B. Any person who files a prepared statement which contains data or statistical information shall include in such prepared statement sufficient information to identify the source of the data or statistical information. For the purposes of this Paragraph, the term "source" shall mean a publication, website, person, or other source from which the data or statistical information contained in the prepared statement was obtained by the person or persons who prepared the statement.

NOTE: Statements emailed to briscoed@legis.la.gov and received prior to noon on Wednesday, April 27, 2022, will be distributed to the committee members prior to the meeting.

All persons desiring to participate in the meeting shall utilize appropriate protective health measures and observe the recommended and appropriate social distancing.

JEROME "ZEE" ZERINGUE, CHAIRMAN

PLEASE SUBMIT A WITNESS CARD TO THE COMMITTEE ADMINISTRATIVE ASSISTANT BEFORE THE MEETING BEGINS IF YOU WANT TO TESTIFY BEFORE THE COMMITTEE.

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

April 29, 2022

	<u>MARCH 2022</u>	<u>APRIL 2022</u>	<u>APRIL 2022 Over/(Under) MARCH 2022</u>
<u>GENERAL FUND REVENUE</u>			
Revenue Estimating Conference, January 11, 2022	\$10,735.000	\$10,735.000	\$0.000
FY 20-21 Revenue Carried Forward into FY 21-22	\$183.621	\$183.621	\$0.000
Total Available General Fund Revenue	<u>\$10,918.621</u>	<u>\$10,918.621</u>	<u>\$0.000</u>
<u>APPROPRIATIONS AND REQUIREMENTS</u>			
Non-Appropriated Constitutional Requirements			
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
Total Non-Appropriated Constitutional Requirements	<u>\$525.353</u>	<u>\$525.353</u>	<u>\$0.000</u>
Appropriations			
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
Total Appropriations	<u>\$9,541.590</u>	<u>\$9,541.590</u>	<u>\$0.000</u>
Total Appropriations & Non-Appropriated Constitutional Requirements	<u>\$10,066.942</u>	<u>\$10,066.942</u>	<u>\$0.000</u>
General Fund Revenue Less Appropriations and Requirements	<u>\$851.679</u>	<u>\$851.679</u>	<u>\$0.000</u>

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)

FY20 Surplus/(Deficit)		270.434
Other Obligations Against Cash Carried Over from FY20 to FY21		
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	
Total Other Obligations Against Cash Carried Over from FY20 to FY21		264.486
FY21 General Fund - Adjusted Direct Revenues:		10,695.872
Total General Funds Available for Expenditure in FY21		11,230.792
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)	
Total FY21 General Fund - Direct Appropriations & Requirements		(10,354.914)
General Fund Direct Cash Balance		875.878
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	
Tobacco Tax allocation corrections made in FY22	28.925	
Total Obligated General Fund Direct		(176.659)
Net General Fund Direct Surplus/(Deficit)		699.220
Certification in accordance with R.S. 39:75A(3)(a)		\$699,219,732

III. Current Year Items Requiring Action

IV. Horizon Issues Not Contained in 5-Year Plan

**FIVE YEAR BASE LINE PROJECTION
STATE GENERAL FUND SUMMARY
CONTINUATION**

	Official Current Fiscal Year 2021-2022	Ensuing Fiscal Year 2022-2023	Projected Fiscal Year 2023-2024	Projected Fiscal Year 2024-2025	Projected Fiscal Year 2025-2026
REVENUES:					
Taxes, Licenses & Fees	\$13,869,000,000	\$13,573,100,000	\$13,725,800,000	\$13,972,500,000	\$13,637,600,000
Less Dedications	(\$3,134,100,000)	(\$2,637,300,000)	(\$2,822,900,000)	(\$3,100,200,000)	(\$3,072,700,000)
TOTAL REC REVENUES	\$10,735,000,000	\$10,935,800,000	\$10,902,900,000	\$10,872,300,000	\$10,565,000,000
ANNUAL REC GROWTH RATE		1.87%	-0.30%	-0.28%	-2.83%
Other Revenues:					
Carry Forward Balances	\$183,620,801	\$0	\$0	\$0	\$0
<i>Total Other Revenue</i>	\$183,620,801	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$10,918,620,801	\$10,935,800,000	\$10,902,900,000	\$10,872,300,000	\$10,565,000,000
EXPENDITURES:					
General Appropriation Bill (Act 119 of 2021 RS)	\$9,077,018,132	\$9,879,544,824	\$10,581,672,260	\$10,150,297,968	\$10,350,037,085
Ancillary Appropriation Bill (Act 113 of 2021 RS)	\$0	\$0	\$23,254,113	\$28,848,303	\$34,638,290
Non-Appropriated Requirements	\$525,352,685	\$533,894,467	\$543,798,376	\$561,667,759	\$563,914,889
Judicial Appropriation Bill (Act 116 of 2021 RS)	\$164,008,439	\$165,950,034	\$167,832,622	\$167,832,622	\$167,832,622
Legislative Appropriation Bill (Act 117 of 2021 RS)	\$73,610,173	\$73,610,173	\$73,582,774	\$73,582,774	\$73,582,774
Special Acts	\$0	\$0	\$25,162,436	\$25,162,436	\$25,162,436
Capital Outlay Bill (Act 485 of 2021 RS)	\$43,331,996	\$0	\$0	\$0	\$0
TOTAL ADJUSTED EXPENDITURES (less carryforwards)	\$9,883,321,425	\$10,652,999,498	\$11,415,302,581	\$11,007,391,862	\$11,215,168,096
ANNUAL ADJUSTED GROWTH RATE		7.79%	7.16%	-3.57%	1.89%
Other Expenditures:					
Carryforward BA-7s Expenditures	\$183,620,801	\$0	\$0	\$0	\$0
Total Other Expenditures	\$183,620,801	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$10,066,942,226	\$10,652,999,498	\$11,415,302,581	\$11,007,391,862	\$11,215,168,096
PROJECTED BALANCE	\$851,678,575	\$282,800,502	(\$512,402,581)	(\$135,091,862)	(\$650,168,096)
Oil Prices included in the REC forecast.	\$68.62	\$64.48	\$64.06	\$63.61	\$63.16

JOINT LEGISLATIVE COMMITTEE ON THE BUDGET

BA-7 AGENDA

April 2022

A. Fiscal Status Statement

B. 5-Year Base Line Projection

C. Regular BA-7s

1 HCS LSU - HSC - Health Care Services Division
(19E-610) LSU - HSC - Health Care Services Division



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 Jerome "Zee" Zeringue
Joint Legislative Committee on the Budget
The Honorable Members of the Joint Legislative Committee on the Budget

From: Alan Boxberger, Interim Legislative Fiscal Officer *AMB*
Evan Brasseaux, Interim Deputy Fiscal Officer *EB*

Date: April 21, 2022

Subject: Joint Legislative Committee on the Budget
Meeting April 28, 2022

Attached is the Legislative Fiscal Office BA-7 (Budget Adjustment) write-up for the April 28th meeting of the Joint Legislative Committee on the Budget.

The LFO recommends approval of this BA-7.

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

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

DEPARTMENT: LSU Health Care Services Division

AGENDA NO.: 1

AGENCY: LSU HSC-HCSD

ANALYST: Shane Francis

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T.O.</u>
State General Fund:	\$0	Executive Administration & Gen Support	\$0	0
Interagency Transfers:	\$0	Lallie Kemp Regional Medical Center	\$8,027,465	0
Self-Generated Revenue:	\$8,027,465			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	\$8,027,465	Total	\$8,027,465	0

I. SUMMARY/COMMENTS

The purpose of this BA-7 is to authorize an \$8.0 M net increase in SGR authority to meet projected expenditures for patient care at the Lallie Kemp Regional Medical Center for the remainder of FY 22. This would increase the FY 22 SGR from the current \$16.6 M to \$24.6 M, about a 50% increase. The projected increase in self-generated revenue stems from over-collections observed from the Medicaid expansion. Many patients that received charity care and accounted for uncompensated care costs (UCC) are now billable under Medicaid.

The LSU Health Care Services Division (HCSD) claims failure to authorize will lead to observable declines in the following performance metrics: Clinic Visits, Emergency Department Visits, Acute Patient Days and Hospital Admissions. The agency anticipates no changes to facility staffing levels in response to the authorization of this BA-7.

The agency arrived at \$8.0 M additional authority after the consideration of 1) The end of the LINCAA program*, 2) the significant increase in medical supply costs for surgery, emergency room and inpatient services, and 3) net savings from a one-time, non-recurring event related to the reclassification of HCSD Retiree Benefits. These considerations are further delineated below.

EXPENDITURES	REQUEST	COMMENTS
Related Benefits	(\$15.8 M)	Related Benefits decreased due to an accounting change in HCSD Retiree Benefits classification. A portion of this allocation was moved to Other Charges.
Other Charges	\$10.7 M	Increased due to the accounting change in HCSD Retiree Benefits classification. Allocation was moved from Related Benefits.
Supplies	\$5.3 M	Addresses shortfall between budgeted (\$4.4 M) and anticipated expenditures (\$9.7 M). Higher utilization of medical services has led to higher burn rate, compounding supply problems for goods such as vacuum tubes. Represents about a \$1.0 M increase over FY 21.
Professional Services	\$3.9 M	Ending of LINCCA will require Lallie Kemp to directly contract w/ providers.
Salaries	\$3.8 M	Addresses shortfall between FY 22 budgeted (\$16.1 M) and anticipated (\$19.9 M) expenditures. FY 21 actual salaries were \$19.1 M.
Operating Services	\$139,146	Operating Services due to patient volume.
Acquisitions:	\$41,289	<u>Acquisitions increased due to COVID related equipment purchases</u>
Total:	\$8.0 M	

*The Low-Income and Needy Care Collaboration Agreement (LINCCA) program is a 2011 initiative that allowed public entities to contract with private organizations to provide health care services to low-income patients. In practice, facilities like Lallie Kemp would identify a qualified population they service, and LDH would directly contract with providers on Lallie Kemp's behalf. This program is discontinuing, and Lallie Kemp will now contract with service providers directly, leading to a significant increase in professional services.

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

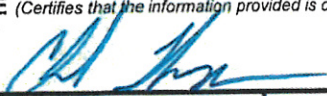
II. IMPACT ON FUTURE FISCAL YEARS

These recurring expenses will impact future fiscal years and will need to be addressed either in the current budget process or through BA-7s in FY 23 and beyond.

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: Louisiana State University		FOR OPB USE ONLY				
AGENCY: Health Care Services Division		OPB LOG NUMBER 152		AGENDA NUMBER 1		
SCHEDULE NUMBER: 19-610		Approval and Authority:				
SUBMISSION DATE: 02-15-2022						
AGENCY BA-7 NUMBER: 22-01						
HEAD OF BUDGET UNIT: Rhonda Green						
TITLE: Hospital Administrator						
SIGNATURE <i>(Certifies that the information provided is correct and true to the best of your knowledge):</i> 						
MEANS OF FINANCING	CURRENT FY 2021-2022	ADJUSTMENT (+) or (-)		REVISED FY 2021-2022		
GENERAL FUND BY:						
DIRECT	\$24,983,780	\$0		\$24,983,780		
INTERAGENCY TRANSFERS	\$18,121,686	\$0		\$18,121,686		
FEES & SELF-GENERATED	\$16,598,113	\$8,027,465		\$24,625,578		
Regular Fees & Self-generated	\$16,598,113	\$8,027,465		\$24,625,578		
Subtotal of Fund Accounts from Page 2	\$0	\$0		\$0		
STATUTORY DEDICATIONS	\$0	\$0		\$0		
[Select Statutory Dedication]	\$0	\$0		\$0		
[Select Statutory Dedication]	\$0	\$0		\$0		
Subtotal of Dedications from Page 2	\$0	\$0		\$0		
FEDERAL	\$5,135,498	\$0		\$5,135,498		
TOTAL	\$64,839,077	\$8,027,465		\$72,866,542		
AUTHORIZED POSITIONS	0	0		0		
AUTHORIZED OTHER CHARGES	0	0		0		
NON-TO FTE POSITIONS	0	0		0		
TOTAL POSITIONS	0	0		0		
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
Lallie Kemp Regional Medical Center	\$64,839,077	0	\$8,027,465	0	\$72,866,542	0
Program 2	\$0	0	\$0	0	\$0	0
Program 3	\$0	0	\$0	0	\$0	0
Program 4	\$0	0	\$0	0	\$0	0
Program 5	\$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
TOTAL	\$64,839,077	0	\$8,027,465	0	\$72,866,542	0

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

DEPARTMENT: Louisiana State University	FOR OPB USE ONLY	
AGENCY: Health Care Services Division	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 19-610		
SUBMISSION DATE: 02-15-2022	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: 22-01		

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
GENERAL FUND BY:			
FEES & SELF-GENERATED			
[Select Fund Account]	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$0	\$0	\$0
STATUTORY DEDICATIONS			
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
SUBTOTAL (to Page 1)	\$0	\$0	\$0

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
PROGRAM NAME:						
	\$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 (to Page 1)	\$0	0	\$0	0	\$0	0

**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?
The source of funding is Fees and Self-Generated obtained through hospital operations.

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
GENERAL FUND BY:					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$8,027,465	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
TOTAL	\$8,027,465	\$0	\$0	\$0	\$0

3. If this action requires additional personnel, provide a detailed explanation below:
No additional staff will be required.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.
This budget request is needed for the current year costs associated with the operation of Lallie Kemp Regional Medical Center for patient care.

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.
No. These are projected expenditures for patient care.

**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.

This BA-7 will provided the needed budget authority to continue the operations of Lallie Kemp Medical Center.

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: There will be no change to the performance standards. This BA-7 will cause no adjustments to the Performance Standards.

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).
No adjustments will be made to the Performance Standards.

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?)

This BA-7 will provide the needed budget authority to continue operations. This BA-7 will not impact any other program or agency.

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

This BA-7 will not have any performance impact. This BA-7 will be used for current year expenses for patient care.

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

Failure to approve this BA-7 will cause funding for needed services to be unavailable. With the lack of funds, Lallie Kemp would be forced to reduce services. Specific Performance Standards reductions will be in Clinic Visits, Emergency Department Visits, Acute Patient Days, and Hospital Admissions.

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: Lallie Kemp Regional Medical Center

MEANS OF FINANCING:	CURRENT FY 2021-2022	REQUESTED ADJUSTMENT	REVISED FY 2021-2022	ADJUSTMENT/OUTYEAR PROJECTIONS			
				FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
GENERAL FUND BY:							
Direct	\$24,983,780	\$0	\$24,983,780	\$0	\$0	\$0	\$0
Interagency Transfers	\$18,121,686	\$0	\$18,121,686	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$16,598,113	\$8,027,465	\$24,625,578	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$5,135,498	\$0	\$5,135,498	\$0	\$0	\$0	\$0
TOTAL MOF	\$64,839,077	\$8,027,465	\$72,866,542	\$0	\$0	\$0	\$0
EXPENDITURES:							
Salaries	\$16,075,814	\$3,800,337	\$19,876,151	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$24,893,663	(\$15,844,281)	\$9,049,382	\$0	\$0	\$0	\$0
Travel	\$12,291	\$0	\$12,291	\$0	\$0	\$0	\$0
Operating Services	\$4,481,685	\$139,146	\$4,620,831	\$0	\$0	\$0	\$0
Supplies	\$4,457,651	\$5,286,947	\$9,744,598	\$0	\$0	\$0	\$0
Professional Services	\$1,833,086	\$1,140,223	\$2,973,309	\$0	\$0	\$0	\$0
Other Charges	\$11,439,740	\$10,679,491	\$22,119,231	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$1,264,688	\$2,774,313	\$4,039,001	\$0	\$0	\$0	\$0
Acquisitions	\$380,459	\$51,289	\$431,748	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$64,839,077	\$8,027,465	\$72,866,542	\$0	\$0	\$0	\$0
POSITIONS							
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0	0
*Dedicated Fund Accounts:							
Reg. Fees & Self-generated	\$16,598,113	\$8,027,465	\$24,625,578	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
**Statutory Dedications:							
[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
[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: Lallie Kemp Regional Medical Center

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$8,027,465	\$0	\$0	\$8,027,465
EXPENDITURES:						
Salaries	\$0	\$0	\$3,800,337	\$0	\$0	\$3,800,337
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	(\$15,844,281)	\$0	\$0	(\$15,844,281)
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$139,146	\$0	\$0	\$139,146
Supplies	\$0	\$0	\$5,286,947	\$0	\$0	\$5,286,947
Professional Services	\$0	\$0	\$1,140,223	\$0	\$0	\$1,140,223
Other Charges	\$0	\$0	\$10,679,491	\$0	\$0	\$10,679,491
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$2,774,313	\$0	\$0	\$2,774,313
Acquisitions	\$0	\$0	\$51,289	\$0	\$0	\$51,289
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$8,027,465	\$0	\$0	\$8,027,465
OVER / (UNDER)	\$0	\$0	\$0	\$0	\$0	\$0
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	0	0	0	0	0	0
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	0	0	0	0	0	0

BA-7 QUESTIONNAIRE

(Provide answers on the Questionnaire Analysis Form; answer all questions applicable to the requested budget adjustment.)

GENERAL PURPOSE

1. I.E.-This BA-7 is to avoid deficit expenditures in the Administration Program. This BA-7 is to budget a Supplemental Appropriation. This BA-7 is to budget receipt of a federal grant. This BA-7 budgets funding approved at March I.E.B. meeting.

REVENUES

(Explain the Means of Financing. Provide details including Source, authority to spend, etc.)

2. If STATE GENERAL FUND

- Provide details

3. If IAT

- List sending agency
- Attach signed IAT agreement or signed letter that sending agency concurs with the need for this BA-7
- Provide original Source of Funding (Where did the sending agency get the funds?)

4. If Self-Generated Revenues

- Explain how funds are generated
- Provide original fund balance and revised fund balance
- Provide amount of original fund balance that was originally budgeted
- Provide amount of revised fund balance that will be budgeted if this BA-7 is approved

5. If Statutory Dedications

- Provide creating authority (Louisiana Revised Statutes and/or Administrative Code citations)
- Current fund balance
- Current year anticipated revenue

6. If Interim Emergency Board Appropriations

- Attach I.E.B. notification approval (will serve as BA-7 justification)

7. If Federal Funds

- Provide a copy of the grant award from the Federal Agency
- Explain matching requirements associated with the proposed source of funding (be specific)

8. All Grants:

- Explain the purpose of the grant
- Provide a copy of the grant application and notification of grant award
- Provide spending plan for each year of multi-year grants

EXPENDITURES

9. Provide detailed expenditure information including how the amount requested was calculated.
10. If funds are being transferred, please explain how excess funds became available.
11. Provide object details as part of explanation.

OTHER

12. Provide names, phone numbers and e-mail addresses of agency contacts that can provide further information on this item and will attend JLCB to testify.

QUESTIONNAIRE ANALYSIS

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

GENERAL PURPOSE

The purpose of this BA-7 is to adjust the budget for the current year costs associated with the operation of Lallie Kemp Regional Medical Center for patient care.

REVENUES

Fees and Self Generated Revenues: \$8,027,465

EXPENDITURES

The adjustments below are related to current year projected patient care costs. The adjustment realigns the HCSD legacy related benefits with current account coding. This adjustment also increases Salaries, Operating Services, Supplies, Other Charges, Interagency Transfers, and Acquisitions to align with increased patient care costs. Professional Services increased due to the LINCCA contracts ending.

Salaries: \$3,800,337 – Salaries increased due to increased patient care costs.

Related Benefits: (\$15,844,281) – Related Benefits decreased due to an accounting change in HCSD Retiree Benefits classification. Allocation was moved to Other Charges.

Operating Services: \$139,146 – Operating Services increased due to patient volume.

Supplies: \$5,286,947 – Supplies increased due to increases related to COVID patient care supply costs and shortages.

Professional Services: \$1,140,223 – Professional Services increased due to the ending of the LINCCA program.

Other Charges: \$10,679,491 – Other Charges increased due to accounting change in HCSD Retiree Benefits classification. Allocation was moved from Related Benefits.

Interagency Transfers: \$2,774,313 - Interagency Transfers increased due to the ending of the LINCCA program.

Acquisitions: \$51,289 – Acquisitions increased due to COVID related equipment purchases.

Net Adjustment: \$8,027,465

OTHER

Contact: Chad Thompson, Chief Financial Officer, 985-878-1350, Cthom5@lsuhsc.edu

DIVISION OF ADMINISTRATION
Facility Planning & Control

JOINT LEGISLATIVE COMMITTEE
ON THE
BUDGET

Briefing Book

FOR

April 2022

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Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 29, 2022

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

RE: Request for an Act 959 Project
Novel Macaque Breeding Runs
New Iberia Research Center
University of Louisiana at Lafayette
Lafayette, Louisiana
ULL Project No: NIRC-330270

Dear Chairman Zeringue:

Pursuant to R.S. 39:128 B. (4) the University of Louisiana at Lafayette (ULL) has requested approval to undertake the planning, design and construction of two (2) new primate housing facilities on their New Iberia Research Center campus. The objective of the project is to increase facilities for the animals and provide weather protection in the winter. Each new building will be approximately 11,000 square feet and consist of 20 individual units, with indoor and outdoor spaces within fenced cage containment, and necessary mechanical, electrical, and plumbing components, storage, and circulation space. The total project cost is estimated to be \$3,500,000 and will be funded by a grant from a National Institute of Health Federal Research grant. This request has been approved by the Board of Regents for Higher Education and the University of Louisiana System Board of Supervisors.

Facility Planning and Control approves this request and recommends it to the Joint Legislative Committee on the Budget.

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

March 29, 2022

The Honorable Jerome Zeringue, 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 Zeringue:

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) Replacement Hot Water Supply and Return Lines
Louisiana State University Health Sciences Center
New Orleans, Louisiana**

Project No. 01-107-05B-13; WBS F.01003971

Date of Contract: July 23, 2020

Original Contract Amount: \$497,000.00

Contract amount increased by Change Order 1: \$ 83,498.00

New contract sum: \$580,498.00

- **Change Order 1** increases the Contract amount by \$83,498 due to additional work to remove and replace insulation, as well as the demolition and re-routing of building hot water supply and return lines due to unforeseen conditions on the LSUHSC campus in New Orleans. This increased construction amount is FEMA reimbursable and was covered by the project contingency.



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

February 9, 2022

Ms. Pamela Bartfay Rice, Esq.
Assistant Director
Professional Contracts
Office of State Procurement
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

RE: Request for Pre-Approval to Appear before JLCB

Dear Ms. Rice:

The Louisiana Department of Health - Medical Vendor Administration (MVA), Bureau of Health Services Financing (BHSF), is requesting pre-approval to appear before the Joint Legislative Committee on the Budget (JLCB) for Amendment #1 (LaGov# 2000429415) with Magellan Medicaid Administration.

The Bureau seeks to extend the current contract to ensure continuity of service provided to the Medicaid Pharmacy Program State Supplemental Rebate/Preferred Drug List (PDL) and Drug Rebate Processing programs. Additionally, the Bureau is asking to exercise the option to extend for up to twenty-four additional months, with approval at the same rates, terms, and conditions of the current contract. Extending the contract will also increase the maximum amount of the contract to \$5,985,396.00. Allowing this extension will avoid disruption to the supplemental/drug rebate services we currently provide, which will result in the continuation of rebate collections.

MVA is requesting to appear before JLCB on **March 18, 2022**. Thank you for considering approving this request.

Sincerely,

Patrick Gillies
Medicaid Executive Director

CONTRACT SUMMARY:

Louisiana Department of Health (LDH) is requesting permission to exercise the contractual option for a twenty-four (24) months extension with Magellan Medicaid Administration for continued technical support for State Supplemental Rebate Program and Preferred Drug List (PDL) Management and Drug Rebate Processing for Medicaid. The Magellan contract services allows LDH to:

- Manage all aspects of the supplemental rebate negotiation process as well as the Medicaid Drug Rebate Program for all Louisiana program types, as prescribed by State and federal regulations.
- Negotiate supplemental rebate agreements with pharmaceutical manufacturers through multi-state pooling contracts and through a single state PDL.
- Manage federal and supplemental rebate and billing collection functions;
- Provide information and data management of the PDL;
- Provide technical support to the P&T Committee.

BACKGROUND:

Act 395 of the 2001 Regular Session of the Louisiana Legislature amended R.S.46:153.3 (B)(2)(a) and authorized LDH to establish a drug formulary utilizing a Prior Authorization (PA) process or any other process or combination of processes that prove to be cost-effective in the medical assistance program. The Omnibus Budget Reconciliation Act of 1990 (OBRA 90) required the implementation of a federal Medicaid Drug Rebate Program (MDRP), effective January 1, 1991. Under this law, drug manufacturers are required to pay rebates for drugs dispensed under state outpatient drug programs in order to be included in state Medicaid formularies. States are required to cover all of the drugs for which a manufacturer provides rebates under the terms of the law.

Two subsequent pieces of federal legislation further updated the rebate provisions: the Deficit Reduction Act of 2005 extended the rebate program to outpatient drugs administered in a physician's office or another outpatient facility, and the ACA expanded the rebate program to cover claims paid by Medicaid MCOs. Magellan is currently managing the Supplemental Rebate/PDL and Drug Rebate invoicing for LDH. Contracts for supplemental rebates are already established for certain therapeutic classes. The extension of the contract would allow the State to continue to receive supplemental rebates and Federal Drug Rebates without interruption.

Magellan Medicaid Administration has been providing Supplemental Rebate PDL/PA services since 2004 and comprehensive Drug Rebate Processing services since 2019. Supplemental Rebate PDL/PA services were procured through a competitive RFP process in years 2006 (2 proposers), 2009 (2 proposers), 2012 (one proposal), 2015 (one proposal), and 2018 (2 proposals). Supplemental Rebate PDL/PA and Drug Rebate combined services were procured through the RFP process in 2019. LDH is satisfied with the performance of Magellan. LDH does not have

adequate staff or staff with the expertise necessary to negotiate supplemental rebates or invoice and collect federal rebates.

FISCAL IMPACT:

- The total amount to extend the Magellan contract for twenty-four months is \$2,504,736 with an annual spend of \$1,252,368/year.

Start Date	October 1, 2019
End Date	September 30, 2022
Requested Extension (Amendment 1)	October 1, 2022 – September 30, 2024
Extension Amount	\$2,504,736
Total Contract Amount	\$5,985,397

- Below you will find a breakdown of the Rebate Collections for SFY 2021:

Means of Financing:	FFS		MCO		Total	
	Federal	Supplemental	Federal	Supplemental	Federal	Supplemental
Federal Share	27,620,906	1,041,109	729,121,321	71,011,826	756,742,227	72,052,935
State Share	9,968,786	375,752	263,150,482	25,629,200	273,119,268	26,004,952
Total	37,589,692	\$1,416,861	\$ 992,271,803	\$96,641,026	\$1,029,861,495	\$98,057,887

Office of State Procurement
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 2, 2022

TO: Mr. Patrick Gillies
Louisiana Department of Health
Medicaid Executive Director

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

RE: OSP Approval for JLCB
LaGov PO/Contract # 2000429415/Amendment 1
Magellan Medicaid Administration, 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 Pam Rice at OSP.

AMENDMENT TO
AGREEMENT BETWEEN STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Amendment #: 1
LAGOV#: 2000429415
LDH #: 060939

MVA

Medical Vendor Administration

(Regional/ Program/
Facility)

Bureau of Health Services Financing

Original Contract Amount \$ 3,480,660.00

AND

Original Contract Begin Date 10-01-2019

Magellan Medicaid Administration, Inc

Original Contract End Date 09-30-2022

Contractor Name

RFP Number: 3000011194/12063

AMENDMENT PROVISIONS

Change Contract From: From Maximum Amount: 3,480,660

Current Contract Term : 10/01/2019 - 09/30/2022

CF-1: 11) 09/30/2022
12) \$3,480,660
13) SFY2020 - \$700,361; SFY2021 - \$1,223,539; SFY2022 - \$1,243,669; SFY2023 - \$313,092
14) FY2020 - \$78,000 implementation fee, \$52,000/month for Oct-March and \$103,454/month for April-June (FY20 Total \$700,361)
SFY2021 - \$103,454/month for July-Sept; and \$101,464/month for Oct - June (FY21 Total \$1,223,539 SFY2022 - \$101,464/month for
July-Sept; and \$104,364/month for Oct - June (FY22 Total \$1,243,669) SFY2023 - \$104,364

Change Contract To: To Maximum Amount: 5,985,396

Changed Contract Term: 10/01/2019 - 09/30/2024

CF-1: 11) 09/30/2024
12) \$5,985,396
13) SFY: SFY20 - \$700,361; SFY21 - \$1,223,539; SFY22 - \$1,243,669; SFY23 - \$1,252,368; SFY24 - \$1,252,368; SFY25 - \$313,092
14) SFY2020 - \$78,000 implementation fee, \$52,000/month for Oct - March and \$103,454/month for April-June (FY20 Total \$700,361);
SFY2021 - \$103,454/month for July-Sept; and \$101,464/month for Oct - June (FY21 Total \$1,223,539); SFY2022 - \$101,464/month for
July-Sept and \$104,364/month Oct-June (FY22 - Total \$1,243,669); \$104,364/month (FY23 Total -\$1,252,368); \$104,364/month (FY24
Total -\$1,252,368); and \$104,364/month for July-Sept (FY25 Total \$313,092).

Justifications for amendment:

An extension is needed to ensure continuity of services being provided to the Medicaid Pharmacy Program's State Supplemental Rebate/Preferred Drug List (PDL)/Drug Rebate Processing programs. The contract with Magellan Medicaid Administration 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. LDH seeks to extend the current contract for a period of twenty-four (24) months, through September 30, 2024 utilizing the Contract Amendment processes. This extension will avoid disruption to the supplemental/drug rebate services, resulting in the continuation of rebate collections.

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

Magellan Medicaid Administration, Inc

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Secretary, Louisiana Department of Health or Designee

CONTRACTOR SIGNATURE DATE

PRINT
NAME

CONTRACTOR
TITLE

SIGNATURE DATE

NAME Patrick Gillies

TITLE Executive Medicaid Director

OFFICE MVA/Director's Office

PROGRAM SIGNATURE DATE

NAME



Bureau of Health Services Financing

Attachment B

Statement of Work

For

**Medicaid Supplemental Rebate and Drug Rebate
Processing for LDH**

STATEMENT OF WORK

Goal/Purpose

The Contractor will provide support in the following manner:

- 1) Supplemental Rebate: To provide technical support for the State Supplemental Rebate Program and Preferred Drug List (PDL) Management Services and Supplies, including but not limited to research into the relative safety, clinical efficacy and cost of products within defined therapeutic drug classes; and
- 2) Drug Rebate Processing: To provide support in performing the federal and supplemental drug rebate processing for the Louisiana Department of Health (LDH) Medicaid program, including but not limited to invoicing, reconciliation, and dispute resolution for all of LDH's Medicaid drug rebate programs.

The Contractor will meet the Louisiana Medicaid Pharmacy Benefits Management Program's needs in regards to developing and maintaining a PDL for the Louisiana Medicaid Fee-for-Service members in the legacy Medicaid program; developing and maintaining a single PDL (inclusive of Managed Care Organizations (MCOs)) upon LDH's direction; negotiating Supplemental Rebate Agreements with pharmaceutical manufacturers through a single state or multi-state pooling initiative, unless otherwise directed by LDH; negotiating Supplemental Rebate Agreements based on guaranteed net unit price (GNUP), value or outcomes based arrangements, or other contract terms as directed by LDH; billing and collecting from pharmaceutical manufacturers for supplemental rebates pursuant to agreements entered into between such manufacturers and the Department; and billing and collecting from pharmaceutical manufacturers for federal drug rebates for LDH's Medicaid program.

The Contractor will provide the following services: 1) Management of all aspects of the supplemental rebate negotiation process; 2) Provide information and data management of the PDL; 3) Technical support to the P&T Committee; 4) Providing the Department with expertise in the financial and clinical analysis of P&T recommendations both before and after implementation; 5) Administration and management of the Medicaid drug rebate program; 6) Calculate the amount of rebate owed by each manufacturer; 7) Generate the respective invoices; 8) Updating the rebate management system; 9) Track and resolve drug manufacturer disputes, and associated reporting; 10) Identify drugs reimbursed and request any associated rebate from participating pharmaceutical manufacturers consistent with Federal and State regulations and 11) Operate in accordance with CMS guidance, rules and regulations regarding all aspects of the Medicaid Drug Rebate program.

Deliverables

I. SUPPLEMENTAL REBATE/PDL AND DRUG REBATE PROCESSING GENERAL REQUIREMENTS

The Contractor shall be responsible for the administration and management of the requirements and responsibilities of the Supplemental Rebate/PDL Program and the Drug Rebate Program. The Contractor shall comply with any and all applicable LDH issued policy manuals and guides. This is also applicable to all subcontractors, employees, agents and anyone acting for or on behalf of the Contractor.

GENERAL REQUIREMENTS - OUTCOME - # 1**QUALITY ASSURANCE**

The Contractor shall develop a Quality Assurance Plan that documents the process to be used in assuring the quality of services provided for each requirement. The plan shall be developed with the Department's Strategic Plan outcomes in mind.

Performance Measures

- The Quality Assurance Plan shall be due ninety (90) days from the execution of the contract.

Monitoring Plan

The contract monitor shall:

- Review annually to: a) see if the Contractor has met its goals for the year, b) update and/or set goals and milestones for the next year, c) analyze outcomes and effectiveness of services, and d) identify areas and opportunities for improvements.
- Monitor the quality, impact, and effectiveness of services provided under the contract.

GENERAL REQUIREMENTS - OUTCOME - # 2**REPORTS**

Develop and deliver recurring and ad hoc reports as mutually agreed upon by the Contractor and the Department. Maintain flexible reporting capabilities and must be able to respond to the reporting requests of the Department and the Department's designees.

Performance Measures

- Establish and maintain a database that has the capacity for data analysis, generation of ad hoc reports, both electronic and hard copy, and secure storage of supplemental drug rebate information as required under this contract.
- Developing recommendations and provide detailed strategies for maximizing the Department's annual savings resulting from the implementation of the PDL. These recommendations shall provide specific written suggestions for enhancing rebates and lowering net pharmacy costs through PDL products and other areas as requested by the Department.
- Upon reasonable notice, Contractor shall be available to testify before the Louisiana Legislature or other interested parties, as requested by the Department;
- Prepare and submit any report as required and requested by the Department, any designee of the Department, and/or CMS that is related to the Contractor's duties and obligations under the Contract at no cost to the Department. Any changes to the formats must be approved by the Department prior to implementation;
- Information considered to be of a proprietary nature shall be clearly identified as such by the Contractor at the time of submission; Any information considered proprietary must be approved by Contractor before LDH will release information;
- Reports may be modified as indicated by the Department at no additional cost to the State; and
- Provide sample/other reports as requested

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted by the deadline(s);.
- Review the documents to ensure the requested information is provided

GENERAL REQUIREMENTS - OUTCOME - # 3

STAFFING REQUIREMENTS

Have in place the organizational, operational, managerial and administrative capacity to be capable of fulfilling all contract requirements outlined in this contract. Procure, equip, furnish, operate and maintain facilities appropriate to support the requirements of this contract;

Performance Measures

- Administrative office shall maintain, at a minimum, business hours of 8:00 am to 5:00 pm Central Time, Monday through Friday, excluding recognized Louisiana State holidays and be operational on all LDH regularly scheduled business days.
- Annually and on a date determined by the Department, the Contractor shall submit:
 - An updated organization chart complete with the Key and Core Staff positions. The chart must include the person's name, title and telephone number, and portion of time allocated to the Louisiana Medicaid contract, other Medicaid contracts, and other lines of business;
 - A functional organization chart of the key program areas, responsibilities and the areas that report to that position; and
 - A listing of all functions and their locations and a list of any functions that have moved outside of the State of Louisiana in the past contract year.
- Maintain appropriate personnel to respond to administrative inquiries from the Department on business days;
- Ensure that all entities or individuals, whether defined as "key staff" or not, performing services under contract with Louisiana Medicaid are not "ineligible individuals" to participate in the federal health care programs, in federal procurement or non-procurement programs or have been convicted of a criminal offense that falls within the ambit of **42 USCA 1320a-7(a)**, but has not yet been excluded, debarred, suspended, or otherwise declared ineligible. Exclusion lists include the Department of Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities (available via the internet at <https://exclusions.oig.hhs.gov/>) and the General Services Administration's List of Parties Excluded from Federal Programs (available via the internet at www.sam.gov); If the Contractor has notice that any temporary, permanent, subcontract, part-time or full-time Contractor staff has become an "ineligible individual" or is proposed to become ineligible based on pending charges, the Contractor shall remove said personnel immediately from any work related to this contract and notify LDH within five (5) business days. For felony convictions, the Department will determine if the individual should be removed from the contract project; If any of the organizational or key personnel information has changed since response to the RFP, the Contractor must update and provide this information to the Department no later than the contract execution date. The same is applicable to any subcontractor information; Provide the appropriate staff representation for attendance and participation in relevant meetings and/or events scheduled by the Department; and The Contractor shall remove or reassign, upon written request from the Department any employee or subcontractor employee that the Department deems to be unacceptable; and Develop and maintain adequate fully trained staff to respond to all stakeholder inquiries while protecting confidentiality and maintaining the security and integrity of all systems. Staff must be trained to understand and observe requirements related to confidentiality and operating guidelines for functions included in this contract.

Monitoring Plan

The contract monitor shall:

- Review resumes of staff; and
- Review certifications from Contractor regarding staff.

GENERAL REQUIREMENTS - OUTCOME - # 4**RECORD-KEEPING REQUIREMENTS**

The Contractor shall retain all books, recordings, records and other documents relevant to the contract and funds expended thereunder for at least five (5) years after final payment or as prescribed in **45 CFR 75.361**, or whichever is longer.

Performance Measures

Retain all books, recordings, records and other documents relevant to the contract and funds expended thereunder for at least five (5) years after final payment or as prescribed in 45 CFR 75.361, or whichever is longer.

- Image documentation received from all stakeholders. Such images shall be in a standardized file format that is easily retrievable by LDH.
- Make available to the Department any requested records via a written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana at no cost to the Department. The Contractor shall allow the Department to inspect, audit or copy records at the Contractor's site, without cost to the Department.

Monitoring Plan

The contract monitor shall:

- Review the documents to ensure the requested information is provided.

GENERAL REQUIREMENTS - OUTCOME - # 5

CONFIDENTIALITY

The Contractor must maintain full confidentiality of all drug rebate pricing data, including Unit Rebate Amount (URA), Unit Rebate Offset Amount (UROA), Supplemental Unit Rebate Amount (SURA) data, and any multi-state or LDH specific value or outcome based rebate contract provisions in accordance with state and federal guidelines.

Performance Measures

- Maintain up-to-date procedures to ensure timely and accurate responses while ensuring confidentiality of information.
- Establish and implement proper safeguards against the unauthorized use and disclosure of the data produced and exchanged pursuant to the administration of the rebate programs as well as other aspects of the interface between LDH, CMS, and manufacturers (including but not limited to encryptions). Such safeguards shall include the adoption of policies and procedures to ensure that the data shall be used solely in accordance with program requirements and applicable federal and state law. The Contractor shall establish appropriate administrative, technical, procedural, and physical safeguards to protect the confidentiality, integrity, accessibility, and security of the data and to prevent unauthorized access to the data. The safeguards shall provide a level of security at least comparable to the level of security required of LDH by CMS, as specified by CMS. Any and all Contractor personnel interacting with this data must be advised by the Contractor of the confidential nature of the information, the safeguards required to protect the information, and the administrative, civil and criminal penalties for noncompliance contained in the applicable federal laws; and
- Unless expressly authorized in the contract or prior written approval has been received from the Department, the Contractor is strictly prohibited from releasing to any third party any data received or generated as a result of activities associated with the contract. This includes, but is not limited to, utilization data, invoice amounts, collection amounts, outstanding balance amounts, etc.

Monitoring Plan

The contract monitor shall:

- Review confidentiality procedures;
- Review documentation submitted to the Department by the Contractor to ensure the requested information is provided; and
- Review confidentiality agreement.

GENERAL REQUIREMENTS - OUTCOME - # 6**IMPLEMENTATION PLAN**

Upon approval of a contract award by the Office of State Procurement, the Contractor must prepare an implementation plan.

Performance Measures

- Provide an implementation plan, including narrative, diagram, and timeline, to deliver all services by the start date of the contract; and
- Implementation plan is due within fourteen (14) days for Department approval.

Monitoring Plan

The contract monitor shall:

- Review documentation submitted to the Department by the Contractor to ensure the requested information is provided.

II. SUPPLEMENTAL REBATE/PDL SCOPE**SUPPLEMENTAL REBATE/PDL OUTCOME - # 1****PHARMACEUTICAL AND THERAPEUTICS (P&T) COMMITTEE**

The Contractor shall provide the following support for the Medicaid P&T Committee including, but not limited to:

- Supply therapeutic class reviews for the Louisiana P&T Committee. All medications available in a therapeutic class will be reviewed for comparative efficacy, side effects, dosing, prescribing trends and indications;
- Provide cost analysis of the therapeutic class to the Committee under guidelines specified by the Department to allow the P&T Committee to make informed recommendations from both a clinical and cost perspective;
- Review therapeutic classes no less than annually;
- Provide clinical pharmacists to review therapeutic classes including new medications or indications as approved by the Food and Drug Administration (FDA) and provide recommendations to the P&T Committee and the Department for appropriate changes to the PDL;
- Support, attend in person, and present clinical and cost information for all P&T Committee meetings each year;
- Develop the P&T Committee recommendations following the meeting to be approved by the Secretary of LDH;
- Develop clinically sound and cost-effective recommendations at the request of the Department to help the Department manage the PDL; and
- Provide consultation including P&T Committee support as directed by the Department.

Performance Measures

- Produce monographs, supplemental rebate negotiations, and savings analysis for each therapeutic class under review by the Committee no later than thirty (30) calendar days prior to each P&T Committee meeting. Such reviews shall include summaries of the

- relative safety and efficacy of each drug within the therapeutic class and recommendations for the inclusion or exclusion of medications on the PDL within each class and relative cost sheets for each drug within the therapeutic class. Savings estimations shall be coded to protect the confidentiality of rebate information in a format agreed to by the Department and the Contractor. New drugs or drug indications will be reviewed when appropriate;
- Provide the P&T Committee recommendations report no later than three (3) business days following the meeting. The report shall consist of a listing of preferred drugs and those requiring prior authorization;
 - Provide assistance in developing the minutes of the P&T Committee during and following the meeting, which is not limited to record keeping during the meeting and assistance in writing the minutes thirty (30) calendar days or more after the meeting;
 - Provide a report no later than thirty (30) calendar days prior to each P&T Committee meeting with the financial and clinical analysis of P&T recommendations both before and after implementation, including but not limited to projected vs. actual supplemental rebate collections, to be distributed to the P&T Committee members; and
 - Provide any additional reports as necessary in a format agreed upon by the Department and the Contractor.

Monitoring Plan

The contract monitor shall:

- Attend the P & T Committee meetings to ensure the Contractor attends and presents the information at the meeting.
- Ensure the monographs, cost analysis, P & T Committee recommendations, and meeting minutes information are provided to the Department within the required time frame.
- Review the monographs to ensure they are in a format agreed upon by the Department.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 2

Preferred Drug List (PDL)

The Contractor shall assist in the management of a PDL by providing the following, including, but not limited to:

- Work in conjunction with the Department to develop a PDL that is clinically sound, cost-effective, and minimally disruptive to Louisiana's Medicaid recipients and their providers;
- Review all medications available in a therapeutic class for efficacy, side effects, dosing, prescribing trends and indications, no less than annually. The P&T Committee will be provided relative cost information pursuant to guidelines approved by the Department;
- Provide cost analysis for all drugs which the Contractor provides a clinical monograph, in addition to any additional drug reviews from other evidence based services. Cost analysis must contain cost, rebate information, utilization data, projected market share shifts and savings for each therapeutic class or specific drugs to be reviewed;
- The cost sheets shall provide current utilization data and cost data in a format that will ensure rebate confidentiality;
- The list of drugs included in the cost analysis must be pre-approved by the Department;
- Develop recommendations and provide detailed strategies for maximizing the Department's annual savings resulting from the implementation of the PDL. These recommendations shall provide specific written suggestions for enhancing rebates and lowering net pharmacy costs through PDL products and other areas as requested by the Department;
- Provide staff to present its proposal to the P&T Committee, in person, during the regular meetings as directed by the Department;
- Provide clinical and cost support for all P&T Committee meetings. The Contractor will prepare informational packets for the P&T Committee members and Department staff prior to any scheduled meetings;

- Present clinical monographs to LDH at least thirty (30) calendar days prior to the meeting date;
- Assist the State in developing a single state PDL if requested by the Department, including but not limited to manually/electronically updating the PDL list. Recommendations for the Single PDL shall take into consideration costs to pharmacy providers and expenditures by MCOS; and
- Prepare/update the PDL for posting to the LA Medicaid website or other websites as directed by LDH.

Performance Measures

- Present cost sheet documents (in written format and orally) to LDH at least thirty (30) calendar days prior to the P&T meeting date;
- Provide to the Department all relevant documentation and data necessary to allow the Department's P&T Committee to conduct a minimum of forty (40) therapeutic class reviews per calendar year during two (2) or more P&T Committee meetings as requested by the Department;
- Review new medications in therapeutic classes affected by the PDL as these new medications are approved by the FDA;
- Provide electronic files containing updates for the PDL to the Department within five (5) working days after the Department's approval of the PDL. Such files will be in a format agreed upon by the involved parties and shall include drug information to the NDC level;
- Provide a progress report which includes meetings, classes reviewed, contracts with pharmaceutical manufacturers, etc. with accompanying timelines; and
- Provide assistance to the State in developing a single state PDL if requested by the Department, including but not limited to manually/electronically updating the PDL list within fifteen (15) calendar days or less after the P&T meeting.

Monitoring Plan

The contract monitor shall:

- Ensure cost sheets and the electronic files containing updates for the PDL are provided in a timely manner; and
- Review the cost sheets and electronic files to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 3

Supplemental Rebates

The Contractor shall manage all identified aspects of the supplemental rebate process, including, but not limited to the following:

- Maintain existing Supplemental Rebate Agreements with pharmaceutical manufacturers, as directed by the Department;
- Negotiate new or renewed Supplemental Rebate Agreements with pharmaceutical manufacturers on behalf of the Department. The parties will mutually develop a time frame for negotiating State Supplemental Rebates with manufacturers within therapeutic classes;
- Determine the best methodology for calculating State Supplemental Rebates paid by pharmaceutical manufacturers and develop a template to be used in contract negotiations with pharmaceutical manufacturers that will meet CMS approval. The Contractor's methodology is subject to the Department's approval and ongoing adaptation to the Department's needs;
- Negotiate State Supplemental Rebate Agreements for each therapeutic class selected for the PDL/Single PDL. In these negotiations, the preferred drug list may be adjusted to limit brand name drug products in each therapeutic category. The Contractor shall renegotiate

the agreements as necessary at such time as the Department prepares to review such therapeutic class, and in response to changes in market conditions (e.g. when the Food and Drug Administration approves a new agent within a therapeutic class);

- Obtain bids from pharmaceutical manufacturers in the form of executable Supplemental Rebate Agreements (the Contractor and manufacturers are required to use the rebate agreement agreed on by the Department);
- Assist the Department in obtaining CMS approval of the State Supplemental Rebate Agreements. The Contractor must submit all State Supplemental Rebate Agreements and the Preferred Drug List for each therapeutic class to the Department for approval;
- Present Supplemental Rebate Agreements signed by the manufacturer to the Department thirty (30) calendar days after the Department's approval of the PDL;
- Supplemental Rebate Agreements may be made between the State of Louisiana Department of Health and the pharmaceutical manufacturers in a format approved by the Department. One (1) original copy of the Supplemental Rebate Agreement with the original signatures shall be returned to the manufacturer and one (1) original copy maintained by the Contractor for LDH;
- Notify the Department before conducting a Supplemental Rebate Agreement negotiation;
- Facilitate Supplemental Rebate Agreement discussions and inquiries from manufacturers. The Contractor shall provide the Department with a Supplemental Rebate Bid Solicitation Report when requested by the Department;
- Maintain the Department's State Supplemental Rebate Agreements separately from those of the Contractor's other clients pursuant to La R.S. 44:4(36); and
- All negotiations with manufacturers and inquiries including but not limited to meetings, telephone calls, and mailings from manufacturers regarding State Supplemental Rebate Agreements may be handled by the Contractor in its home office(s).

Performance Measures

- Produce a Monthly Contract Status Report showing the status of the State Supplemental Rebate Agreements with each manufacturer along with the manufacturer code, document and date no later than fifteen (15) calendar days after the end of each calendar month;
- Produce and facilitate the signing of supplemental rebate contracts with pharmaceutical manufacturers in a format agreed to by the Department and CMS. These contracts will be forwarded to the Department;
- Provide quarterly reports no later than thirty (30) days after the end of the quarter and include information in the annual report that details the compliance of Medicaid providers with the PDL;
- Track the effective dates of all Supplemental Rebate Agreements and provide the Department with a Louisiana Medicaid (LAM) Billing File Report, which includes manufacturer, labeler codes and names, national drug code (NDC), status, Original (O)/Amendment (A), value, calculation, start and end dates, price, document number and tier no later than fifteen (15) calendar days after the end of each calendar month;
- Produce a monthly Contract Status Report which includes manufacturer, number, document, status, start date, end date, and products no later than fifteen (15) calendar days after the end of each calendar month;
- Produce an analysis of savings realized by the Pharmacy program as a result of the implementation of the PDL, in a format agreed to by the Department and the Contractor. The report shall detail the impact of the supplemental rebates on the Medicaid Pharmacy Benefits Management program in cost avoidance, supplemental rebate amounts, utilization variances and other agreed upon data within thirty (30) calendar days after receipt of the utilization data by the Department;

- Provide any additional reports as necessary in a format agreed upon by the Department and the Contractor; and
- Provide assurances that the Department's Supplemental Rebate Agreements are kept confidential and held separately from its other clients.

Monitoring Plan

The contract monitor shall:

- Review the monthly Contract Status Reports and compare to Pharmacy's internal report;
- Review the monthly LAM Billing File Report and reconcile with the Department's records;
- Review the Annual Savings Analysis report;
- Ensure all the reports are submitted in a timely manner; and
- Review the documents to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 4

Supplemental Rebate Administration

The Contractor shall assist the State in supplemental rebate administration in the following manner, including, but not limited to:

- Provide the capability to negotiate as a stand-alone state, in a multi-state purchasing pool, and as a state single PDL;
- Implement multi-state pooling initiatives in accordance to guidelines established by CMS in SMDL #04-006 (available in the procurement library) or single state initiative. In addition, the Contractor must have clear understanding of federal and state statutes and regulations governing the Medicaid Program, Medicare Part D and State Supplemental Rebates; and
- Assist the Department in dispute resolution activities with pharmaceutical manufacturers as they pertain to Supplemental Unit Rebate Agreements (SURA) calculations.

Performance Measures

- Provide the supplemental unit rebate amounts (SURA) data in a Department approved text file format;
- Provide the necessary documentation to the Department to support the supplemental rebate billings along with amounts to submit to the manufacturers at the NDC level in a format as specified by the Department and the rebate agreements;
- Provide a quarterly report listing all National Drug Code (NDCs) with zero (0) SURAs;
- Provide an electronic file containing calculated SURA to the Department within ten (10) calendar days after receipt of the CMS National Rebate file. The parties will agree upon the format for submission of each SURA data; and
- Submit a written report detailing the status of any disputes regarding SURA with each manufacturer no later than fifteen (15) days after the end of each month during the term of the contract.

Monitoring Plan

The contract monitor shall:

- Review documentation submitted to the Department by the Contractor to support the supplemental rebate billings along with amounts to submit to the manufacturers at the NDC level;
- Ensure the reports are submitted in a timely manner; and

- Review the documents to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL OUTCOME - # 5

Annual Analysis and Recommendation Report - Louisiana Medicaid PDL Program Overview and Results

The Contractor shall prepare a formal annual report outlining Louisiana Medicaid PDL Program Overview and Results. In the report, the Contractor shall provide a summary of the activities of the PDL for the State Fiscal Year and assess and report the strengths and weaknesses of the PDL program, complete with opportunities for future cost saving initiatives. All data in the report shall be referenced and include current trends and best practices in the pharmacy arena.

Performance Measures

- A draft report to be submitted to the Department for review by January 15 and final report by February 15, annually.

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted in a timely manner;
- Review the documents to ensure the requested information is provided.

SUPPLEMENTAL REBATE/PDL - OUTCOME - # 6

Transition Plan – Supplemental Rebate/PDL

The Contractor shall develop a Transition Plan to facilitate a smooth transition of the contracted functions at the end of the contract period, from the Contractor back to the Department and/or to another Contractor designated by the State. The Contractor shall provide full support and assistance in the transition of operations to the Department or to a successor Contractor in order to minimize any disruption of services covered under the resulting contract.

Performance Measures

- The Transition Plan shall be due thirty (30) calendar days of contract execution;
- Sixty (60) calendar days prior to contract termination, or upon LDH request, an updated Transition Plan shall be submitted to LDH for approval. The plan should include, but not be limited to the following: 1) Supplemental Rebate Information, 2) P&T Committee Meeting related information, 3) PDL, 4) Invoicing Information, and 5) Savings. .

Monitoring Plan

The contract monitor shall:

- Ensure the report(s) is submitted by the deadline(s);
- Review the documents to ensure the requested information is provided.

III. DRUG REBATE PROCESSING

DRUG REBATE PROCESSING - OUTCOME - # 1

Drug Rebate Invoicing

The Contractor shall:

- Manage all aspects of the Medicaid Drug Rebate invoicing process for federal, state supplemental, FFS, and MCO rebate programs for both outpatient prescription drugs and physician-administered drugs;
- Invoice and collect manufacturer payments/rebates for medications dispensed by pharmacies and administered by physicians to Medicaid clients in FFS and managed care;
- Interface with the Department and any contractor(s) of the Department to receive the rebate labeler data needed to perform the rebate functions contained within this contract;
- Interface with the Department and any contractor(s) of the Department to receive the Unit Rebate Amount (URA), Unit Rebate Offset Amount (UROA), and Supplemental Unit Rebate Amount (SURA) data needed to perform the rebate functions;
- Maintain full confidentiality protections for all pricing data submitted, consistent with State and federal guidelines;
- Utilize data from a national drug compendia to validate claims data, inform conversion factors, and carry out other functions necessary for the generation and validation of invoices. The Contractor may elect to interface with the Department and the Department's contractors, including the Fiscal Intermediary, to obtain this data;
- Interface with the Department and any contractor(s) of the Department, including the Fiscal Intermediary, to receive utilization data, including FFS claims and MCO encounters;
- Manage utilization data identifying non-rebateable claims;
- Carry out a number of variance analysis processes to determine whether the utilization data received from the Fiscal Intermediary is complete and accurate (i.e. failure to submit all claims from FFS and all MCOs; submittal of corrupt data; wide swings in utilization by plan; outlier claims identified by paid amount, unit quantity, or other factors; etc.);
- Provide network administration in coordination with MMIS or other assigned entity;
- Follow Federal Invoicing Processes and Procedures;
- Produce quarterly drug rebate invoices and maintain drug rebate invoicing process documentation;
- Process payments of drug rebate invoices timely and in compliance with the Department's fiscal unit; and
- Coordinate research and resolution of drug rebate disputes.

Performance Measures

- **Labeler Data**
 - Maintain a list of active and terminated labelers and provide reports as necessary;
 - Maintain a history of a labeler's active and termination dates, including labelers that have more than one active period and provide reports as necessary;
 - Maintain a record of all labeler information provided by CMS, including but not limited to labeler contacts and addresses; and provide reports as necessary; and
 - Report updates in labeler status (i.e. new labelers, terminated labelers) to the Department's Fiscal Intermediary no less than once per quarter.
- **Pricing Data**
 - Use quarterly Unit Rebate Amount (URA) data to update product termination dates;
 - Use quarterly (URA), Unit Rebate Offset Amount (UROA), and Supplemental Unit Rebate Amount (SURA) data to generate both current quarter invoices and prior quarter adjustments;

- Prior period rate adjustments must be applied regardless of the payment status; and
- Prior period rate or unit adjustments that result in a balance owed to the State or credit due to the labeler must be communicated to the labeler on a quarterly basis.
- **Drug Compendia Data**
 - Establish and maintain a system and database that has the capacity to utilize data from anational drug compendia to validate claims data, inform conversion factors, and carry out other functions necessary for the generation and validation of invoices required under the contract. If the Contractor elects to interface with the Department and the Department's contractors, including the Fiscal Intermediary, to obtain this data, it has the capacity required under the contract.
- **Managing Utilization Data**
 - Maintain a table of NDCs for non-rebateable products including immunizations, certain diabetic supplies, etc.;
 - Maintain a table of 340B covered entities that carve in Medicaid per the Medicaid Exclusion File (MEF) published quarterly by Health Resources and Services Administration (HRSA). The methodology for review of the Medicaid Exclusion File (MEF) and the decision-making process regarding which providers to include in this table are subject to Departmental review and approval;
 - Interface with the Department and any contractor(s) of the Department, including the Fiscal Intermediary, to receive utilization data, including FFS claims and MCO encounters, on a schedule to be agreed upon by the Department and the Contractor;
 - Submit a detailed plan of variance analyses to be performed and the frequency of each, to be approved by the Department within thirty (30) days from the execution of the contract. The Contractor must immediately report to the Department any data inconsistencies or concerns regarding data quality;
 - Maintain variance analysis reports and any action taken as a result as part of the record-keeping requirements of this contract; and
 - Identify and exclude the following claims from drug rebate invoice calculations:
 - Claims from 340B covered entities who carve in Medicaid per the HRA Medicaid Exclusion File, in accordance with the Department's policy regarding 340B covered entity Medicaid billing;
 - FFS claims where the Medicaid paid amount is zero;
 - Claims for drugs dispensed or administered in an inpatient setting; and
 - Any other claims that are deemed not rebate-eligible per federal and/or state guidelines.
- **Invoice Pre-Processing, Generation, and Quality Assurance**
 - Utilize a crosswalk from NDC to physician-administered drug Healthcare Common Procedure Coding System (HCPCS - often referred to as "J codes") whereby only appropriate NDCs are linked to a HCPCS with an appropriate conversion factor;
 - Maintain a table of conversion factors to convert NCPDP drug billing units to CMS invoice units;

- Prior to sending invoices, carry out a number of variance analyses and quality assurance checks to determine whether invoice unit quantities and/or amounts are accurate;
- Submit a detailed plan of variance analyses and quality assurance checks to be performed and the frequency of each, to be approved by the Department within thirty (30) days from the execution of the contract;
- Immediately report to the Department any data inconsistencies or concerns regarding data quality;
- Variance analysis reports and any action taken as a result shall be maintained by the Contractor as part of the record-keeping requirements of this contract;
- Produce invoices in a manner that allows for the tracking and allocation of invoiced and collected amounts for the following program types, at a minimum:
 - FFS Pharmacy, Federal, Non-Expansion;
 - MCO Pharmacy, Federal, Non-Expansion;
 - FFS Pharmacy, Federal, Expansion;
 - MCO Pharmacy, Federal, Expansion;
 - FFS Pharmacy, Supplemental, Non-Expansion;
 - MCO Pharmacy, Supplemental, Non-Expansion;
 - FFS Pharmacy, Supplemental, Expansion;
 - MCO Pharmacy, Supplemental, Expansion;
 - FFS J-Code, Federal, Non-Expansion;
 - MCO J-Code, Federal, Non-Expansion;
 - FFS J-Code, Federal, Expansion; and
 - MCO J-Code, Federal, Expansion.
- Obtain URA, UROA, and labeler data required for invoice generation on or about the fifth (5th) day of each invoicing month. This data may be obtained either directly from CMS’ Drug Data Reporting (DDR) system or through interfaces with the Department or contractor(s) of the Department;
- Produce and distribute one hundred percent (100%) of drug rebate invoices for federal programs within sixty (60) calendar days after the end of each quarterly rebate period;
 - Federal drug rebate program paper invoices and electronic invoices shall have a postmark or transmission date within sixty (60) days of the end of each quarter, in accordance with all applicable CMS guidelines.
- Produce and distribute one hundred percent (100%) of rebate invoices for supplemental programs as follows:
 - Supplemental rebate paper invoices and electronic invoices shall have a postmark or transmission date on or before the dates specified in the table below. Postmark and transmission dates shall be defined in accordance with CMS guidance and definitions for the federal rebate programs.

Calendar Year	Supplemental Invoice Due Date
Q1 (Jan-Mar)	Jun 15
Q2 (Apr-Jun)	Sep 15
Q3 (Jul-Sep)	Dec 15
Q4 (Oct-Dec)	Mar 15

• **Rebate Invoice Accuracy**

- Have in place systematic safeguards to prevent invoicing a manufacturer for a negative unit quantity;
- Is liable for the actual amount of all contractor-caused miscalculations, failure to address past due accounts receivables adequately, and incorrectly invoicing rebates; and
- Within two (2) business days, notify in writing appropriate Department staff when a data or data quality issue has been discovered by itself or a third party, describing the nature of the defect and the fields, tables, and data elements impacted and the extent of the errors, including monetary estimates. A corrective action plan shall be submitted within seven (7) calendar days for approval by the Department.
- **Dispute Resolution**
 - Adjust invoiced units, at the claim level to the greatest extent possible, to account for billing or other errors;
 - Independently resolve disputes in accordance with write-off thresholds and dispute resolution procedures;
 - Provide manufacturers or their designated agent(s) access to materials and/or data needed to support rebate payments, including but not limited to: invoice copies, claim-level detail, and prior communications within two (2) business days of the request;
 - Provide claim-level detail data to labelers within two (2) business days of the request by the State or labeler;
 - Resolve ninety percent (90%) of all disputes within three (3) months of receipt, and one hundred percent (100%) of all disputes within six (6) months of receipt; and
 - In the event that a dispute cannot be resolved within six (6) months, the Contractor shall issue a report to the Department containing the number of units and associated dollars in dispute, the reason for the dispute, a description of all relevant communications and good faith efforts made to resolve the dispute with the labeler, and the reason the dispute remains unresolved.
 - LDH reserves the right to conduct final review and approval and make the final determination on course of action on any and all disputes. The Contractor shall comply with all LDH decisions regarding course of action for dispute resolution.
- **Labeler Non-Payment and Aged Balances**
 - Send written delinquency notices to labelers with unpaid invoices on a schedule not less frequent than outlined below;
 - The first delinquency notice shall have a postmark or transmission date no later than the date listed below or, if the date listed is a weekend, holiday, or other non-business day, the postmark or transmission date shall be no later than the business day immediately preceding the date listed:

Invoice Quarter	Delinquency Notice Date – Federal Programs	Delinquency Notice Date – Supplemental Programs
Q1 (Jan – Mar)	July 15	July 30
Q2 (Apr – Jun)	October 15	October 30
Q3 (Jul – Sep)	January 15	January 30
Q4 (Oct – Dec)	April 15	April 30

- The second delinquency notice shall have a postmark or transmission date no later than the date listed below or, if the date listed is a weekend, holiday, or other non-business day, the postmark or transmission date shall be no later than the business day immediately preceding the date listed:

Invoice Quarter	Delinquency Notice Date – Federal Programs	Delinquency Notice Date – Supplemental Programs
Q1 (Jan – Mar)	August 15	August 30
Q2 (Apr – Jun)	November 15	November 30
Q3 (Jul – Sep)	February 15	February 28
Q4 (Oct – Dec)	May 15	May 30

- Submit, for Departmental approval, a plan for the collection of aged balances. Periodically report on aged balance collections in a format and frequency to be approved by the Department.
- **Drug Rebate Payments, Reconciliations, and Accounts Receivable Processes**
 - On a daily basis, download and reconcile deposit information from the State’s contracted banking lockbox provider:
 - Ninety-five percent (95%) of payments shall be reconciled within three (3) business days of receipt; and
 - One hundred percent (100%) of payments shall be reconciled within seven (7) business days of receipt.
 - Maintain, at a minimum, the following rates of accounts receivable collection:
 - Ninety percent (90%) of invoiced amounts shall be collected within sixty (60) days of invoice mailing or transmission;
 - Ninety-five percent (95%) of invoiced amounts shall be collected within one-hundred eighty (180) days of invoice mailing or transmission; and
 - Every effort shall be made to collect one hundred percent (100%) of invoiced amounts within one-hundred eighty (180) days of invoice mailing or transmission.
 - Reconcile payments and remit payment posting reports to the Department within one (1) business day after the close of each calendar month for deposits made within the month; and
 - Ensure that the Department Fiscal section is provided with any necessary information needed to close out the fiscal year prior to the deadline established by Fiscal.

Monitoring Plan

The contract monitor shall:

- Meet with Contractor based upon agreed dates and times to ensure processes are in place and objectives/goals are being met;
- Ensure reports are submitted in a timely manner;
- Review confidentiality procedures; and
- Review documentation submitted to the Department by the Contractor to ensure the requested information is provided.

DRUG REBATE PROCESSING OUTCOME - # 2

Drug Rebate Processing Reports and Documents

The Contractor shall:

- Assist in quarterly CMS reporting as related to drug rebates and other areas as assigned;
- Prepare and submit various quarterly and annual drug rebate reports to the Department as described herein. If after preparation and submission, an error is discovered either by the Contractor or the Department, the Contractor shall correct the error(s) and resubmit accurate reports within ten (10) calendar days;
- Conduct financial analysis and perform special data analysis projects pertaining to the pharmacy program/drug rebate processing as requested;

- Track and report program productivity;
- Assist in the preparation of the Department's MVA/Pharmacy budget as it relates to rebates as requested;
- Ensure that accurate and consistent information is given to program staff, drug manufacturers/labelers, providers, and recipients;
- Monitor policies and procedures to ensure compliance with laws and federal regulations;
- Represent Medicaid in programmatic matters at various federal, state and local hearings, meetings and conferences;
 - Ensure that all required reports or files, as specified by the Department, are submitted in a timely manner for review and approval by the Department. The Contractor's failure to submit the reports or files as specified may result in the assessment of liquidated damages, as stated in the Liquidated Damages Section; and
- Perform other pharmacy related program activities as requested by the Pharmacy Director and/or their designee.

Performance Measures

- For each deliverable, a performance measure will determine if the contractor has completed the work. Examples include reports, documentation of performance, hours worked, etc.
- Recurring reports shall include, but not be limited to, the following. Report content and formatting shall be mutually established and agreed upon by the Department and the Contractor:
 - Quarterly accounts receivable reporting shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date;
 - Quarterly dispute resolution activities and resolutions shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date;
 - Quarterly reports containing information needed for submission of CMS-64 data shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date;
 - Monthly reports outlining the activities, progress, and challenges of the drug rebate program shall be submitted within fifteen (15) calendar days of the end of each month; and
 - Quarterly reports of pharmacies who are 340B covered entities shall reflect updates from the most recent MEF and must be provided no later than the twenty-fifth (25th) day of the month preceding the beginning of each calendar quarter.
- If a Contractor error is discovered either by the Contractor or the Department, the Contractor shall correct the error(s) and submit accurate reports within ten (10) calendar days from the date of discovery by the Contractor or date of written notification by the Department (whichever is earlier):
 - Due to the potential for cash flow impacts and federally-mandated reporting, the Department may, at its discretion, decrease the timeframe in which the Contractor is required to correct the error(s) and submit accurate reports; and
 - The Department may, at its discretion, extend the due date if an acceptable corrective action plan has been submitted and the Contractor can demonstrate to the Department's satisfaction that the problem cannot be corrected within ten (10) calendar days.
- Failure of the Contractor to respond within the above specified timeframes may result in a loss of any money due to the Contractor and the assessment of liquidated damages as provided in the Liquidated Damages Section of this contract.

Report Submission Timeframes

- Unless otherwise specified, deadlines for submitting files and reports are as follows:
 - Daily reports and files shall be submitted within one (1) business day of the due date;
 - Weekly reports and files shall be submitted no later than the Wednesday following the reporting week;
 - Monthly reports and files shall be submitted within fifteen (15) calendar days of the end of each month;
 - Quarterly reports and files shall be submitted by April 30, July 30, October 30, and January 30 for the quarter immediately preceding the due date; and
 - Annual reports and files shall be submitted within thirty (30) calendar days following the twelfth (12th) month.

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted in a timely manner; and
- Review the documents to ensure the requested information is provided.

DRUG REBATE PROCESSING - OUTCOME - # 3**Drug Rebate Processing Administration****Performance Measures**

- Provide at least two (2) full-time staff to be located on the premises of the Department to facilitate the Drug Rebate Program;
- In addition to the staffing requirements the following functionality shall be incorporated:
 - Key staff roles may include:
 - Project Director;
 - Quality Assurance/Internal Auditor;
 - Rebate Manager;
 - Financial Analyst; and/or
 - Systems Liaison/Business Analyst.
 - Final determination of key staff positions and roles shall be mutually agreed upon by the Contractor and the Department;
 - Provide the name, resume, and references for all key staff;
 - All key staff positions filled should be one hundred percent (100%) dedicated to Louisiana; and
 - Inform the Department in writing within seven (7) days, when an employee leaves one of the key staff positions. The vacancy shall be filled within thirty (30) days. Staff assignments shall be fully covered at all times. The name of the interim contact person should be included with the notification. The name and resume of the permanent employee should be submitted as soon as the new hire has taken place. LDH reserves the right to approve the person(s) filling the key staff positions.
- Establish a Louisiana-dedicated phone line that is available at a minimum during routine business hours, defined as Monday through Friday, 8:00 am to 5:00 pm Central Time;
- Respond to written communications, including those received via electronic mail in a timely manner;

- Make every effort to respond to ninety-eight percent (98%) or more of all written correspondence within five (5) business days;
- Maintain a Louisiana-specific dedicated email address to receive and respond to inquiries; and
- Keep informed and up-to-date on Medicaid and other state rebate programs in order to stay abreast of rebate policies and regulations, and make suggestions to the State as necessary to ensure compliance with such policies and regulations.

Monitoring Plan

The contract monitor shall:

- Review documentation and/or reports submitted to the Department by the Contractor to support the drug rebate billing/invoicing process.
- Ensure the reports are submitted in a timely manner; and
- Review the documents to ensure the requested information is provided and/or received.

DRUG REBATE PROCESSING OUTCOME - # 4

Annual Analysis and Recommendation Report - Louisiana Medicaid Drug Rebate Processing Overview and Results

The Contractor shall prepare a formal annual report outlining Louisiana Medicaid Drug Rebate Processing Overview and Results. In the report, the Contractor shall provide a summary of the drug rebate activities for the State Fiscal Year, track and report program productivity, and assess and report the strengths and weaknesses of the program complete with opportunities for future strategies to collect rebates effectively and efficiently. All data in the report shall be referenced and include current trends and best practices in the pharmacy arena.

Performance Measures

- A draft report to be submitted to the Department for review by January 15 and final report by February 15, annually.

Monitoring Plan

The contract monitor shall:

- Ensure the draft and final reports are submitted in a timely manner;
- Review the documents to ensure the requested information is provided.

DRUG REBATE PROCESSING OUTCOME - # 5

Transition Plan - Louisiana Medicaid Drug Rebate Processing

The Contractor shall develop a Transition Plan to facilitate a smooth transition of the contracted functions at the end of the contract period, from the Contractor back to the Department and/or to another Contractor designated by the State. The Contractor shall provide full support and assistance in the transition of operations to the Department or to a successor Contractor in order to minimize any disruption of services covered under the resulting contract of this contract.

Performance Measures

- Submit the Transition Plan within thirty (30) calendar days of contract execution. Sixty (60) calendar days prior to contract termination or expiration of the contract by its own terms, or upon LDH request, an updated Transition Plan shall be submitted to LDH for approval; Plan must include a detailed breakdown of processing steps performed, staffing, equipment, facilities, supply consumption, workloads, standard procedures and any additional information that the Department, at its sole discretion feels is necessary to effect a smooth transition to the successor Contractor. The Transition Plan must include invoicing information;
- Provide training to successor Contractor's management in the use, operation and maintenance of computer programs, policies and procedures. The training will utilize current and complete documentation, instruction materials and handbooks. All training materials will be based on the complete and current documentation. Training will be provided for key successor contractor personnel as deemed necessary by the Department;
- Perform a comprehensive assessment of all documentation. This documentation assessment will be completed and delivered to the Department annually with a final comprehensive assessment completed before the end of the contract term on a date determined by the Department. The purpose of the review will be to assess whether the documentation accurately and completely reflects existing Department procedures, and meets all documentation requirements. The Contractor will update any documentation which is not accurate, complete and in accordance with these requirements annually with a final comprehensive assessment completed prior to the end of the contract term on a date determined by the Department;
- Transfer the Contractor's records and associated records to the successor contractor or to the Department. This transfer will be conducted in order to prevent any interruption in the delivery of record retention services, including custodianship, preparation of copies, access, retrieval and certification while the transfer is executed. The transfer will be completed within ten (10) calendar days after receiving a request from the Department; Transfer all files, and documentation in an electronic format to the successor within ten (10) calendar days of receiving a request from the Department. The transition/takeover plan must be adhered to within thirty (30) days of written notification of contract termination or without written notification when the contract with expire by its own terms, unless other appropriate time frames have been mutually agreed upon by both the Contractor and the Department.

Monitoring Plan

The contract monitor shall:

- Ensure the plan is submitted in a timely manner; and
- Review the documents to ensure the requested information is provided.

Payment

- The Contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly no later than fifteen (15) days following the month of services, or as defined in the contract terms. Payment of invoices shall be subject to approval of the Medicaid Director, Pharmacy Director, Pharmacy Program Manager 2 or designee. Continuation of payment shall be dependent upon available funding.
- 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. The Department will make every reasonable effort to make payments within thirty (30) calendar days of the approval of an invoice under a valid contract. 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. The Contractor will not be paid more than the maximum amount of the contract.

- The Department, at its discretion, reserves the right to collect amounts due by withholding and applying all balances due to the Department to future payments. The Department reserves the right to collect interest on unpaid balances beginning thirty (30) calendar days from the date of initial notification. Any unpaid balances after the refund is due shall be subject to interest at the current Federal Reserve Board lending rate or ten percent (10%) annually, whichever is higher.

Retainage

The Department shall secure a retainage of ten percent (10%) from all billings under the contract as surety for performance. On successful completion of contract deliverables, the retainage amount may be released on an annual basis. Within ninety (90) days of the termination of the contract, if the Contractor has performed the contract services to the satisfaction of the Department and all invoices appear to be correct, the Department shall release all retained amounts to the Contractor.

Office of State Procurement
State of Louisiana
Division of Administration


JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

April 13, 2022

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 # 2000647326
Optum Financial Inc.

The above referenced contract 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 emergency contract for the Office of Group Benefits in accordance with La. R.S. 42:802, 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 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 me.



STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS



Office of Group Benefits

April 29, 2022 JLCB Meeting

Optum Financial, Inc.

*Background Information on Solicitations for Flexible Spending Arrangement and
COBRA Administration Services and on the Termination of the DataPath Contract*

&

*Flexible Spending Arrangement and COBRA Administration Services Emergency
Contract Overview*

Background Information on Solicitations for Flexible Spending Arrangement and COBRA Administration Services and on the Termination of the DataPath Contract

- 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 (“DPAS”) 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
- The Contract was effective 1/1/2022, but implementation of the Contract and provision of OGB data to DPAS began last year. Included in the OGB data sent to DPAS was protected health information (“PHI”), which is protected by HIPAA.
- In mid-December 2021, after OGB sent files containing PHI to DPAS, DPAS alerted OGB that one of its subcontractors (a sister company) suffered a "disruptive event." After DPAS' failure to provide the needed cooperation and information about what actually occurred, OGB decided to terminate the Contract for cause. After additional communications with DPAS and in consultation with the DOA's executive management and the Office of General Counsel, OGB converted the termination for cause to a termination for convenience.
 - Terminating the Contract for convenience allows OGB to avoid costly, protracted litigation. The indemnity clauses of the Contract survive the termination in the event OGB needs to seek indemnification.
 - The Contract terms on 5/31/2022
- OGB submitted a request to OSP on 2/24/2022 to enter into an emergency contract with Optum Financial, Inc. (“Optum”), for FSA and COBRA administrative services
 - Optum was the next highest scored proposer after DPAS for the RFP for FSA and COBRA administrative services issued on 4/15/2021
 - The Emergency Contract will be effective June 1, 2022 and end on December 31, 2023. This permits ample time for OGB to issue a new RFP for services in 2024 and protects our plan participants from another mid-year transition next year.
- OSP approved OGB’s request on 2/25/2022
- On March 30, 2022, the Group Benefits Estimating Conference met and forwarded the Emergency Contract to OGB’s Policy and Planning Board.
- On April 6, 2022, OGB’s Policy and Planning Board met and recommended approving the Emergency Contract with Optum.

Optum Financial Inc.

FSA and COBRA Administration Services Emergency Contract Overview

Contract Purpose	To provide FSA and COBRA administration services in support of plan options offered by OGB.
FSA Eligible Enrollees	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.
COBRA Eligible Enrollees	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.
Plan Participants with FSAs as of 4/01/2022	5,532
Plan Participants on COBRA as of 4/01/2022	221
Beginning Emergency Contract Date	06/01/2022
Ending Emergency Contract Date	12/31/2023
Renewable Options	Subject to written extension of the Emergency Contract by agreement of the parties and as provided by OSP.
Procurement Method	Emergency Contract
Current Contract Maximum Payable Amount^{1, 2}	\$1,130,000
Emergency Contract Maximum Payable Amount	\$840,000
FSA Administration Fee³	\$1.95 per Primary Plan Participant per Month (“PPPM”)
COBRA Administration Fee⁴	\$0.23 per Employee/Retiree per Month (“PEPM”)

¹ Current FSA and COBRA Administration Services vendor is DataPath Administrative Services (“DPAS”).

² The current DPAS contract maximum payable amount is for three (3) years.

³ The FSA administration fee under the DPAS contract is \$0.95 PPPM.

⁴ The COBRA administration fee under the DPAS contract is \$0.185 PEPM.

EMERGENCY CONTRACT

On this 13th day of April, 2022, the State of Louisiana, Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, LA 70802, hereinafter sometimes referred to as the "State" or "OGB" and Optum Financial, Inc. on behalf of itself and its subsidiaries and affiliates ("Optum"), 11000 Optum Circle, Eden Prairie, MN 55344, hereinafter sometimes referred to as the "Contractor," do hereby enter into an Emergency Contract under the following terms and conditions.

WHEREAS, Optum provides Flexible Spending Arrangement ("FSA") and COBRA administration services; and

WHEREAS, on April 15, 2021 OGB issued Request for Proposal ("RFP") 3000016930 for Flexible Spending Arrangement ("FSA") and COBRA administration services; and

WHEREAS, OGB issued notice of intent to award to DataPath Administrative Services and entered into a contract with DataPath Administrative Services effective January 1, 2022; and

WHEREAS, OGB is terminating its contract with DataPath Administrative Services on May 31, 2022 at 11:59 p.m.; 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 contract for FSA and COBRA administration services effective June 1, 2022 at 12:00 a.m.; and

WHEREAS, OGB has determined the best interest of the State, OGB, and the state employees, retirees, and their dependents would be served by contracting with Optum for FSA and COBRA administration services; and Optum has agreed to perform such services; and

WHEREAS, the OGB and Optum 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 Optum hereby agree as follows:

1 TERM OF EMERGENCY CONTRACT

This Emergency Contract shall begin on or about June 1, 2022, and is anticipated to end on December 31, 2023, 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 Emergency Contract beyond the nineteen (19)-month term, prior approval authorized by law shall be obtained. The continuation of this Emergency Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Emergency Contract.

2 COMPENSATION AND MAXIMUM AMOUNT OF EMERGENCY CONTRACT

Dollar Amount of the Emergency Contract

In consideration of the services required by this Emergency Contract, OGB hereby agrees to pay to Contractor a maximum fee of **\$840,000.00** (Eight Hundred Forty Thousand Dollars) from June 1, 2022 to December 31, 2023. 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 Contract Monitor by Contractor and written approval by OGB of the described services and deliverables as provided in the Emergency Contract. Contractor will not be paid more than the maximum amount of the Emergency Contract. **No payments will be made by OGB on banking or State holidays.**

Administrative Monthly Fees

Within fifteen (15) business days after the end of each month, Contractor will invoice OGB monthly for payment of all administrative fees earned by Contractor. Upon validation of the invoice for administrative fees, OGB shall render payment of undisputed amounts within thirty (30) days of receipt of invoice. The administrative fees will be calculated as follows:

- For billing purposes, FSA participant counts will be determined on the first 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 Optum's system multiplied by the administrative monthly fee.
- 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 multiplied by the administrative monthly fee.

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

Payment terms are as follows:

FSA Administrative Fees per Primary Plan Participant per month	\$ 1.95
COBRA Administrative Fees per employee and retiree per month	\$ 0.23

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.

Such payment amounts for work performed must be based on at least equivalent services rendered. Contractor will not be paid more than the maximum amount of the Emergency Contract. Payment will be made only upon approval of OGB Contract Monitor.

FSA Claims Reimbursement Payments

OGB will not provide advance funding for payment of claims. OGB has selected the daily funding method for FSA claims reimbursement payment. Under this funding arrangement, the Contractor

will email an OGB Funding Notification (FSA Contribution Replenishment Report) to designated contacts (OGB Contract Monitor and Office of Finance and Support Services Cash Disbursements) on every business day at or before 10:00 a.m. CT (**with the exception of banking and State holidays**). The OGB Funding Notification summarizes the participants' approved manual/online claims and debit card transactions scheduled for reimbursement. Based on the daily OGB Funding Notification, OGB will wire funds to Contractor for FSA claims reimbursement payment every business day (**with the exception of banking and State holidays**).

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.

Contract Monitor - the OGB Medical and Pharmacy Group Benefits Administrator or designee, who will monitor the services and performance provided by the Contractor and the expenditure of funds under this Emergency Contract.

Contractor – the vendor who has entered into the Emergency Contract and assumes full responsibility and liability for completion of the deliverables.

CSR – Customer Service Representative.

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.

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 –

- For 2021, the 12 months immediately following the end of the 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.
- For 2022, 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.

Indemnify – To save harmless; to secure against loss or damage; to give security for the reimbursement of a person in a case of anticipated loss falling upon him; to make good; to compensate; to make reimbursement to one of a loss already incurred by him.

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 Benefits' 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 –Patient Protection and Affordable Care Act.

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

Optum Financial, Inc. shall provide Flexible Spending Arrangement and COBRA administration services in support of plan options offered by OGB. 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 OGB 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 Emergency 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 Contract Monitor that a Deliverable is completed, and available for review and acceptance.

Upon Contractor's written notification of Deliverable submission, the OGB Contract Monitor shall review the Deliverable within ten (10) business days. Within this period, the OGB Contract Monitor shall direct the appropriate review and approval process, and coordinate any review outside the Project team. 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 ten (10) business days, the OGB Contract Monitor 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 Contract Monitor when the Contractor resubmits a Deliverable for acceptance. The OGB Contract Monitor shall review the resubmitted Deliverable within five (5) business days. A resubmitted Deliverable shall be considered accepted unless, within

this period, the OGB Contract Monitor 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 Emergency Contract and places the Contractor in default.

6.5 PERFORMANCE MEASURES

The performance of the Emergency 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 12, Performance Guarantees, will be measured by OGB. The OGB Contract Monitor is authorized to evaluate the Contractor's performance against these criteria. The OGB Contract Monitor may receive assistance from a third party in evaluating the Contractor's performance.

6.6 MONITORING PLAN

The Contract Monitor will be the OGB Medical and Pharmacy Group Benefits Administrator or designee, 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 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 Emergency 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 Emergency Contract.

7 VETERAN/HUDSON SMALL ENTREPRENEURSHIP PROGRAM PARTICIPATION

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 participation and the dollar amount of each.

8 SUBSTITUTION OF KEY PERSONNEL

The Contractor's personnel assigned to this Emergency 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 Emergency 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. 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). This provision is limited to only Contractor's key personnel.

9 OGB FURNISHED RESOURCES

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

10 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 47-0858530. Contractor's seven-digit Louisiana Department of Revenue account number is 6898183. 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 (7) days of notification, then the using agency may proceed with alternate arrangements without notice to the Contractor and without penalty.

11 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 Emergency 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 Emergency Contract. Failure to provide within the time specified may cause the Emergency Contract to be cancelled.

12 PERFORMANCE GUARANTEES

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

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

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 a Measurement Period basis. A third party may be utilized to perform this audit.

Measurement Periods: The first period to be measured shall be June 1, 2022 through December 31, 2022. The second period will be January 1, 2023 through December 31, 2023. 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.

13 TERMINATION FOR CAUSE

Should the State determine that the Contractor has failed to comply with the Emergency Contract's terms, the State may terminate the Emergency 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 Emergency 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 Emergency Contract termination date.

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

14 TERMINATION FOR CONVENIENCE

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

15 REMEDIES FOR DEFAULT

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

16 GOVERNING LAW

This Emergency 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; and this Emergency Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to this Emergency Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

17 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 Emergency Contract.

18 OWNERSHIP OF WORK PRODUCT

All software, data files, documentation, records, worksheets, or any other related materials developed under this Emergency Contract shall become the property of the State upon creation. All material related to the Emergency 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 Emergency Contract and/or at the State's request in accordance with Section 20 of the Emergency Contract.

19 DATA/RECORD RETENTION

Contractor shall retain all its books, records, and other documents relevant to this Emergency 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 Emergency 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 Emergency Contract termination, regardless of the reason for Emergency 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 Emergency 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.

20 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 Emergency 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 Emergency Contract, within sixty (60) days after the termination or expiration of this Emergency Contract, and shall retain no copies of the Records unless required by applicable law, provided, the confidentiality and security requirements of this Emergency Contract shall apply to such Records as long as retained by the Contractor. All material related to the Emergency 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 Emergency Contract.

21 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 Emergency 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.

22 ASSIGNABILITY

Contractor may assign its interest in the proceeds of this Emergency Contract to a bank, trust company, or other financial institution. Within ten (10) calendar days of the assignment, the Contractor shall provide written 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 Emergency 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.

23 RIGHT TO AUDIT

Any authorized agency of the State (e.g. Office of the 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 Emergency Contract for a period of five years from the date of final payment under this Emergency 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.

24 FISCAL FUNDING

The continuation of this Emergency Contract is contingent upon the appropriation of funds to fulfill the requirements of the Emergency Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Emergency 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 Emergency Contract, the Emergency Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

25 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 Emergency 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 Emergency Contract.

26 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 Emergency Contract and debarment from future Contracts.

Notwithstanding any provisions to the contrary herein, upon the termination of this Emergency Contract for any reason, the provisions of this Emergency 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.

27 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.

28 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 Emergency 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 Emergency Contract; already rightfully in the Contractor's possession; independently developed by the Contractor outside the scope of this Emergency Contract; or rightfully obtained from third parties.

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

29 AMENDMENTS

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

30 PROHIBITED USE OF FUNDS

Contractor shall not use funds received for services rendered under this Emergency 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.

31 SUBCONTRACTORS

The Contractor may, with written permission prior to the effective date of contract 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.

32 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 Emergency Contract, refrain from a boycott of Israel.

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

33 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 Emergency Contract arising out of Contractor's performance of services under this Emergency 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.

34 LIABILITY AND INDEMNIFICATION

34.1 CONTRACTOR LIABILITY

Contractor shall be liable without limitation 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.

34.2 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 Emergency Contract. Force Majeure is an event or effect that can be neither anticipated nor controlled.

34.3 INDEMNIFICATION

Contractor shall fully indemnify and hold harmless the State, without limitation, 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. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

34.4 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.

34.5 LIMITATIONS OF LIABILITY

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 Emergency Contract. Damages related to violations of HIPAA breaches as provided in Attachment II: Business Associate Agreement between the parties are exempted from this provision.

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.

34.6 OTHER REMEDIES

If the Contractor fails to perform in accordance with the terms and conditions of this Emergency 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.

35 STAFF INSURANCE

For the duration of the Emergency 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 Emergency Contract amount. For insurance requirements, refer to **Attachment V**, Insurance Requirements.

36 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 Emergency Contract.

37 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.

38 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

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.

39 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://www.doa.la.gov/media/wymhsrlr/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/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 Emergency Contract and also report such Security Event to Louisiana’s Information Security Team at 1.844.692.8019 (open 24 hours a day, 7 days a week) as soon as feasibly possible, not to exceed 48 hours following discovery of the Security Event. The reference to Security Event herein may include, but not be limited to, the following: attempts at gaining unauthorized access to confidential information or the unauthorized use of a system for the processing or storage of confidential information, or the unauthorized use or disclosure, whether intentional or otherwise, of confidential information.

In the event of a Security Event, the Contractor and its subcontractors/vendors 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.

The Contractor and its subcontractors/vendors must follow OTS Information Security Policy for Data Sanitization requirements for any equipment replaced during the Contract, and at the end of the Contract, for all equipment which previously housed confidential or restricted data, from all State agencies.

The Contractor and its subcontractors/vendors must ensure the secure data transmission of confidential or restricted data to and from the State’s network. The secure data transmission requirements may include, but not be limited to, the following: minimum security transport layer of TLS 1.2; file level encryption with Public Key Infrastructure (PKI) of a minimum strength of 2048 key length, RSA key format, and maximum five (5) years expiration from creation date.

Prior to the commencement of any work by a Subcontractor, the Contractor shall update all Contracts with subcontractors/vendors, which may have access to or house confidential or restricted data from all State agencies, to meet all security requirements provided within this contract.

Nothing in this Emergency 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.

40 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 Emergency Contract. If such a request for payment of reasonable legal fees and related expenses is made pursuant to this Emergency 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.

41 BUSINESS ASSOCIATE ADDENDUM

A Business Associate Agreement, Attachment II, ("BAA") shall be executed between the parties to this Emergency 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 Emergency 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 Agreement attached to this Emergency Contract as Attachment II, and made part of this Emergency 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 Emergency 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 Emergency 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 Emergency Contract include the provisions of this Section and any Attachments referenced herein. In addition to the BAAs, 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.

42 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 Emergency 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 Emergency Contract.

43 SEVERABILITY

If any term or condition of this Emergency 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 Emergency Contract are declared severable.

44 OUTSOURCING OF KEY INTERNAL CONTROLS

The State of Louisiana /OGB 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 cost of such independent assurances will be borne solely by Contractor. The Contractor shall supply the Department with an exact copy of the report within thirty (30) calendar days of

completion. Such audits may be performed annually during the term of the Emergency 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.

45 HEADINGS

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

46 ENTIRE AGREEMENT

This Emergency Contract constitutes the entire agreement between the parties with respect to the subject matter. The Emergency Contract, together with the proposal submitted by the Contractor in response to the State's Request for Proposal, and any exhibits specifically incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter, unless expressly revised pursuant to this Emergency Contract. In the event there is a conflict between the Emergency Contract, response submitted by the Contractor, and any exhibits specifically incorporated herein by reference, the terms of the Emergency Contract control.

47 EMERGENCY CONTRACT APPROVAL

This Emergency 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.

48 NOTICE

Any notice required or permitted by this Emergency Contract, unless otherwise specifically provided for in this Emergency Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) hand if notice is to the State/OGB; or (ii) an overnight carrier such as FedEx or UPS; or, (iii) email, when the notice is addressed as follows:

To Optum Financial, Inc.:	Mark Johns, CFO Optum Financial, Inc. 11000 Optum Circle Eden Prairie, MN 55344-2503
Email Address:	meghan.oshea@optum.com
With a copy to:	Optum 11000 Optum Circle Eden Prairie, MN 55344-2503 Attn: Optum Legal MN101-W013

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

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

Email Address: David.Couvillion@LA.GOV

If by email, cc to: Melissa.Mayers@LA.GOV

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 submitting a notice as detailed above, stating the change and setting forth the new address.

49 TRANSITION OF SERVICES AND DATA

Contractor shall comply with the provisions of this Emergency 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 Emergency 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.

50 INSURANCE REQUIREMENTS FOR EMERGENCY CONTRACT

See **Attachment V**.

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

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

STATE OF LOUISIANA
OFFICE OF GROUP BENEFITS

BY: David W. Couvillon

NAME: David W. Couvillon

TITLE: Chief Executive Officer

DATE: 4/18/22

OPTUM FINCNICAL, INC.

BY: Mark Johns
Mark Johns (Apr 13, 2022 07:22 CDT)

NAME: Mark Johns

TITLE: CFO Optum Financial

DATE: 04/13/2022

Agreement Number: 00835584.0

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 Emergency Contract.

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under the Emergency Contract. OGB reserves the right to modify or delete the tasks and services listed prior to and during the term of the Emergency 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/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 Emergency 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 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 Emergency Contract and any subsequent amendments to or extensions of the Emergency Contract.
4. Provide file data in a layout format agreed to by the parties. Contractor and OGB shall mutually agree to a standard file layout for all files sent from OGB to Contractor. 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.**
5. Conduct project status implementation meetings with the Contract Monitor on-site, or via teleconference.
6. Perform comprehensive systems testing and quality assurance audits, with results reported to OGB prior to the "Go-Live" date, at no additional cost.
7. Ensure successful and timely completion of all tasks necessary to begin performance of the Emergency Contract on June 1, 2022 at 12:00 a.m. Central Standard Time. OGB understands that Contractor cannot timely or accurately perform its duties under this Agreement without complete, accurate, and timely information and that Contractor shall have no liability to OGB as a consequence of incomplete, inaccurate, or untimely information provided to Contractor by OGB or its agents.

Task 2: General Support Services

1. Provide knowledgeable staff to attend mutually agreeable dates/locations for 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.
2. 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 who is knowledgeable about all aspects of the FSA Plan and COBRA administration and is 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 in the office 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 Executive leaving the office.

3. 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. OGB remains responsible for the compliance of their FSA plan design and COBRA offering with all applicable federal, state, and local laws, rules and regulations. OGB relies on Contractor to perform Contractor's duties under the terms of this Contract. If Contractor's acts or omissions (as provided in Section 34 Liability and Indemnification in this Contract) result in damages, OGB retains its rights to pursue those damages.
4. Meet with OGB staff onsite or via video/teleconference, on a quarterly basis to review and evaluate program administration.
5. 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.
6. Provide a website that is specific to OGB that is in compliance with or proactively remediating any deficits for all applicable anti-discrimination laws and the Patient Protection Affordable Care Act ("PPACA") Section 1557 and any other regulatory requirement.
7. 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.
8. 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 Emergency Contract.

9. 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.
10. 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").
11. Upon request of the Plan Participant, provide printed materials in a medium widely accepted and in compliance with all applicable anti-discrimination laws.
12. Provide all printed material in electronic format with final version submitted to OGB in PDF file format.
13. Assist OGB in complying with grievance and appeal procedures. The Contractor will be responsible for resolution of appeals in accordance with all applicable law.
14. 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.
15. 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.
16. Upon request, provide digital recordings of phone calls within two (2) business days of request.

Task 3: FSA Administration Services

1. Contractor will provide all FSA materials, including but not limited to customizable educational materials and communications; claim processes and forms; debit cards, email templates which shall include a customized website link to the OGB Flexible Benefits Plan Summary; a welcome kit that provides FSA coverage information and covered expenses; explanations of reimbursements and denials of reimbursements; appeals procedure, and monthly electronic account details for annual/special enrollment and FSA participants. All digital 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 claim related notifications using first-class mail. Employee educational materials will be provided in an electronic format for OGB to distribute.
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 the option to receive real-time emails or SMS text messages 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 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 depository account to hold funds provided to Contractor by OGB for payment of plan benefits in accordance with Contractor's standard processes.
14. 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.

15. 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.
16. 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.
17. 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.
18. Administer eligible Grace and Run-Out Periods and process run-on claims for the incumbent contractor, if requested by OGB.
19. Administer eligible Grace Period and process subsequent run-off claims each Measurement Period. 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.
20. 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.
21. Provide paper notices to plan participant claims that require substantiation.
22. Provide outreach to OGB when Contractor receives notice that there are no plan participant contributions for enrolled agencies 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>. 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.

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 subsequent 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. Permit COBRA Participants to utilize a personal check, money order, debit card, credit card, or ACH transaction for payment of premiums.
8. Maintain communications with COBRA Participants concerning eligibility for Medicare, Plan changes, and/or premium changes.
9. Resolve all servicing issues related to the administration of services, including premiums received and remitted, enrollment elections and discrepancies, address changes, etc.
10. Accommodate various COBRA premium payment structures that OGB currently has in place. **OGB currently offers multiple medical plans with more than one (1) carrier.**
11. Determine cancellation dates due to nonpayment or expiration of coverage.
12. Submit electronic eligibility files and premium payments to OGB and its benefit administrators using an agreed upon schedule.
13. Offer additional insurance offerings through the marketplace for COBRA participants.
14. Implement and administer the current COBRA plans by June 1, 2022.
15. 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.
16. Provide integrated COBRA systems that generate both health and FSA COBRA notices for applicable QLEs. 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. Additional deliverables may be included as mutually agreed upon.

The Contractor shall provide the following deliverables:

Deliverable	Description	Frequency of Submission
General		
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 Emergency Contract.	No later than September 30 of each Measurement Period.
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 Emergency 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 Emergency Contract.	Within thirty (30) calendar days of request from OGB.
FSA Administration		
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.
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.

Deliverable	Description	Frequency of Submission
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.	Measurement Period 1: Due June 17, 2023, for the period of June 1 – December 31, 2022 Measurement Period 2: Due June 17, 2024, for the period of January 1 – December 31, 2023
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 for the following plan year on an annual basis within the educational materials in the participant portal and OGB website.	No later than August 1 st of each calendar year.
COBRA Administration		
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.
COBRA Notice Distribution	Detailed listing in a mutually agreeable format of COBRA notices that were delivered to qualified beneficiaries.	Within fifteen (15) calendar days after the close of each month.

Deliverable	Description	Frequency of Submission
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 Emergency Contract. These metrics shall be reported quarterly and reconciled on a Measurement Period basis unless another time period is agreed to between OGB and Contractor.

METRIC	PERFORMANCE STANDARD	PENALTY PERCENT AT RISK MEASUREMENT PERIOD
General		
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 Emergency 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%
FSA Administration		
Forfeited FSA Participant Contributions	100% of forfeited FSA participant contributions must be returned to OGB no later than June 17, 2023.	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 1, 2022 in order for FSA participants enrolling during the annual enrollment period to receive debit cards by January 1, 2023.	3.5%
COBRA Administration		
COBRA Premium Processing	100% of COBRA premiums remitted to OGB by no later than the fifteenth (15 th) 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 June 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 a Measurement Period 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 Measurement Period. 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 Measurement Period; penalties owed by the Contractor will be paid automatically and will not need to be requested.

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 a Measurement Period 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 June 1, 2022 through December 31, 2022. The second period will be January 1, 2023 through December 31, 2023. 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.

ATTACHMENT II: BUSINESS ASSOCIATE AGREEMENT

State of Louisiana, Office of Group Benefits

HIPAA Business Associate Agreement

THIS HIPAA BUSINESS ASSOCIATE AGREEMENT (the "Agreement") is entered into effective the 13th day of April, 2022 (the "Effective Date"), by and between Optum Financial, Inc. on behalf of itself and its subsidiaries and affiliates ("Optum"), 11000 Optum Circle, Eden Prairie, MN 55344, ("Business Associate") and the State of Louisiana, Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, LA 70802, on behalf of itself and its affiliates, if any (individually and collectively "OGB or the "Covered Entity").

WHEREAS, OGB contemplates executing an emergency contract with Optum for FSA and COBRA administration services effective June 1, 2022, and this agreement will be attached to the resulting emergency contract as Attachment II: Business Associate Addendum; and

WHEREAS, Business Associate will perform functions or activities or arrange for such on behalf of Covered Entity involving the use and/or disclosure of protected health information ("PHI") that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity; and

WHEREAS, Covered Entity and Business Associate wish to comply with all of the requirements of 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 the Health Information Technology for Economic and Clinical Health Act ("HITECH") (collectively "HIPAA"); and

WHEREAS, Covered Entity and Business Associate (collectively "the Parties") intend to protect the privacy and provide for the security of PHI in compliance with the HIPAA.

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

1. Definitions. Terms used, but not otherwise defined, in this Agreement 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 Agreement 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 Agreement is executed and as they are amended, for so long as this Agreement is effective.
3. Uses and Disclosures of PHI. Except as otherwise limited in the Agreement or this Agreement, 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 Agreement.

- (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 first obtaining express, 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 is in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Agreement.
- (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. It is not anticipated that Business Associate will create any Limited Data Sets using PHI of Covered Entity's Plan Participants without first obtaining express, written consent of Covered Entity.

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 of this Agreement 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. Without unreasonable delay, but not more than five (5) business days, Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement and any Security Incident of which it becomes aware, including breaches of unsecured PHI as required by 45 C.F.R. § 164.410. Business Associate shall cooperate with Covered Entity's investigation, analysis, notification, and mitigation activities. Business Associate shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised and report the results of the breach risk assessment to Covered Entity within twenty (20) calendar days of which it becomes aware of any breach of PHI in accordance with 45 C.F.R. § 164.504(e)(2)(ii)(C). Business Associate shall provide to Covered Entity a description of the breach and a list of Individuals affected. Business Associate shall provide required notifications to Individuals and the Media and Secretary, and Covered Entity where appropriate, in accordance with the Privacy Rule and with Covered Entity's approval of the notification text. Business Associate shall pay for the reasonable and actual costs associated with those notifications and with credit monitoring, if appropriate.

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 Agreement, 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 pursuant to this Agreement 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 Agreement with respect to such PHI. Business Associate represents that its agreements with its agents or subcontractors that may create, receive, maintain or transmit PHI on behalf of Business Associate pursuant to this Agreement have agreed to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Agreement with respect to such PHI.

8. Access to Information. Within five (5) business 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 a request for access to PHI directly to Business Associate, Business Associate shall within five (5) business days forward such request to Covered Entity.

9. Availability of PHI for Amendment. Within ten (10) business 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) business 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 Agreement, 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) business 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. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

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 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. Business Associate further 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 for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for one year after the emergency contract expires, or until Business Associate is no longer in possession of Covered Entity members PHI.

14. Effect of Termination of Agreement. Upon the termination of the Agreement 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. If the parties mutually agree that returning or destroying the PHI is infeasible and/or that retaining PHI is required by law, Business Associate may retain the PHI ("Retained PHI"), but (1) the terms of this BAA shall apply to any Retained PHI for as long as Business Associate retains the PHI, even if the BAA has been terminated, and (2) Business Associate shall limit further Use and Disclosure of such PHI to those purposes that make the return or destruction infeasible and/or as 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 (all subject to the infeasibility/required by law). 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 this Agreement 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 Agreement, 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 Agreement shall not be construed as a waiver of any other rights Covered Entity has in this Agreement or by operation of law or in equity.

16. Responsibilities Of Covered Entity. Covered Entity shall:

16.1 Notify Business Associate of any limitation in Covered Entity's notice of privacy practices, to the extent that such limitation may affect Business Associate's use or disclosure of PHI;

16.2 Notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's permitted or required uses and disclosures of PHI;

16.3 Notify Business Associate of any restriction on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent such restriction may affect Business Associate's use or disclosure of PHI; and

16.4 Not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity, except as necessary for the Data

Aggregation Services or management and administrative activities of the Business Associate as allowed in this BAA.

16.5 Covered Entity is the Plan Sponsor. Covered Entity shall ensure that only employees authorized under 45 C.F.R. § 164.504(f) shall have access to the PHI disclosed by Business Associate to Plan Sponsor.

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 Agreement or HIPAA. This Section 16 of the Agreement shall survive the termination of this Agreement.

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 this Agreement shall survive the termination of this Agreement.

18. Injunctive Relief. The parties acknowledge and stipulate that breach of the terms and conditions of the BAA may cause irreparable harm to either party for which there may not exist an adequate remedy at law in certain cases. Each party retains the right to seek injunctive relief to prevent or stop any breach of the terms of this BAA.

19. Third Party Rights. The terms of this Agreement 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 this Agreement, 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 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.

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

(Signature Page To Follow)

**STATE OF LOUISIANA
OFFICE OF GROUP BENEFITS**

By: 
Signature

David W. Couvillon
Printed Name

Title: Chief Executive Officer

Date: 4/18/22

OPTUM FINANCIAL, INC.

By: 
Mark Johns (Apr 13, 2022 07:22 CDT)
Signature

Mark Johns
Printed Name

Title: CFO Optum Financial

Date: 04/13/2022

Agreement Number: 00836889.0

ATTACHMENT III: RECORDS RETENTION SCHEDULE

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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XRENEWAL

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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	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)
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- 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

State Records Center Use

- Y - Yes
- N - No

Vital Record Identification Code

- V = Vital
- I = Important
- U = Useful

Thomas Stapp
 Agency Approval

1-7-2020
 Date Signed

Sharon S. Apple, OPR
 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

Http://www.sos.la.gov

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Item Number	Agency / Division / Section	Division of Administration / Office of Group Benefits / Administration -- Finance	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	Actual 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	Actual 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 the end of the FY in which the document exists**
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

[Signature]
 Agency Approval

1-7-2020
 Date Signed

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

1-8-2020
 Date Approved

Records Retention Schedule

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 ORIGINAL SUBMISSION
 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					
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**

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.

Agency Approval *[Signature]*

Date Signed *1-7-2020*

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

Date Approved *1-8-2020*

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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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. **	
<p>Permitted Retention Period Abbreviations</p> <p>ACT = Active Period (when used define term in remarks column)</p> <p>FY - Fiscal Year (July 1 - June 30)</p> <p>CY - Calendar Year (Jan 1 - Dec 31)</p> <p>AY - Academic Year (Aug 1 - July 31)</p> <p>FFY - Federal Fiscal Year (Oct 1 - Sept 30)</p> <p>MO - Months Wk - Week (Mon-Sun) DY - Day(s)</p> <p>PERM - Permanent</p> <p>** = May be part of an Imaging/Electronic Exception.</p> <p>** = May be part of an Imaging/Electronic Survey.</p>										
		<p>Security Status Codes</p> <p>P - Public Record</p> <p>M - May Contain Confidential Information</p> <p>C - Confidential Information</p>			<p>State Records Center Use</p> <p>Y - Yes</p> <p>N - No</p>			<p>Vital Record Identification Code</p> <p>V = Vital</p> <p>1 = Important</p> <p>U = Useful</p>		
		<p>Archival Processing Codes</p> <p>A - Transfer to State Archives</p> <p>R - Retain in Agency Archives</p> <p>S - Review by State Archives</p> <p>D - Review by State Archives/Electronic</p> <p>O - Other (Specify in Remarks)</p>								
		<p>Agency Abbreviations</p> <p>SOF - Special order Form</p> <p>OGB - Office of Group Benefits</p> <p>PES = Personnel Evaluation System</p>								

Agency Approval *[Signature]*

Date Signed *1-2-2022*

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

Date Approved *1-8-2020*

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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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 / Contracts Management								
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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 ** = May be part of an Imaging/Electronic Survey.

Security Status Codes
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Archival Processing Codes
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 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
 RFP = Request for Proposal
 ITB = Intent to Bid
 RFI = Request for Information

Agency Approval *[Signature]*

Date Signed 1-2-2020

[Signature]
 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
 Post Office Box 94125, Baton Rouge, LA 70804

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

Agency Approval: [Signature] Date Signed: 1-2-2020
 Secretary of State, State Archives & Records Services: [Signature] Date Approved: 1-8-2020

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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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	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	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	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	N	U	ACT = until the end of the day in which the work papers were created. **

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 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: *[Signature]*

Date Signed: 1-2-2020

Secretary of State: *[Signature]*

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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 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					
1	Self-funded Health Plan Medical TPA 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 **
2	Self-funded Health Plan Pharmacy TPA 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 **
3	Fully Insured Health Plan Vendors 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 **
4	Capitated Primary Care Network 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 **
5	IMMHEHRA Vendor Invoices and 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 **
6	Health Plan Vendors 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 **
7	Health Savings Account Enrollment & Payroll Deduction Election/Changes (GB-79 Forms)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	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	V	ACT = until the end of the CY in which OGB ceases to exist. **

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 D - Review by State Archives/Electronic
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State Records Center Use
 Y - Yes
 N - No
 Vital Record Identification Code
 V = Vital
 I = Important
 U = Useful

Agency Approval: [Signature] Date Signed: 1-7-2020
 Secretary of State, State Archives & Records Services: [Signature] Date Approved: 1-8-2020

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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 ___ ADDENDUM PAGE

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 **
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 **
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 **

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Agency Abbreviations
 OGB = Office of Group Benefits

Agency Approval *Therese...*

Date Signed 1-2-2010

Secretary of State, State Archives & Records Services *Sumner P. Joseph, Sr.*

Date Approved 1-8-2010

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 832 (10/19)

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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 / Medical and Pharmacy Benefits Administration - Flexible Benefits & COBRA									
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 **
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 **
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 **

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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

Records Retention Schedule

SS ARC 932 (10/19)

Http://www.sos.la.gov

Agency No	Agency / Division / Section	Records Series Title	Retention Period		Security	Archival	State Records Center	Vital	Remarks
			In Office	In Storage					
003.005	Division of Administration / Office of Group Benefits / Discontinued Programs								Indicate Use of Form <input type="checkbox"/> ORIGINAL SUBMISSION <input checked="" type="checkbox"/> RENEWAL <input type="checkbox"/> REPLACEMENT PAGE <input type="checkbox"/> ADDENDUM PAGE
1	Filing Deadline Mail Records		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		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		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		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		C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
6	Medical Records		ACT + 10 CY		C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
7	Pre-determinations		ACT + 10 CY		C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
8	Case Management		ACT + 10 CY		C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
9	Medical Necessities		ACT + 10 CY		C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **

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[Signature]
 Agency Approval

1-3-2020
 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 94126, Baton Rouge, LA 70804

Records Retention Schedule

Http://www.sos.la.gov

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					
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 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

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

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RENEWAL

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Remarks

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
19	Preferred Provider Option/Exclusive Provider Option Contracts	ACT + 5 CY	ACT + 5CY	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	

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[Signature]
 Agency Approval

1-7-2020
 Date Signed

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

1-8-2020
 Date Approved

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.gov¹, or as otherwise directed by OGB. According to LAC 4:XVII.1305(A), the System Survey must contain the following information:

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

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

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

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

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

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 and Automobile Liability

- 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. Contractor shall provide 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. 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.

LEGISLATURE OF LOUISIANA

Jerome "Zee" Zeringue
Co-Chairman



Mike Reese
Co-Chairman

Water Sector Commission

P.O. Box 44486 Baton Rouge, LA 70804-4486
Office: (225) 342-1964
Fax: (225) 387-8912

April 6, 2022

The Honorable Jerome "Zee" Zeringue, Chairman
Joint Legislative Committee on the Budget
P.O. Box 44294, Capital Station
Baton Rouge, Louisiana 70804

Chairman Zeringue,

Pursuant to R.S. 39:100.56, the Water Sector Commission is established to review applications submitted pursuant to the Water Sector Program and make recommendations for funding to the Joint Legislative Committee on the Budget. The Joint Legislative Committee on the Budget shall review the recommendations submitted by the Commission and have final approval of funding for projects. No monies shall be expended from the Water Sector Fund without approval of the Joint Legislative Committee on the Budget.

At its meeting held on Monday, April 4, 2022, the Water Sector Commission reconsidered the grant request for Application #33 for the West Feliciana Consolidated Waterworks District No. 13 from Round 1 of the Water Sector Program. The applicant had requested a match waiver which was not reflected in the amount previously approved by the Water Sector Commission and the Joint Legislative Committee on the Budget.

The Commission voted to approve the recommendation to fund the match in the amount of \$389,000, bringing the total award amount for the West Feliciana Consolidated Waterworks District No. 13 to \$1,554,000. There is currently \$866,389 of unobligated funds remaining in the Water Sector Fund. Approval of the match funds would leave \$477,389 of unobligated funds in the fund.

The Commission requests your approval of this recommendation. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to be "Mike Reese", written over a blue line.

Senator Mike Reese, Co-Chairman



JOHN M. SCHRODER

LOUISIANA STATE TREASURER

(225) 342-0010
www.latreasury.com

P.O. Box 44154
Baton Rouge, LA 70804

April 5, 2022

Honorable Jerome Zeringue, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44486, Capitol Station
Baton Rouge, LA 70804

Dear Representative Zeringue:

Attached is a spreadsheet detailing requests for back pay for Deputy Sheriffs' Supplemental Pay which has been approved by the Deputy Sheriff Supplemental Pay Board as per Act 110 of 1982. Please place this item on the agenda for the next meeting.

Total requested prior year funds: \$6,943.61.

If we may be of further assistance in this matter, please call me or Stacey Guilbeau (225) 342-0698.

Sincerely,

Mary Kathryn Drago
Acting Chairman,
Deputy Sheriffs Supplemental Pay Board

MD/sg

Enclosures

No.	Parish	Deputy Name	Dates Owed	Amount	Reason	Addl Info
1	Union	Christopher Harpin	1/1/21-6/30/21	\$ 3,000.00	sheriff dept oversight when eligible	
2	Ouachita	Larry Fraizer-May	6/4/21-6/30/21	\$ 443.61	prior service form received after 1/25/22	Added to January 2022 reconciliaton
3	Bienville	Joseph Pesnell	12/1/20-6/30/21	\$ 3,500.00	sheriff dept oversight due to active military	Added to February 2022 reconciation
Grand Total				\$6,943.61		Added to December 2021 reconciliaton



Teachers' Retirement System of Louisiana

www.trsl.org
225.925.6446
225.925.4779
web.master@trsl.org
Post Office Box 94123
Baton Rouge LA 70804-9123

BOARD OF TRUSTEES

Elected

Holly Bridges Gildig, M.Ed.
Chair
5th District

David A. Hennigan
Vice Chair
4th District

Neshelle S. Nogess M.B.A.
1st District

Lotte T. Delaney, M.P.A.
2nd District

Tia T. Mills, Ed.D.
3rd District

Ricky Julien, Sr., M.Ed.
6th District

Suzanne Breaux
7th District

Clyde F. Hammer
Retired Members

James A. Taylor, Sr., J.D., Ph.D.
Retired Members

Sommer Purvis
School Food Service

Paul E. Nelson, Ph.D.
Superintendents

Thomas F. Stafford, Ph.D.
Colleges & Universities

Appointed

Phillip R. DeVillier
Chair, House
Retirement Committee

Ex Officio

Edward J. "Ed" Price
Chair, Senate
Retirement Committee

John M. Schroder
State Treasurer

Cade Brumley, Ed.D.
State Superintendent
of Education

Jay Dardenne
Commissioner, Division
of Administration

Director

Katherine Whitney

Deputy Director
Douglas Swenson

Assistant Director
Jeff LaCour

Chief Investment Officer
Philip Griffith

Executive Counsel
Kenneth L. "Trey" Roche, III

Executive Staff Officer
Lisa Barousse

Executive Assistant
Shameeka Kaufman

March 22, 2022

The Honorable Jerome "Zee" Zeringue
Chairman, Joint Legislative Committee on the Budget
P.O. Box 44486
Baton Rouge, LA 70804

Dear Representative Zeringue:

Enclosed is a copy of the proposed FY 2021-2022 TRSL Operating Budget Adjustment that reflects a change to investment-related expenses only.

The budget adjustment is due to the extraordinary investment return experienced in Fiscal Year 2020-2021 and its impact on advisor fees. Higher market values result in increased advisor fee payments. After analyzing year-to-date actual fee expenses projected through June 30, 2022, we are recommending a \$6 million increase in budgeted investment fees for Fiscal Year 2021-2022. This 14.3% increase compares to a 36.4% (gross of fees) investment return for Fiscal Year 2020-2021.

During the March 10th Board meeting, the budget adjustment was approved by the Board. We are requesting JLCB approval as well. If you have any questions or concerns please contact me at (225) 925-6454.

Sincerely,

Katherine Whitney (handwritten signature)

Katherine Whitney
Director

Enclosures

Toll free (outside the Baton Rouge area): 1.877.ASK.TRSL (1.877.275.8775)

TRSL is an equal opportunity employer and complies with the Americans with Disabilities Act.

**TEACHERS' RETIREMENT SYSTEM OF LOUISIANA
FY 2021-2022 OPERATING BUDGET
BUDGET ADJUSTMENT**

BUDGET CATEGORY	FY 2021-2022 CURRENT BUDGET	ADJUSTMENT	FY 2021-2022 REVISED BUDGET
ADMINISTRATIVE EXPENSES			
PERSONNEL SERVICES:			
Salaries	\$11,435,763		\$11,435,763
Other Compensation	87,690		87,690
Related Benefits	5,670,356		5,670,356
TOTAL PERSONNEL SERVICES	17,193,809		17,193,809
TRAVEL	96,000		96,000
OPERATING SERVICES	2,413,838		2,413,838
SUPPLIES	70,000		70,000
PROFESSIONAL SERVICES	959,000		959,000
OTHER CHARGES	31,000		31,000
INTERAGENCY TRANSFERS	59,000		59,000
ACQUISITIONS	340,000		340,000
TOTAL ADMINISTRATIVE EXPENSES	\$21,162,647		\$21,162,647
INVESTMENT EXPENSES	\$42,000,000	\$6,000,000	\$48,000,000
TOTAL OPERATING BUDGET	\$63,162,647	\$6,000,000	\$69,162,647
NUMBER OF POSITIONS	153		153

APPROVED BY BOARD OF TRUSTEES:



 Chairman of the Board

3-10-2022

 Date

2021-2022 Supplemental Data
Investment -Related Expenses

		Original Budget Amount	Adjustment	2021-2022 Revised Budget
Investment Manager Fees				
	International Equity	\$ 10,080,000	\$ 1,561,440	\$ 11,641,440
	Domestic Equity	15,065,000	\$ 2,333,640	17,398,640
	Domestic Fixed Income	1,900,000	\$ 294,319	2,194,319
	Core Real Estate	5,508,474	\$ 853,289	6,361,763
	Alternative Investment Manager	1,700,000		1,700,000
	Global Fixed Income	5,160,000	\$ 799,309	5,959,309
	Global Reit	1,020,000	\$ 158,003	1,178,003
Investment Custodian				
	BNY Mellon	\$ 390,000		\$ 390,000
Investment Performance Consultant				
	Aon Hewitt Investment Consulting, Inc.	\$ 650,000		\$ 650,000
ORP Investment Performance Consultant				
	Mercer	\$ 148,526		\$ 148,526
Investment Monitoring & Compliance		\$ 378,000		\$ 378,000
	TOTAL INVESTMENT-RELATED EXPENSES	\$ 42,000,000	\$ 6,000,000	\$ 48,000,000



Bureau of General Counsel
Executive Division
627 North 4th Street
Baton Rouge, LA 70802

(O) 225.342.4341
(F) 225.342.9139
www.dcfsl.a.gov

John Bel Edwards, Governor
Marketa Garner Walters,
Secretary

April 14, 2022

The Honorable Jerome Zeringue
Louisiana State House of Representatives
Chairman, Joint Legislative Committee on the Budget
P.O. Box 44294
Baton Rouge, LA 70804

Re: DCFS Request for April JLCB Agenda Item Pursuant to R.S. 39:1615(J) for PO#2000401325 for Postlethwaite & Netterville, APAC

Dear Representative Zeringue:

The Louisiana Department of Children and Family Services (DCFS) requests that the following contract amendment be placed on the agenda for the Joint Legislative Committee on the Budget (JLCB) during its April meeting. DCFS currently has a contract with Postlethwaite & Netterville, APAC, and requests approval to extend this contract, in accordance with R.S. 39:1615(J).

QUALITY ASSURANCE/QUALITY CONTROL (QA/QC) SERVICES

This is a three-year contract, with the option to extend up to twenty-four (24) additional months, to assist DCFS with an objective assessment of the quality, completeness, and progress of work and work products submitted by other contractors of the Department. The general purpose of the QA/QC Contractor's work is to conduct periodic review, evaluation, documentation, and reporting of the overall DCFS Modernization Initiatives performance. The QA/QC contractor is currently focusing on the Child Welfare System Development Project (CWSDP), also known as the DCFS Comprehensive Child Welfare Information System (CCWIS) Project. The QA/QC contractor works alongside DCFS to provide support, assistance, and guidance for the review and quality assurance related tasks for processes and deliverables developed by other contractors working with DCFS in various scope areas, including project management, infrastructure setup, COTS upgrades, code and data migration, business requirements gathering and validation, design, development, communications, forms and reports, testing, change readiness/management, training development, training delivery, conversion, interfaces and integration, system security testing, data load and capacity performance testing, development of software documentation, pilot, helpdesk, implementation and turnover, post-implementation support, and federal review support.

The current contract, which was executed on April 15, 2019, expires on April 14, 2022. DCFS is exercising the contractual option for a one-year extension with Postlethwaite & Netterville, APAC, to continue the Quality Assurance/Quality Control services needed for the DCFS



Modernization Initiatives. Therefore, DCFS seeks your committee's approval to amend the current Postlethwaite & Netterville, APAC, contract to extend the contract period to April 14, 2023, to avoid interruption of services.

Thank you for considering our request to have this contract extension included on your April agenda. I am enclosing a copy of the amendment, the Statement of Work, and Budget Form (BA-22) for your convenience. Should you have any questions, or need additional information, please do not hesitate to contact the Bureau of General Counsel at (225) 342-1480 or joshua.morgan.dcms@la.gov.

Sincerely,

Eric Horent
Undersecretary
State of Louisiana
Department of Children and Family Services

Enclosures

EH/eh





Undersecretary
Division of Management
and Finance
627 North 4th Street
Baton Rouge, LA 70802

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John Bel Edwards, Governor
Marketa Garner Walters, Secretary

DCFS is requesting contract amendment #3 for contract #2000401325 (QA/QC Contract) between State of Louisiana Department of Children and Family Services (DCFS) and Postlethwaite & Netterville, APAC (P&N) to exercise the contract extension option outlined in the above mentioned contract. This contract extension will extend the contract term for the QA/QC services and support into contract year 4 (through April 14, 2023), and adjust the total contract funding amount to cover the requested QA/QC service through this updated period.

This will allow P&N to continue to support DCFS Modernization Initiatives in their QA/QC role through the new anticipated system go-live date and possibly into the initial M&O period for the Comprehensive Child Welfare Information System (CCWIS) project. If this contract amendment is not approved, the original QA/QC contract is set to expire April 14, 2022, which will lead to QA/QC support and services ending prior to the planned go-live date (Winter 2023) for the CCWIS project.

Brief Description of P&N's QA/QC Services:

Postlethwaite & Netterville (P&N) currently serves as the DCFS QA/QC Contractor to work with the State to provide an objective assessment of the quality, completeness, and progress of work and work products submitted by other contractors. The general purpose of the QA/QC Contractor's work is to conduct periodic review, evaluation, documentation, and reporting of the overall DCFS Modernization Initiatives performance, primarily for but not limited to the Child Welfare System Development Project (CWSDP), also known as the DCFS Comprehensive Child Welfare Information System (CCWIS) Project. P&N provides DCFS and various oversight stakeholders a means to verify that the DCFS Modernization Initiatives will satisfy the American Institute of Certified Public Accountants' Statements on Standards for Consulting Services (SSCS). As other federal and state regulations are finalized and adopted, the QA/QC Contractor works with the State to identify the applicable standards and make recommendations on how to meet the identified standards. These quality assurance activities are part of a broader set of quality management activities required by DCFS. The QA/QC Contractor also works alongside DCFS to provide support, assistance, and guidance for review and quality assurance related tasks for processes and deliverables developed by other contractors working with DCFS in various scope areas, including project management, infrastructure setup, COTS configuration, code and data migration, business requirements gathering and validation, design, development, communications, forms and reports, testing, change readiness/management, training development, training delivery, conversion, interfaces, integration, system security testing, data load and capacity performance testing, development of software documentation, pilot programs, helpdesk, system implementation and turnover, post-implementation support, and federal review support.



Amendment No. 3
to
Contract between the
State of Louisiana
Department of Children and Family Services
and
Postlethwaite & Netterville, APAC,
8550 United Plaza Blvd., Suite 1001
Baton Rouge, LA 70809

Amendment Provisions

Change No. 1

On page 2 of the contract, Item 2.1) Term of Contract is being amended as follows. The State is exercising the option to extend for twelve (12) additional months at the same rates, terms, and conditions of the initial contract term and Amendment No. 1 to assist in the successful completion of the DCFS Transformations Project (CCWIS and IE).

Change From:

2.1) Termination Date: April 14, 2022

Change to:

2.1) Termination Date: April 14, 2023

Change No. 2

On page 10 of the contract, Item 5.0) Compensation and Maximum Amount of Contract is being amended as follows. The amount of the original contract was \$5,572,530.00, and DCFS agrees to increase this amount by \$1,721,064.00, for a total budgeted amount not to exceed \$7,293,594.00, to the QA/QC Contractor for its time and expenses associated with the work performed under this contract extension at the rates outlined in the initial contract and Amendment No. 1 and resource personnel as detailed in Attachment II.

Change From:

5.0) Contract Amount: \$5,572,530.00

Change to:

5.0) Contract Amount: \$7,293,594.00

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

This amendment is effective October 1, 2021.

Justification: This Amendment is needed to exercise the option to extend the contract term for the services and support of the QA/QC vendor throughout the successful completion of
Page 1 of 2

various information system upgrades, including CCWIS and the IE Project, as well as throughout the M&O period to the successful handoff to State resources. Funds are available to maintain expenditures for this project.

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

Postlethwaite & Netterville, APAC

Mark Staley

4/8/2022 | 10:11 AM CDT

(Signature)

(Date)

Name: Mark Staley
Title: Director

**STATE OF LOUISIANA
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
Marketa Garner Walters, Secretary**

Eric Horent

4/12/2022 | 1:21 PM CDT

(Signature)

(Date)

Name: Eric Horent
Title: Undersecretary

Rhenda Hodnett

4/12/2022 | 5:35 PM CDT

(Signature)

(Date)

Name: Rhenda Hodnett
Title: Assistant Secretary of Child Welfare

Office of State Procurement
State of Louisiana
Division of Administration


JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

April 5, 2022

TO: Mr. Dickie Howze
Division of Administration/Office of Technology Services
Chief Information Officer

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

RE: OSP Approval for JLCB
LaGov PO/Contract # 2000428538/Amendment 1
Creative Information Technology, Inc. (CITI)

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 Pam Rice at OSP.

**Amendment No. 1 to
Agreement between State of Louisiana
Division of Administration, Office of Technology Services (OTS)
AND
Vendor Name: Creative Information Technology, Inc. (CITI)
Address: 7799 Leesburg Pike, Suite 500 N
Falls Church, VA 22043**

THIS Amendment No. 1, with an effective date of March 1, 2022 ("Amendment Effective Date") is entered into by the State of Louisiana Division of Administration, Office of Technology Services ("State") and Creative Information Technology, Inc. ("Contractor") and amends the Contract between the parties dated June 30, 2019, for the Development of Comprehensive Child Welfare Information System (CCWIS), Contract file number: 2000428538 (the "Contract").

Capitalized terms used in this Amendment, unless otherwise specified, shall have the same meaning as contained in the Contract.

This amendment shall not be effective until approved by the Office of State Procurement and all federal partners.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereby agree that the Contract is amended, as follows.

Background

Design, Development and Implementation of a Comprehensive Child Welfare Information System (CCWIS) to replace the outdated and disparate legacy systems has been ongoing since the contract start date of June 30, 2019.

Over the course of the CCWIS project, the Louisiana project team has worked to align the needs of Louisiana Department of Child and Family Services (DCFS) to the baseline Unify system functionality using the original budget and timeline available for configuration and development. Efforts have been made by the project team to control scope, timeline, and budget to produce an enhanced Unify system that is aligned with Louisiana's business practices and is ready for conducting Child Welfare business. This work culminated in a third-party project assessment to identify areas of improvement and recommendations for changes.

As a result of the assessment and subsequent re-planning effort, the CCWIS project lifecycle phases need to be adjusted to align with a revised project approach and adjusted timeline. The original scope of work will encompass the configuration of the baseline Unify system without all of the Louisiana-specific customizations to functionality. As customizations are needed in order to perform all business functions within the Unify system, this amendment provides additional budget and terms specifically for the development of these customizations.

Explanation of Amendment

The implementation of the revised project approach adds following:

- A baseline module configuration stage to align Unify to all CCWIS essential State and Federal requirements

- A timeline extension for the identification and development of needed customizations to baselined system within Unify
- Additional resources to drive the business process understanding/redesign and product backlog elaboration and development.
- Additional resources to support the expected number of developed features through testing, demonstration, and training.
- Development of Service Level Agreements which align to these updated stage gates.
- Defined criteria for successful user story and sprint completion.
- Contingency plans if schedule adjusts.
- Maintenance and operations for the production system

CHANGE NUMBER ONE

Change to Section 1.3 DEFINITIONS

Add the following Terms and Definitions to the table:

Term	Definition
Contract Requirements Validation Phase	The Product Owner Team, CITI Leadership and CITI Subject Matter Experts develop and come to agreement on a list of requirements for Unify base functionality that aligns with the contract (to include scope for reports, interfaces and data migration). Outcome/Output: List of requirements for System Configuration Phase
System Configuration Phase	The CITI Product Team and CITI Subject Matter Experts configure Unify base functionality using the list of requirements from the Contract Requirements Validation Phase. Outcome/Output: Base Unify Solution; Validated Contract Requirements; Test Scripts; Training Wireframes
Feature Stabilization Phase	The CITI Product Team, CITI Business Analysts, CITI Subject Matter Experts and the Product Owner Team customize Unify’s base functionality using the JIRA Prioritized Backlog. Outcome/Output: Customized Unify Solution ready for business use.
Prioritized Backlog	Gaps identified throughout processes turn into stories for the Prioritized Backlog during the Business Gap Analysis Phase.
Business Gap Analysis Phase	Process where the CITI Product Team, CITI Business Analysts, CITI Subject Matter Experts and the Product Owner Team identify gaps between the configured Unify functionality and the functionality needed to align Unify with the State’s improved way of doing Child Welfare business. Outcome/Output: Backlog of user stories which reflect the scope of work for the Feature Stabilization phase
Production Readiness	All development teams and data teams prepare for go-live by stabilizing the system, testing system capacity and completing steps in the go-live readiness checklist. Outcome/Output: Unify Solution ready for go-live; Validated Go-Live readiness checklist
Feature Stabilization Story Point	A story point developed within the Feature Stabilization phase.

Term	Definition
Go-Live/Onsite Support	All development & data teams, OCM/Training Team and Change Champions facilitate Unify goes live. Helpdesk and super users are in place to support end users. Outcome/Output: Unify Solution in production
State Testing for Configuration Requirements Phase	State Business Analysts confirm Configured Unify system features to align to contract requirements or user story acceptance criteria. Prioritized bugs are fixed using validated RTM and test scripts. Outcome/Output: Unify features that meet contract requirements and acceptance criteria
State Validation of Customization Requirements	State Business Analysts confirm customized Unify features align to customization requirements or user story acceptance criteria. Prioritized bugs are fixed using customization scope to validate. Outcome/Output: Unify features that meet contract requirements and acceptance criteria
User Acceptance Testing (UAT)	The OCM/Training Team and Change Champions confirm test scripts can be completed within Unify for all modules and perform end-to-end testing of Unify. Prioritized bugs are fixed. Outcome/Output: Unify Solution ready for business use
OCM/Training Development	The OCM/Training Team develops user guides and training materials for all modules. Outcome/Output: Unify Solution training and reference materials
Train the Trainer	OCM Training Team and Change Champions deliver training to the Change Champions and finalize user guides and training materials. Outcome/Output: Change Champions understand Unify Solution functionality and how to teach Unify
End User Training	Change Champions deliver training to Child Welfare workers. Outcome/Output: Child welfare workers understand Unify Solution functionality and how to use Unify for business
Data Integration/Interfaces/Report Development	Data Teams and CITI Product Team migrate legacy system data to Unify, complete development of interfaces with Unify and complete development reports within Unify. Outcome/Output: Legacy data, interfaces and reports available in Unify Solution

CHANGE NUMBER TWO

Appends the following language to Section 2.0 Description of Services/Tasks of the Statement of Work:

During the Feature Stabilization phase, Contractor will provide resources to perform the following additional duties needed during this phase:

- Application development planning, architecture, and design
- Quality Assurance (QA) for data and application
- A-B testing

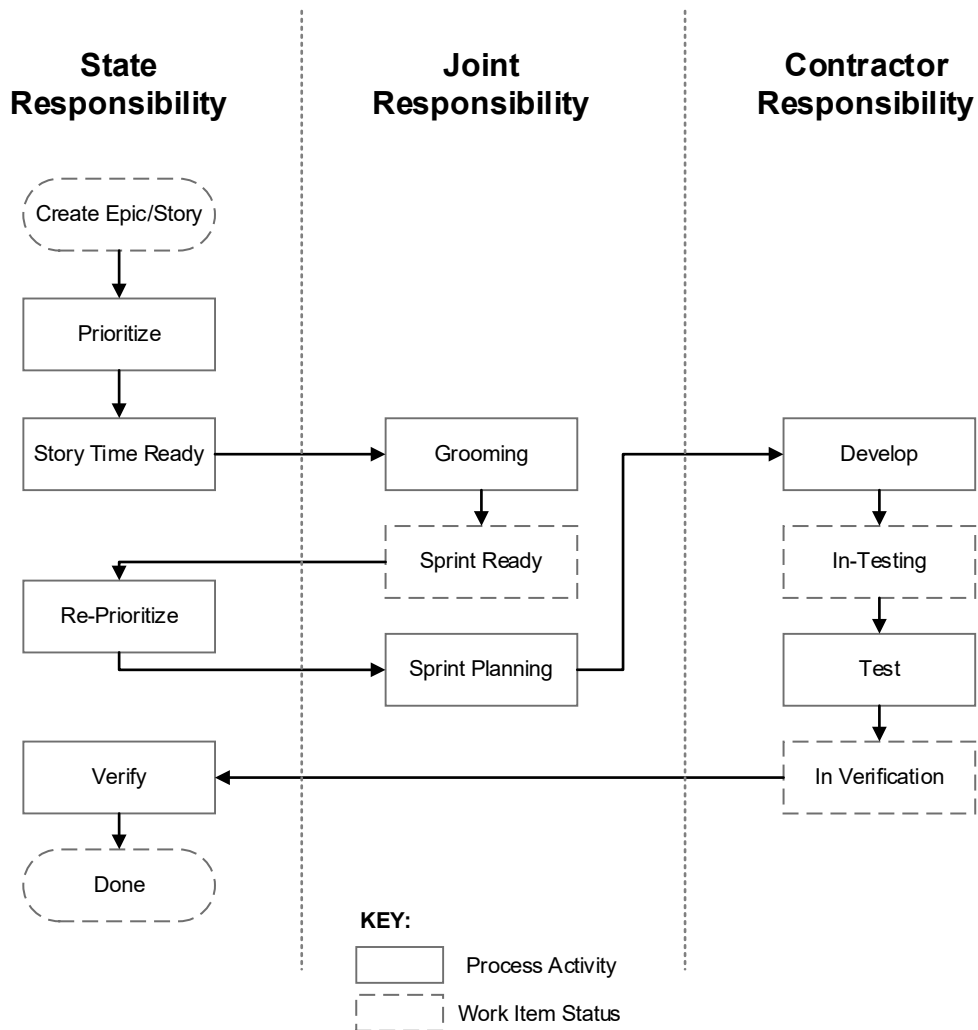
- User Interface (UI) design and implementation
- Administration module configuration
- Custom data field mapping and management
- Training and Organizational Change Management updates and customization
- Data and Extract/Transform/Load (ETL)

CHANGE NUMBER THREE

Adds section 5.1.1 to the Statement of Work:

5.1.1 ACCEPTANCE OF FEATURE STABILIZATION STORY POINTS

The following process will be used to determine when a story point developed during the Feature Stabilization phase is considered complete and ready for payment:



Process Step Owner	Workflow Step	Description
DCFS Product Manager	Create Epic/Story	Requirements are defined in the form of stories and epics to create a backlog of desired features for the product.
DCFS Product Manager	Prioritize	The backlog is prioritized based on value, level of effort, and dependencies to other items to determine the order items will be worked.
DCFS Product Manager	Story Time Ready	Backlog item is sufficiently defined and can now be groomed and prepared for development.
DCFS Product Manager CITI Project Manager	Grooming	Backlog items are further defined, acceptance criteria is finalized, and story points are estimated. Stories may also be split into smaller increments as appropriate.
DCFS Product Manager CITI Project Manager	Sprint Ready	Backlog items that have completed the grooming activity are marked as Sprint Ready and based on priority, can be taken up in sprints.
DCFS Product Manager	Re-Prioritize	The prioritization of the backlog is re-evaluated to determine if relevant changes have occurred to a story's value, level of effort, or dependencies.
DCFS Product Manager CITI Project Manager	Sprint Planning	Sprint Goals are established for the sprint and stories are selected based on support of the sprint goal, priority, and team capacity.
CITI Project Manager	Develop	Development on stories selected for the sprint.
CITI Project Manager	In Testing	Development and unit testing is complete and the story is ready for testing.
CITI Project Manager	Test	Testing is performed on the story.
CITI Project Manager	In Verification	Once testing is completed the story is ready for verification by State BAs.
DCFS Dev Scrum Master	Verify	State BAs perform verification on the story to confirm all acceptance criteria have been met.
DCFS Dev Scrum Master	Done	Work on the story is complete.

CHANGE NUMBER FOUR

Adds section 5.1 to the Statement of Work

5.1.2 FEATURE STABILIZATION USER STORY AND TASK ORDER REPORTING

The State may provide to the Office of State Procurement, on an as-needed basis, a report which identifies approved, current, and/or projected Feature Stabilization User Stories and Task Orders and other related activities.

CHANGE NUMBER FOUR

Replaces Section 5.1 PAYMENT SCHEDULE with the following table:

5.1.1 Payment Schedule

ID	Deliverable	Deliverable Amount	Invoice Amount	Retainage
1	Project Work Plan	\$200,000.00	\$200,000.00	\$20,000.00
2	Project Management Plan	\$200,000.00	\$200,000.00	\$20,000.00
3	Organizational Change Management, Training Plan and Delivery			
3.1	Administration Module Training Plan	\$10,000.00		
3.1.1	End of System Configuration		\$5,000.00	\$500.00
3.1.2	End of Stage Gate #3 Feature Stabilization		\$5,000.00	\$500.00
3.2	Intake/Referral and Investigations Module Training Plan	\$10,000.00		
3.2.1	End of System Configuration		\$5,000.00	\$500.00
3.2.2	End of Stage Gate #3 Feature Stabilization		\$5,000.00	\$500.00
3.3	Case Management Module Training Plan	\$10,000.00		
3.3.1	End of System Configuration		\$5,000.00	\$500.00
3.3.2	End of Stage Gate #3 Feature Stabilization		\$5,000.00	\$500.00
3.4	Eligibility and Financial Management Module Training Plan	\$10,000.00		
3.4.1	End of System Configuration		\$5,000.00	\$500.00
3.4.2	End of Stage Gate #3 Feature Stabilization		\$5,000.00	\$500.00
3.5	Provider Management Module Training Plan	\$10,000.00		
3.5.1	End of System Configuration		\$5,000.00	\$500.00
3.5.2	End of Stage Gate #3 Feature Stabilization		\$5,000.00	\$500.00
3.6	Court Processing Module Training Plan	\$10,000.00		
3.6.1	End of System Configuration		\$5,000.00	\$500.00
3.6.2	End of Stage Gate #3 Feature Stabilization		\$5,000.00	\$500.00
3.7	Integrated Solution Training Plan	\$15,000.00		
3.7.1	End of System Configuration		\$7,500.00	\$750.00

3.7.2	End of Stage Gate #3 Feature Stabilization		\$7,500.00	\$750.00
3.8	Delivery and Acceptance of Organizational Change Management and Training	\$225,000.00		
3.8.1	End of System Configuration		\$112,500.00	\$11,250.00
3.8.2	End of Stage Gate #3 Feature Stabilization		\$112,500.00	\$11,250.00
4	Production Ready Software via live demonstration	\$400,000.00		
4.1	Installation and demonstration of Foundational Software		\$40,000.00	\$4,000.00
4.2	Production ready software via live demonstration delivered through 18 2-week sprints (\$20,000 per demonstration of production ready software).			
4.2.1	Iteration 1		\$20,000.00	\$2,000.00
4.2.2	Iteration 2		\$20,000.00	\$2,000.00
4.2.3	Iteration 3		\$20,000.00	\$2,000.00
4.2.4	Iteration 4		\$20,000.00	\$2,000.00
4.2.5	Iteration 5		\$20,000.00	\$2,000.00
4.2.6	Iteration 6		\$20,000.00	\$2,000.00
4.2.7	Iteration 7		\$20,000.00	\$2,000.00
4.2.8	Iteration 8		\$20,000.00	\$2,000.00
4.2.9	Iteration 9		\$20,000.00	\$2,000.00
4.2.10	Iteration 10		\$20,000.00	\$2,000.00
4.2.11	Iteration 11		\$20,000.00	\$2,000.00
4.2.12	Iteration 12		\$20,000.00	\$2,000.00
4.2.13	Iteration 13		\$20,000.00	\$2,000.00
4.2.14	Iteration 14		\$20,000.00	\$2,000.00
4.2.15	Iteration 15		\$20,000.00	\$2,000.00
4.2.16	Iteration 16		\$20,000.00	\$2,000.00
4.2.17	Iteration 17		\$20,000.00	\$2,000.00
4.2.18	Iteration 18		\$20,000.00	\$2,000.00
5	Six (6) Production Ready Comprehensive Child Welfare Information System Modules			
5.1	Administration Module – Production ready	\$1,192,308.00		
5.1.1	Administration Module – Stage Gate #1 Contract Requirements Validation Complete		\$142,500.00	\$14,250.00
5.1.2	Administration Module – Stage Gate #2 System Configuration Complete		\$427,500.00	\$42,750.00

5.1.3	Administration Module – Stage Gate #3 Feature Stabilization Complete		\$622,308.00	\$62,230.80
5.2	Intake/Referral and Investigation Module – Production Ready	\$807,500.00	\$807,500.00	\$80,750.00
5.3	Case Management Module – Production Ready	\$1,429,808.00		
5.3.1	Case Management Module – Stage Gate #1 Contract Requirements Validation Complete		\$190,000.00	\$19,000.00
5.3.2	Case Management Module – Stage Gate #2 System Configuration Complete		\$570,000.00	\$57,000.00
5.3.3	Case Management Module – Stage Gate #3 Feature Stabilization Complete		\$669,808.00	\$66,980.80
5.4	Eligibility and Financial Management Module – Production Ready	\$1,429,808.00		
5.4.1	Eligibility and Financial Management Module – Stage Gate #1 Contract Requirements Validation Complete		\$190,000.00	\$19,000.00
5.4.2	Eligibility and Financial Management Module – Stage Gate #2 System Configuration Complete		\$570,000.00	\$57,000.00
5.4.3	Eligibility and Financial Management Module – Stage Gate #3 Feature Stabilization Complete		\$669,808.00	\$66,980.80
5.5	Provider Management Module - Production Ready	\$1,372,808.00		
5.5.1	Provider Management Module – Stage Gate #1 Contract Requirements Validation Complete		\$178,600.00	\$17,860.00
5.5.2	Provider Management Module – Stage Gate #2 System Configuration Complete		\$535,800.00	\$53,580.00
5.5.3	Provider Management Module – Stage Gate #3 Feature Stabilization Complete		\$658,408.00	\$65,840.80
5.6	Court Processing Module – Production Ready	\$907,308.00		
5.6.1	Court Processing Module – Stage Gate #1 Contract Requirements Validation Complete		\$85,500.00	\$8,550.00
5.6.2	Court Processing Module – Stage Gate #2 System Configuration Complete		\$256,500.00	\$25,650.00
5.6.3	Court Processing Module – Stage Gate #3 Feature Stabilization Complete		\$565,308.00	\$56,530.80

5.7	Written Acceptance of Production System	\$249,500.00	\$249,500.00	\$24,950.00
6	Feature Stabilization Story Points	\$7,770,000.00	\$7,770,000.00	\$777,000.00
	Total	\$16,259,040.00	\$16,259,040.00	\$1,625,904.00

Feature Stabilization Story Points

Deliverable ID #6 – Feature Stabilization Story Points sets the maximum amount that may be paid for Feature Stabilization Story Points, as \$3,885.00 per point, for a total of 2,000 points. At the beginning of each sprint during the Feature Stabilization phase, a Sprint Governance document will be developed of which both State and Contractor must approve. The Sprint Governance document will contain, at minimum, the following information:

- Feature Stabilization Sprint ID
- Sprint start and end dates
- Planned number and summary description of story points
- Remaining total Feature Stabilization story points
- Maximum amount payable for all successful story points in the identified Sprint

Contractor may invoice the State monthly for any Feature Stabilization Story Points which have been approved according to the Statement of Work, Section 5.1.1 Acceptance of Feature Stabilization Story Points. Invoices for this phase must include the following:

- Feature Stabilization Sprint ID
- Jira ID for each successful story point
- Reference to the approved associated Sprint Governance document

CHANGE NUMBER FIVE

Add Section 7.2.2 Phase Management to the Statement of Work:

Contractor shall not overlap the System Configuration and Feature Stabilization phases. In the event the System Configuration phase extends into the Feature Stabilization phase, Contractor shall pay the State a penalty of \$25,000 per day until System Configuration phase is completed.

CHANGE NUMBER SIX

Change to section 2.1. TERM OF CONTRACT:

Original Language:

This contract shall begin on June 30, 2019 and shall end on June 29, 2022. 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.

Original language amended as follows:

This contract shall begin on June 30, 2019 and shall end on June 29, 2024, as the State exercised an option for two (2) additional year extensions. The total contract term, with extensions, shall not exceed five (5) years.

CHANGE NUMBER SEVEN

Change to Section 5.0 COMPENSATION AND MAXIMUM AMOUNT OF CONTRACT:

Original Language:

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a maximum fee of \$13,000,000.00 for the three (3) year term.

Original language amended as follows:

In consideration of the services required by this contract, State hereby agrees to pay to Contractor a maximum fee of \$23,169,040.00 for the five (5) year term.

This Amendment contains or has attached hereto all revised terms and conditions agreed upon by the parties. All other terms and conditions in the original Contract described above will remain the same.

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

CREATIVE INFORMATION TECHNOLOGY INC.

Alankar Joshi
Executive Vice President

Date

STATE OF LOUISIANA, DIVISION OF ADMINISTRATION

Jay Dardenne
Commissioner

Date

STATE OF LOUISIANA, DEPARTMENT OF CHILDREN AND FAMILY SERVICES

Eric Horent
Undersecretary

Date



Louisiana Board of Pharmacy

3388 Brentwood Drive
Baton Rouge, Louisiana 70809-1700



March 14, 2022

Joint Legislative Committee on the Budget
State Capitol
P.O. Box 44294, Capitol Station
Baton Rouge, LA 70804

**Re: Louisiana Prescription Monitoring Program (PMP) Contract Extension Request –
Fifth Year Term**

The Louisiana Prescription Monitoring Program (PMP) is an electronic database used to collect and monitor prescription data for all controlled substance prescriptions, as well as drugs of concern, dispensed by pharmacies in Louisiana or shipped to a Louisiana resident from a pharmacy located in another state. The PMP provides a mechanism by which prescribers and pharmacists can view their patients' controlled substance prescription history for the purpose of providing medical or pharmaceutical care.

Act 676 of the 2006 Louisiana Legislature authorized the creation of the Louisiana PMP. The goal of the program is to improve the state's ability to identify and inhibit the diversion of controlled substances and drugs of concern. The PMP was implemented in August 2008. Pharmacies were instructed how and when to transmit their dispensing transactions to the program vendor for assimilation into the PMP database. Prescribers, dispensers, and other persons authorized to access PMP information were instructed how to secure their access privileges. The web portal to the PMP database was opened to queries on January 1, 2009, and the program remains fully operational. The PMP is funded through a \$25 annual fee levied and collected from pharmacies and prescribers in possession of a state controlled substance license.

In 2017 the U.S. Department of Health and Human Services (HHS) declared the opioid epidemic a public health emergency. The Louisiana Legislature recognized the opioid problem in Louisiana back in 2006 and enacted the legislation which created the PMP. Addressing the opioid epidemic requires a multifaceted approach, there is no one solution. Prescribers and dispensers of controlled substances have come to rely on the PMP as one of the most vital tools used to address the opioid epidemic.

Since the program began operation we've implemented many enhancements and best practices such as interstate data sharing of PMP information, PMP information integration into electronic health record (EHR) and pharmacy management systems, patient clinical alerts to prescribers, prescriber reports, and the mandatory use compliance module. All these efforts were implemented to improve the PMP in order to save lives.

Joint Legislative Committee on the Budget

Louisiana PMP – Contract Extension Request – Fifth Year Term

Page 2

Our current PMP vendor, Bamboo Health, is the same vendor for 43 other PMPs, in states and territories. In recent years the state of Maine made the decision to transition from the Bamboo Health AWARxE PMP software to another vendor for their PMP solution. After several months of operating with both systems, Maine made the decision to retain the Bamboo Health PMP solution **“due to its superior performance, particularly related to issues of data validity, functionality, and reporting”**. (see attachment)

The term of the Louisiana PMP contract with Bamboo Health began January 1, 2019 for a period of twelve (12) months with an option to renew each year not to exceed sixty (60) months. Extension of the contract beyond the third year term requires JLCB approval. The fourth year term was approved by JLCB on August 13, 2021. This request is for the fifth year term and the cost sheet follows:

A. Software/Maintenance/Support Cost, Hosting Cost, and Data Collection Cost				
	<u>Bid Price</u>	<u>UOM</u>	<u>Qty.</u>	<u>Extended Price</u>
Year 1				
PMP AWARxE*	\$8,100.00	Per month	12	\$97,200.00
Additional Deliverables**	\$4,400.00	Per month	12	\$52,800.00
One-time fee ***	\$6,250.00	Per month	12	\$75,000.00
Year 2				
PMP AWARxE*	\$8,275.00	Per month	12	\$99,300.00
Additional Deliverables**	\$4,475.00	Per month	12	\$53,700.00
Year 3				
PMP AWARxE*	\$8,437.00	Per month	12	\$101,244.00
Additional Deliverables**	\$4,565.00	Per month	12	\$54,780.00
Year 4				
PMP AWARxE*	\$8,605.00	Per month	12	\$103,260.00
Additional Deliverables**	\$4,656.00	Per month	12	\$55,872.00
Year 5				
PMP AWARxE*	\$8,775.00	Per month	12	\$105,300.00
Additional Deliverables**	\$4,750.00	Per month	12	\$57,000.00
Total				\$855,456.00

* Annual Software/Maintenance/Support/Hosting and Data Collection Cost for the core PMP AWARxE SaaS license is reflected for Year's 1-5.

** Annual cost for additional deliverables to include Section 2.4.10 Mandatory Use Compliance, Section 2.4.11 Prescriber Report Cards, Section 2.4.12 Advanced PMP Analytics and 2.4.13 Clinical Alerts Module are separate deliverables and functions delivered independent of the core PMP AWARxE SaaS license. As such, there is a separate cost line item for the combined deliverables.

*** Indicates a one-time implementation cost in Year 1 to implement Mandatory Use Compliance, Prescriber Report Cards, Advanced PMP Analytics and Clinical Alerts Module.

Joint Legislative Committee on the Budget

Louisiana PMP – Contract Extension Request – Fifth Year Term

Page 3

The Louisiana Board of Pharmacy has been very pleased with the current PMP solution as well as the level of support and services provided by Bamboo Health. We hope to continue this relationship into the future, all in an effort to save Louisiana lives.

Sincerely,

Joe Fontenot
Executive Director - Designate

From: Maine Department of Health and Human Services <mehhs@subscriptions.maine.gov>

Sent: Thursday, February 11, 2021 10:56 AM

To: PMP Reporting <MedcoPMP@express-scripts.com>

Subject: [EXTERNAL] PMP News and Update

Dear PMP User,

Thank you for your patience and assistance during the PMP system transition. **We are writing to provide you with an important update regarding this transition.**

In August 2019, Maine DHHS made the determination to transition from the Appriss PMP system to a new PMP product offered by NIC/InforME: RxGov. This decision was based upon multiple factors, including the opportunity to access enhanced federal funding and the desire to enhance PMP reporting functionality. The new NIC/RxGov PMP was subsequently offered to Maine prescribers in the fall of 2020, while the Appriss AWAxRxE PMP remained functional and available to prescribers.

After fully exploring this opportunity over the past several months and soliciting input from Maine clinicians, **Maine DHHS has made the decision to retain the Appriss AWAxRxE PMP due to its superior performance, particularly related to issues of data validity, functionality, and reporting.** Examples of the desired functionality that remain available from the Appriss AWAxRxE PMP include the following:

- Printing of patient histories, both individual patients and groups of patients
- Ability to automatically view the use of controlled drugs from prescribers in Maine and New Hampshire, our contiguous state
- Robust patient matching to allow clinicians see all records associated with a single patient
- Availability of NarxCare, a visual clinical decision support tool that allows prescribers to see overlapping prescriptions of controlled substances and assess patient risk

In making this decision, DHHS is acutely aware of the need to minimize the administrative burden to Maine prescribers. Because the Appriss PMP system has remained fully operational throughout the transition period, prescribers currently enrolled in the Appriss PMP system will not be required to make any changes in their enrollment or registration. **Prescribers who are using the NIC/RxGov PMP system are encouraged to return to using the Appriss AWAxRxE PMP as soon as possible.**

All Maine healthcare providers, whether enrolled in the Appriss system or not, will receive emails with detailed Appriss PMP login instructions beginning in the next few days. **Please note that these emails will come from Appriss Health.**

As part of the reversion to the Appriss AWAxRxE PMP system, Maine DHHS looks forward to upcoming opportunities to engage PMP users in stakeholder engagement sessions to gather feedback on potential additional needs for enhanced PMP functionality, share existing solutions offered by the Appriss, and offer information about planned enhancements for the Appriss system. More information on those opportunities will be forthcoming soon. Questions about this transition or other aspects of the Maine PMP program can be directed to the Office of Behavioral Health PMP Team at: email: PMP@maine.gov or Phone: (207) 287-2595 Option 2.

Thank you,

Rebecca A. Taylor, Deputy Director



STATE OF LOUISIANA

Office of State Procurement

Vendor Number/Name/Address:
0310053976
APPRISS INC
9901 LINN STATION RD STE 500
LOUISVILLE, KY 40223

PURCHASE ORDER

Number: 2000625819
Version: 1
Date Issued: 01/11/2022
Fiscal Year: 2022
Buyer: JOHNETTE JACKSON
Phone: 225-342-8066
Email: johnette.jackson@la.gov

All terms and conditions in the solicitation are part of this order as if fully reproduced herein.

Deliver To:

BD - LA BOARD OF PHARMACY
3388 BRENTWOOD DRIVE
BATON ROUGE, LA 70809-1700

Invoice To Address:

Ship To Contact:

Terms of payment: Vendor Net 30

FOB Point: DESTINATION

Shopping Cart Number: _____

Bid Response Number: _____

Invitation to Bid: _____

Total Amount of PO: \$159,132.00

This contract is for the Louisiana Prescription Monitoring Program (PMP), an electronic program for the collection and storage of prescription transaction information relative to controlled substance, other drugs of concern, and medical marijuana products dispensed to Louisiana residents that is made available to authorized users for purposes recognized in the enabling legislation.

The term of this contract shall be for a period of twelve (12) months beginning January 1, 2022 and ending December 31, 2022.

Contract Documents Include:

Attachment A - Special Terms & Conditions - Pages 1-8

Attachment B - Specifications - Pages 1-13

Attachment C - Cost Sheet - Page 1

Attachment D - HIPAA Business Associate Addendum - Pages 1-3

Attachment E - Insurance Requirements for Contractors - Pages 1-4

In accordance with PST Log 19 10 004 & Solicitation 3000011372

Invoice Billing Address:

Louisiana Board of Pharmacy
3388 Brentwood Drive
Baton Rouge, Louisiana 70809-1700
Attention: Kelley Villeneuve
Office Manager
Email: kvilleneuve@pharmacy.la.gov

Purchase Order: 2000625819 Version: 1 Vendor: 310053976 APPRISS INC	Buyer: JOHNETTE JACKSON	Page 2 of 4
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LINE	DESCRIPTION	QTY	UOM	UNIT PRICE	EXTENDED AMOUNT
1	Product Category: 81112200 SERVICE DESCRIPTION: Prescription Monitoring Service Additional Deliverables 1/1/22 - 12/31/22 Required: From 01/01/2022 To 12/31/2022	12.000	MON	4,656.00000	55,872.00
2	Product Category: 81112200 SERVICE DESCRIPTION: Prescription Monitoring Service PMP AWARxE 1/1/22 - 12/31/22 Required: From 01/01/2022 To 12/31/2022	12.000	MON	8,605.00000	103,260.00

Purchase Order: 2000625819 Version: 1 Vendor: 310053976 APPRISS INC	Buyer: JOHNETTE JACKSON	Page 3 of 4
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THE FOLLOWING CONDITIONS, UNLESS OTHERWISE STATED IN THE BID DOCUMENT, WILL APPLY TO ALL ORDERS:

PAYMENT TO VENDORS - PAYMENT FOR GOODS AND/OR SERVICES PURCHASED BY THE STATE WILL ONLY BE MADE IN ACCORDANCE WITH THE FOLLOWING CONDITIONS:

1. INVOICES MUST REFERENCE THE STATE'S PURCHASE ORDER NUMBER AND REFLECT THE QUANTITY BILLED BY PURCHASE ORDER LINE NUMBER.
2. BILLS OF LADING, PACKING SLIPS, AND/OR OTHER RELATED SHIPPING PAPERS MUST REFERENCE THE STATE'S PURCHASE ORDER NUMBER AND REFLECT THE QUANTITY SHIPPED BY PURCHASE ORDER LINE NUMBER.

THE STATE IS NOT RESPONSIBLE FOR GOODS DELIVERED OR WORK DONE WITHOUT A WRITTEN ORDER. NO ALLOWANCE FOR BOXING OR CRATING. UNAUTHORIZED QUANTITIES IN EXCESS OF THIS ORDER WILL BE RETURNED OR HELD SUBJECT TO SHIPPER'S ORDER, EXPENSE AND RISK.

CONTRACTOR WARRANTS THAT THE MERCHANDISE TO BE FURNISHED HEREUNDER WILL BE IN FULL CONFORMITY WITH THE SPECIFICATION, DRAWING OR SAMPLE AND AGREES THAT THIS WARRANTY SHALL SURVIVE ACCEPTANCE OF THE MERCHANDISE AND THAT CONTRACTOR WILL BEAR THE COST OF INSPECTING REJECTED MERCHANDISE.

ALL REJECTED GOODS WILL BE HELD AT CONTRACTOR'S RISK AND EXPENSE, SUBJECT TO CONTRACTOR'S PROMPT . ADVICE AS TO DISPOSITION. UNLESS OTHERWISE ARRANGED, ALL REJECTED GOODS WILL BE RETURNED AT CONTRACTOR'S EXPENSE.

CONTRACTOR WILL, AT ITS EXPENSE, DEFEND THE STATE AGAINST ANY CLAIM THAT ANY MERCHANDISE TO BE FURNISHED HEREUNDER INFRINGES A PATENT OR COPYRIGHT IN THE UNITED STATES OR PUERTO RICO, AND WILL PAY ALL COST DAMAGES AND ATTORNEY'S FEES THAT A COURT FINALLY AWARDS AS A RESULT OF SUCH CLAIM.

COMPLIANCE WITH CIVIL RIGHTS LAWS.

THE CONTRACTOR AGREES TO ABIDE BY THE REQUIREMENTS OF THE FOLLOWING AS APPLICABLE: TITLE VI AND VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED BY THE EQUAL OPPORTUNITY ACT OF 1972, FEDERAL EXECUTIVE ORDER 11246, THE FEDERAL REHABILITATION ACT OF 1973, AS AMENDED, THE VIETNAM ERA VETERAN'S READJUSTMENT ASSISTANCE ACT OF 1974, TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, THE AGE ACT OF 1975, AND 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 AGREEMENT AND ANY CONTRACT ENTERED INTO AS A RESULT OF THIS AGREEMENT, WITHOUT REGARD TO RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, VETERAN STATUS, POLITICAL AFFILIATION, OR DISABILITIES. ANY ACT OF DISCRIMINATION COMMITTED BY CONTRACTOR, OR FAILURE TO COMPLY WITH THESE STATUTORY OBLIGATIONS WHEN APPLICABLE, SHALL BE GROUNDS FOR TERMINATION OF THIS AGREEMENT AND ANY CONTRACT ENTERED INTO AS A RESULT OF THIS AGREEMENT.

IN ACCORDANCE WITH LA R.S. 39:1602.1, FOR ANY CONTRACTS WITH A VALUE OF \$100,000 OR MORE AND FOR ANY VENDOR WITH 5 OR MORE EMPLOYEES, THE VENDOR CERTIFIES THAT IT IS NOT ENGAGING IN A BOYCOTT OF ISRAEL AND IT WILL, FOR THE DURATION OF ITS CONTRACTUAL OBLIGATIONS, REFRAIN FROM A BOYCOTT OF ISRAEL.

CONTRACT CANCELLATION

THE STATE OF LOUISIANA HAS THE RIGHT TO TERMINATE THE CONTRACT IMMEDIATELY FOR ANY OF THE FOLLOWING REASONS: (A) MISREPRESENTATION BY THE CONTRACTOR; (B) CONTRACTOR'S FRAUD, COLLUSION, CONSPIRACY OR OTHER UNLAWFUL MEANS OF OBTAINING ANY CONTRACT WITH THE STATE OF LOUISIANA; (C) CONFLICT OF CONTRACT PROVISIONS WITH CONSTITUTIONAL OR STATUTORY PROVISIONS OF STATE OR FEDERAL LAW; (D) ABUSIVE OR BELLIGERENT CONDUCT BY CONTRACTOR TOWARDS AN EMPLOYEE OR AGENT OF THE STATE; (E) CONTRACTOR'S INTENTIONAL VIOLATION OF THE PROCUREMENT CODE (LA. R.S. 39:1551 ET SEQ.) AND ITS CORRESPONDING REGULATIONS; OR, (F) ANY LISTED REASON FOR DEBARMENT UNDER LA. R.S. 39:1672.

THE STATE OF LOUISIANA MAY TERMINATE THE CONTRACT FOR CONVENIENCE AT ANY TIME (1) BY GIVING THIRTY (30)

DAYS WRITTEN NOTICE TO THE CONTRACTOR OF SUCH TERMINATION: OR (2) BY NEGOTIATING WITH THE CONTRACTOR AN EFFECTIVE DATE. THE STATE SHALL PAY CONTRACTOR FOR, IF APPLICABLE: (A) DELIVERABLES IN PROGRESS; (B) THE PERCENTAGE THAT HAS BEEN COMPLETED SATISFACTORILY; AND, (C) FOR TRANSACTION-BASED SERVICES UP TO THE DATE OF TERMINATION, TO THE EXTENT WORK HAS BEEN PERFORMED SATISFACTORILY.

THE STATE OF LOUISIANA HAS THE RIGHT TO TERMINATE THE CONTRACT FOR CAUSE BY GIVING THIRTY (30) DAYS WRITTEN NOTICE TO THE CONTRACTOR OF SUCH TERMINATION FOR ANY OF THE FOLLOWING NON-EXCLUSIVE REASONS: (A) FAILURE TO DELIVER WITHIN THE TIME SPECIFIED IN THE CONTRACT; (B) FAILURE OF THE PRODUCT OR SERVICE TO MEET SPECIFICATIONS, CONFORM TO SAMPLE QUALITY OR TO BE DELIVERED IN GOOD CONDITION; OR, (C) ANY OTHER BREACH OF CONTRACT.

AUTHORIZED SIGNATURE: _____



Agency Administrative Officer

Attachment A – Special Terms & Conditions
RFx 3000011372 / PO # 2000625819

This contract is for the Louisiana Prescription Monitoring Program (PMP), an electronic program for the collection and storage of prescription transaction information relative to controlled substances, other drugs of concern, and medical marijuana products dispensed to Louisiana residents that is made available to authorized users for purposes recognized in the enabling legislation.

The term of this contract shall be for a period of twelve (12) months beginning January 1, 2022 and ending December 31, 2022, with an option to renew for one (1) additional twelve (12) month period not to exceed sixty (60) months.

Prior to the extension of the contract beyond the 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 thirty-six (36) month term. Total contract time may not exceed sixty (60) months.

Definitions

- 1) **AHFS** – American Hospital Formulary Service
- 2) **ASAP** – American Society for Automation in Pharmacy
- 3) **Board** – Louisiana Board of Pharmacy
- 4) **CMS** – U.S. Center for Medicare & Medicaid Services
- 5) **DEA** – U.S. Drug Enforcement Administration
- 6) **DO** – Osteopathic Physician
- 7) **DPM** – Doctor of Podiatric Medicine
- 8) **EHR** – Electronic Health Record
- 9) **FDA** – Food and Drug Administration
- 10) **FBI** – Federal Bureau of Investigation
- 11) **HHS** - Health and Human Services
- 12) **HIPAA** – Health Insurance Portability and Accountability Act
- 13) **ITB** – Invitation to Bid
- 14) **Contractor** – The selected Bidder

- 15) **MD** – Medical Doctor
- 16) **MME** – Morphine Milligram Equivalent
- 17) **NDC**– National Drug Code
- 18) **NPI** – National Provider Identifier
- 19) **OIG** – Office of the Inspector General
- 20) **PMP** – Prescription Monitoring Program
- 21) **PMPi** – PMP InterConnect
- 22) **SSN** – Social Security Number

Prime Contractor Responsibilities

The contractor shall be required to assume responsibility for all items offered in his contract whether or not he produces them. Further, the State shall consider the contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

Software Maintenance

The State requires that software purchased in this contract be certified eligible for maintenance by the manufacturer, and maintenance be provided for the duration of the contract. The maintenance shall include support to be available from 8:00am through 5:00pm Central Time, Monday through Friday, inclusive of State Holidays, with a maximum of a 4 hour response time.

Insurance Requirements

Contractor shall furnish the State with certificates of insurance effecting coverage(s) as required by Attachment E to this contract. 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 State before work commences. The State reserves the right to require complete certified copies of all required policies at any time.

Mandatory Technical Requirements

Contractor is to be cautioned that all stated requirements are mandatory. This specification establishes the software, features, maintenance support and other technical requirements for the software listed in Attachment B - Specifications to this contract.

Software Requirements

The mandatory software requirements are described in Attachment B - Specifications.

Software Acceptability

Only the most recent version of the software listed in Attachment B – Specifications which shall be available for licensing or purchase on the date the bid was submitted shall be considered acceptable.

Product Support

Level of Maintenance

The contractor shall certify that the proposed software shall be eligible for manufacturer maintenance and shall be liable for all expenses required to obtain said eligibility.

Availability

The goal of the PMP is to provide a system that is continuously available to its users and provides information in a timely manner. Continuously available is defined as a minimum of ninety-nine percent (99%) up time, twenty-four (24) hours per day, seven (7) days per week, every day of the year. Timely manner is defined as the production of a report, on average, within three (3) seconds of the submission of a query to the program database. The contractor shall ensure any failures due to software or server or hosting issues shall not exceed two percent (2%); failure to maintain this level of service shall constitute cause for termination of the contract.

1. In the event ninety-nine percent (99%) up time is not maintained due to system failure for any consecutive two (2) month period, the Board shall provide written notice to the contractor.
2. The contractor shall be required to take the necessary action(s) to increase the up time to at least ninety-nine percent (99%) in the month subsequent to the written notification.
3. In the event the system does not achieve the required ninety-nine percent (99%) up time in any ninety (90) day period, excluding normally scheduled upgrades and maintenance, the contractor shall take one or more of the following actions unless the Board and the contractor agree the problem has been corrected and the system is in good working order: (1) provide a customer engineer for analysis and correction of the problem; or (2) provide back-up software, if available.
4. The contractor, at its option, may take any of the above actions prior to the third consecutive month.
5. Should the system fail to meet this performance standard within ninety (90) days of the implementation date, the contractor shall pay (or the Board may withhold from future payments to the contractor) liquidated damages in an amount equal to ten percent (10%) of the annual cost of the contract.

6. Should the system fail to meet this performance standard within one hundred and twenty (120) days of the implementation date, the Board may terminate the contract for cause.

Training

Contractor should include all training to be conducted at no cost to the State. Any additional training considered necessary by the contractor to insure efficient operation by State personnel shall be itemized in Attachment C – Cost Sheet of this contract.

Special Conditions and Contract Clauses

Fiscal Funding

In accordance with La. R.S. 39:1615 C. and E., any contract entered into by the State shall include the following Fiscal Funding Clause:

The continuation of the 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 or 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 are not appropriated.

The contractor should be aware that our legislative process is such that it is often impossible to give prior notice of the non-appropriation of funds.

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 this Agreement.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors in the performance of this contract, 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.

Contractor will indemnify, defend and hold the State 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, Materials or Services 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 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) State's unauthorized modification or alteration of a Product, Material or Service; (ii) State's use of the Service in combination with other products, materials, or services not furnished by Contractor; (iii) State'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 state'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 software 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 Agreement 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 for services rendered by the Contractor under the Contract.** Unless otherwise specifically enumerated herein 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 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.

Applicable Law

All contracts 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 (Louisiana Procurement Code) and La. R.S. 39:196-200 (Information Technology Procurement Code); purchasing rules and regulations; executive orders; standard terms and conditions; special terms and conditions; and specifications listed in this contract. 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 Controversies

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statute 39:1671 - 1673.

Security

Contractor's personnel will comply with all security regulations in effect at the State's premises, the Information Security Policy at: <http://www.doa.la.gov/Pages/ots/InformationSecurity.aspx> and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State shall provide such procedures to the Contractor, accordingly. Contractor is responsible for promptly reporting to the State any known breach of security.

Confidentiality

The following provision will apply unless the State Agency specifically indicates that all information exchanged will be non-confidential:

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 the contract, or which becomes available to the Contractor in carrying out the 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. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of the paragraph 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 the contract, or is rightfully obtained from third parties.

Assignment

No contractor shall assign any interest in the contract by assignment, transfer, or

novation, without prior written consent of the State of Louisiana, Commissioner of Administration. 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.

No other documents other than the ITB, contractor's bid and final contract shall be binding unless such document has been reviewed by the Procurement Support Team and approved by the Chief Procurement Officer.

No company letterhead or logo shall be allowed on a contract document.

Late Payments

Interest due by a State agency for late payments shall be in accordance with R.S. 39:1695 at the rates established in R.S. 13:4202.

Right to Audit

The Louisiana State Legislative Auditor, federal auditors and internal auditors of the Division of Administration ("DOA") or others so designated by the DOA shall have the option to audit all accounts directly pertaining to the contract for a period of five (5) years from the date of final payment, or as required by applicable State and Federal Law. Records shall be made available during normal working hours for this purpose.

Code of Ethics

The contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in the 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 the Contract.

Waiver

Waiver of any breach of any term or condition of the Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of the Contract shall be held to be waived, modified or deleted except by the written consent of both parties

Taxes

Any taxes, other than State and local sales and use taxes from which the State is exempt, shall be assumed to be included within the total cost.

Warranties

Contractor warrants that all services shall be performed in a workmanlike manner, and according to its current description contained in this Contract.

No Surreptitious Code Warranty. Contractor warrants that Contractor will make all commercially reasonable efforts not to include any Unauthorized Code in any software

provided hereunder. "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. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support.

Extent of Warranty:

THESE WARRANTIES REPLACE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Contract Modifications

No amendment or modification of the terms of the 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.

Severability

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 severable.

Record Retention

The Contractor shall maintain all records in relation to the contract for a period of at least five (5) years after final payment.

Attachment B - Specifications

1. Introduction

The Prescription Monitoring Program (PMP) of the Louisiana Board of Pharmacy (“Board”) has issued this contract for the collection, management and communication of electronic data relative to prescription transaction information for prescriptions for controlled substances, other drugs of concern, and medical marijuana products. The contractor will collect the data from the reporting entities, house the data in a secure site, and establish a secure web portal to facilitate automated communication for authorized users.

Act 676 of the 2006 Louisiana Legislature authorized the Board to develop, implement and operate an electronic system for the monitoring of controlled substances and other drugs of concern which are dispensed to state residents. The goal of the program is to improve the state’s ability to identify and inhibit the diversion of controlled substances and drugs of concern in an efficient and cost-effective manner that shall not impede the appropriate utilization of these drugs for legitimate medical purposes. The Board promulgated the necessary rules for the program in July 2007 [LAC 46:LIII. Chapter 29 – Prescription Monitoring Program]. Both the enabling statute and the rules have been amended over time to further streamline and improve the program operations.

The program began collecting data from dispensers in July 2008 and began responding to queries from authorized users in January 2009. On December 31, 2017, after nine (9) years of operation, the following parameters were noted:

- Approximately 1,700 pharmacies now report dispensing activity on a daily basis.
- The program has received approximately 117 million prescriptions and now averages approximately 1.1 million prescription transactions per month.
- Of the approximately 20,000 prescribers and 8,900 dispensers eligible to apply for authority to access the data, approximately 14,000 have done so. Those authorized users have performed about 14 million queries, now averaging 11,000 per day.
- Approximately eight state agencies, including the professional licensing agencies for the various prescribers and dispensers, as well as the federal DEA and state Medicaid office, have registered users in their offices, and those users generate approximately 200 queries per month.
- Approximately 100 federal, state, and local law enforcement agencies, prosecutorial officials, and specialty courts have registered users in their offices, and those users generate approximately 120 queries per month.

The operating funds for the program are provided by receipts of the annual program fee charged to all prescribers and dispensers of controlled substances.

2. Scope of Work

2.1 Data Collection

- 2.1.1 The contractor shall prepare and provide to the Board an electronic manual for dispensers containing instructions necessary to comply with the reporting requirements, including technical assistance.
- 2.1.2 The contractor shall have the capacity to receive electronic prescription information transmitted directly from the dispensers, seven (7) days a week, and twenty-four (24) hours per day.
- 2.1.3 The contractor shall collect the electronic data in the format established by the ASAP Telecommunications Format for Controlled Substances in Version 4.2, or its successor, receiving such data transmissions using an sFTP account, SSL website, or other agreed upon format.
- 2.1.4 The following data elements shall be collected for all controlled substance prescription transactions, other drugs of concern, and medical marijuana products identified by the Board:
 - 2.1.4.1 Prescriber's information, including but not limited to DEA registration number, with suffix if applicable, as assigned by the DEA, or in the alternative, the NPI number, as assigned by the U.S. Centers for Medicare & Medicaid Services (CMS).
 - 2.1.4.2 Patient's information, including name, address, date of birth, gender, identification number, and species.
 - 2.1.4.3 Prescription information, including prescription number, date of issuance, date of dispensing, number of refills authorized on the original prescription, refill number if applicable, and method of payment.
 - 2.1.4.4 Drug information, including National Drug Code (NDC) number or a state assigned product code for medical marijuana products, quantity dispensed, and days' supply.
 - 2.1.4.5 Dispenser information, including DEA registration number, or in the alternative, the NPI number or Board Permit number for Marijuana Pharmacies.
- 2.1.5 The contractor shall have the capability to accept a report of no (or zero; "zero report") prescriptions issued on a particular day and provide a report of those submissions to the program staff.

- 2.1.6 Dispensers under common ownership shall be permitted to submit their data in a single joint transmission, provided each dispenser is clearly identified for each prescription dispensed.
- 2.1.7 The contractor shall perform data checks to ensure the submitted data is compliant with the quality standards established and agreed upon by the Board and contractor relative to accuracy and completion.
- 2.1.8 When a dispenser's data file does not meet the quality standards for accuracy and completion, the contractor shall notify the dispenser, specifying the data deficiency, and ensure the dispenser corrects and resubmits the data. The contractor shall notify the Board when a dispenser fails to submit or resubmit data in a timely manner.
- 2.1.9 Submitted, non-erroneous, data shall be cleansed, validated, and loaded into the searchable database within twelve (12) hours of being submitted by the dispenser.
- 2.1.10 The contractor shall provide a mechanism which allows a dispenser to view and correct upload data which contained errors upon submission.
- 2.1.11 The contractor shall provide a mechanism which allows a dispenser to correct or modify prescription data previously entered into the PMP.
- 2.1.12 The contractor shall provide a mechanism which allows a dispenser to remove or delete a prescription previously entered into the PMP.
- 2.1.13 The contractor shall provide a mechanism which allows a dispenser to view the prescription data contained in the PMP for their pharmacy permit. The dispenser shall have the option to download the report in PDF or a CSV file.
- 2.1.14 The contractor shall have a toll-free telephone number and email address by which dispensers may contact the contractor to resolve problems and receive information concerning data transmission.
- 2.1.15 The contractor shall provide a method for program staff to:
 - 2.1.15.1 Sort and view a dispenser's list of uncorrected errors from data submissions by timeframe and to view the details of those errors.
 - 2.1.15.2 Sort and view the upload history of a dispenser by timeframe in order to monitor compliance with the reporting requirements.

2.1.16 The contractor shall provide a comprehensive report to program staff, upon request, of all uncorrected errors from data submissions for a specified timeframe which includes the identity of the dispenser (DEA number and name), prescription number, date filled, and error type.

2.1.17 The contractor shall be responsible for the conversion of any historical program data from previous contractor(s).

2.2 Data Management

2.2.1 The contractor shall collect and load data into the database, which will reside with the contractor on the contractor's servers within their own secure environment. The database and all of the data in the database shall belong to the Board.

2.2.2 When a dispenser reports to the system, the DEA registration numbers of the prescriber and dispenser are reported. The system shall be able to convert the DEA registration numbers to prescriber and dispenser name and address.

2.2.3 When a dispenser reports NPI numbers, in the alternative to DEA numbers, the system shall be able to convert the NPI numbers to prescriber and dispenser name and address.

2.2.4 When a Marijuana dispenser reports their Board permit number, in the alternative to a DEA number or NPI number, the system shall be able to convert the Board permit number to the dispenser name and address.

2.2.5 The system shall be able to convert National Drug Code (NDC) numbers to drug name, strength, dosage form, and controlled substance schedule, both at the point of data import and also retrospectively upon receiving NDC number updates. The contractor shall maintain a current reference source of NDC numbers.

2.2.6 The system shall be able to convert the state assigned product code for medical marijuana products to drug name, strength, and dosage form at the point of data import. The contractor shall maintain a list of state assigned product codes for medical marijuana products provided by the Board.

2.2.7 The system shall:

2.2.7.1 Provide data access, data management and data cleansing capabilities seamlessly integrated with data mining for ease of data analysis.

2.2.7.2 Provide geocoding of patients, prescribers, and dispenser locations to enable geographic analysis of the relationships to identify potential criminal activity or abuse.

2.2.7.3 Allow for querying of relational or multi-dimensional data.

2.2.8 The contractor shall describe the tools that will be provided to electronically assist in the identification of illegal and unprofessional activities.

2.3 Secure Web Services

2.3.1 The contractor shall provide a secure web site for access to the information in the database. Contractor shall include a description of same (including sample screen shot) in this contract.

2.3.2 The system shall comply with the privacy and security standards of the Health Insurance Portability and Accountability Act (HIPAA) of 1996 (See Attachment D) in addition to common Internet industry standards for privacy and security.

2.3.3 Only registered users approved by the Board shall be allowed to request program information.

2.3.4 The user roles of the system shall include but are not limited to the following:

Healthcare Professionals

- Physician (MD, DO)
- Physician Assistant
- Podiatrist (DPM)
- Psychologist
- Dentist
- Nurse Practitioner
- Optometrist
- Pharmacist
- Prescriber Delegate – Unlicensed
- Prescriber Delegate – Licensed
- Pharmacist's Delegate – Unlicensed
- Pharmacist's Delegate – Licensed
- Medical Intern/Resident

Law Enforcement

- DEA
- Drug Court
- FBI

- FDA
- Local Law Enforcement
- Attorney General
- HHS
- Medicaid Fraud Control Unit
- Multijurisdictional Task Force
- Probation
- OIG
- State Police
- VA Investigator
- State Prosecutor
- Homeland Security

Other

- Board of Medicine Investigator
- Board of Dentistry Investigator
- Board of Nursing Investigator
- Board of Pharmacy Investigator
- Licensing Board Investigator
- State Medicaid Program
- Peer Assistance Program / Recovering Health Professions
- Medical Examiner/Coroner
- Licensed Substance Abuse Addiction Counselor
- Administrator

- 2.3.5 The system shall provide an online user registration process by which prescribers and pharmacists are “auto-enrolled” for access. The auto-enrollment process will authenticate user registrations before providing access to the database. Authentication is based on the user’s date of birth, last four (4) digits of the user’s social security number (SSN), and individual access code. The Board will provide these fields of information to the contractor to facilitate authentication.
- 2.3.6 The system shall provide an online user registration process by which all user roles, except prescribers and pharmacists, must undergo an “administrative approval” for access.
- 2.3.7 The system shall permit multiple users to be on the system and in the same application at the same time.
- 2.3.8 The system shall permit a registered user to request and receive information, including automatic reports, via the Internet, without intervention by Board staff. The registered user shall have the option to download the report in PDF or a CSV file.

2.3.9 The system shall provide:

2.3.9.1 Log-in and log-off capability.

2.3.9.2 Log-in capability through the use of the registered user's email address and a password.

2.3.9.3 Registered users with the ability to change their passwords, and further, to reset a password which was forgotten, all without assistance from the contractor or the Board staff.

2.3.10 The system shall provide a method by which law enforcement officers as well as other specified user groups have the ability to create queries in which the results cannot be viewed or retrieved until approved by program staff as a result of an administrative authorization.

2.3.11 The system shall provide an online process by which specific user groups, as determined by the board, can establish delegate accounts for their agents, and further, shall provide a mechanism for the user to monitor the system activity of his delegates. The registered user shall have the ability to enable and disable their delegate's access.

2.3.12 The system shall provide the Board with the capability of communicating information of interest to registered users of the web-based program through broadcast alerts and an information section on the home page.

2.3.13 The system shall be interoperable with PMPi to facilitate interstate data sharing of information with other state prescription monitoring programs. The system user roles shall be configured to match the user roles established in the most current version of PMPi.

2.3.14 The system shall be interoperable with PMPi to integrate PMP information into electronic health records, pharmacy management systems, and health information exchanges.

2.4 Queries and Reports

2.4.1 The system shall create three basic queries: an individual patient query, a prescriber query, and a dispenser query. Program staff shall have the ability to customize each user role so as to determine which type of query can be generated by that role and whether or not there shall be an administrative approval built in. The user shall have the option to download the report in PDF or a CSV file. The format of all reports shall be approved by the Board.

- 2.4.2 The system shall provide the MME daily dose calculation for opioid prescriptions on reports.
- 2.4.3 Prescriber roles, which include Physicians, Physician Assistants, Podiatrist, Medical Psychologist, Optometrists, Nurse Practitioners, and Dentists, shall have the ability to create a “self-report” based on their DEA Registration number to view prescriptions filled where they were listed as the prescriber. The user shall have the option to download the report in a CSV file.
- 2.4.4 Users shall be able to view their requests history and that of their delegate(s) as well as the details of the requests.
- 2.4.5 Prescribers and pharmacists performing patient searches shall be able to perform multiple patient searches at once rather than one at a time. Users shall be able to enter multiple patient names manually and by an uploaded CSV file.
- 2.4.6 The system shall be able to identify the number of registered user requests by user type (role), reports based on the registered user requests, and system logins.
- 2.4.7 The system shall enable the Board to perform ad hoc queries to respond to requests from individual patients, professional licensing boards, local, state, or federal law enforcement agencies, and for statistical, research, or educational purposes.
- 2.4.8 The system shall produce automatic threshold reports on patients. The criteria consists of number of prescribers used and the number of dispensers used by the patient in a designated period of time. A report function for this activity is required and must allow for parameters to be modified.
- 2.4.9 The system shall generate alerts in the form of educational letters to prescribers and dispensers of patients who have been identified as exceeding specific threshold levels. Program staff shall have the ability to review a patient’s auto-populated prescription history report and choose whether an alert should be sent to specific prescribers and dispensers of that patient. The alert must have the ability to be sent to the prescriber or dispenser within the system.

2.4.10 Mandatory Use Compliance - The system shall produce reports to monitor compliance with mandatory use provisions on prescribers and dispensers as follows:

2.4.10.1 Mandatory Use Patient Request Match to Prescriber History
The system will query for each prescriber, determine which patients were prescribed the selected drug(s) for the configurable duration and/or supply and were not queried in the PMP (or through EHR interoperability) by the prescriber or the prescriber's delegate within the time period configured.

2.4.10.2. Mandatory Use Patient Request Match to Pharmacist History
The system will query for each pharmacist, determine which patients were dispensed the selected drug(s) for the configurable duration and/or supply and were not queried in the PMP (or through EHR interoperability) by the pharmacist or the pharmacist's delegate within the time period configured.

2.4.10.3. Mandatory Use Report
A role(s) can be configured to request a report on which patients were not requested in the PMP (or EHR interoperability) where a prescription was written by a specific prescriber or filled by a specific pharmacist by Provider DEA Number or other unique identifier (possibly NPI or License Number) and Fill Date range or Written Date range.

2.4.10.4. Mandatory Use Summary Report
A role or user can be configured to receive via email or Secure File Transfer Protocol (SFTP) an automated report which reports all healthcare providers or a configured subset of healthcare providers by role and their count of missed patients on a monthly basis.

2.4.10.5 Mandatory Use Report
A healthcare role(s) can be configured to request a report showing which patients the provider missed.

2.4.11 Prescriber Report Cards – The system shall create an individualized prescriber report on how they compare to their peers in the same specialty on measures of prescribing controlled substances, in particularly opioid and anxiolytic prescriptions, and electronically deliver to prescribers automatically on a quarterly basis, providing information regarding current prescribing volumes, behaviors, and PDMP use, as well as the ability to track changes in these metrics over time.

2.4.12 Advanced PMP Analytics – The system shall include a robust and ever-expanding suite of interactive pre-built dashboards, with drill-down capabilities, designed to provide administrative users easy access to answers for a multitude of questions.

Dashboards and analysis to be included in the product are:

- Dispensation detail by prescriber specialty, prescriber license, county (parish), and drug schedule
- PMP registration and activity detail
- Daily and total MME Distribution
- Buprenorphine Activity
- Overprescribing thresholds and prescriber outliers
- Geo-analysis and mapping of patient, prescriber, and pharmacy
- Patient overutilization thresholds and outliers
- Pharmacy compliance of data submission and error analysis
- Proactively monitor prescription metrics, prescriber activity, and Morphine Milligram Equivalent (MME) levels to set state, county (parish), and zip code thresholds
- Monitor the percentage of opioid prescriptions statewide over 100 MME using quick filters to analyze active drug ingredients, short acting/long acting, prescriber name.
- Top ranking of prescribers and dispensers by number of prescriptions and by number of dosage units (qty) by timeframe specified by user. Including the ability to filter by AHFS drug class and state.
- Top ranking prescription volume by generic name, label name, and NDC, measured by number of prescriptions and dosage units (qty) by timeframe specified by user. Including the ability to filter by drug schedule and AHFS drug class.
- Year over Year (YoY) prescription counts by county (parish) by year and month. Including the ability to filter by drug schedule and AHFS drug class.

- Detailed reporting capabilities of PMP Interconnect utilization by state and user roles.
- Detailed reporting capabilities of integration with electronic health records, pharmacy management systems, and health information exchanges.

2.4.13 Clinical Alerts Module – the system shall provide a Clinical Alerts module which allows custom configuration of automated alerts and/or notifications for registered Prescribers. When enabled, alerts should run on a schedule configured by the Admin in the background delivering custom alerts and notifications (if configured) without the need for manual input from the PMP State Administrator.

- a. Alert types shall include:
 1. Prescriber & Dispenser Thresholds
 2. Daily Active MME Threshold
 3. Opioid & Benzodiazepine Threshold
 4. Daily Active Methadone Threshold
 5. Opioid Consecutive Days Threshold
- b. Alert methods shall include:
 1. Patient alert to the prescriber within the system
 2. Email notification
 3. Letter notification

2.4.14 The system shall provide an audit trail based on user and time frame.

3. Requirements & Qualifications

- 3.1 Contract shall be specific regarding the measures for implementation and ongoing operation of the project, and should include:
 - a. Evidence of ability to meet required timelines.
 - b. Measures to assure security and privacy of data.
 - c. A quality assurance plan detailing how the database will be maintained and archival procedures.
 - d. A disaster recovery plan for data pertaining to this bid in the event the program is unavailable due to human error, equipment failure, or a natural disaster.
 - e. Ability to provide continuing technical assistance for dispensers and the Board.

- f. Training for system use for authorized Board personnel.
 - g. Sample reports
- 3.2 Contract shall outline objectives and describe how progress will be measured for each stage of implementation and operation. The following timeline shall be met:
- a. The following items shall be submitted to the Board for acceptance within fifteen (15) days of contract execution:
 - 1. An administrative manual containing technical descriptions of system components and instructions for the system.
 - 2. The final protocol for collecting dispenser data, including a user manual containing validation rules, business rules, and instructions on how to respond to system-generated error messages and other exceptions.
 - b. The following items shall be submitted to the Board for acceptance within thirty (30) days of contract execution:
 - 1. The developed database
 - 2. Final report formats
 - 3. Policies and procedures for submitting data requests and for receiving data in response to those requests.
 - 4. Protocols for the secure web-based interface.
 - c. The contractor shall attend periodic meetings, either in person or by teleconference as mutually agreed by both the contractor and the Board, to review the contractor's performance.
- 3.3 Contractor shall demonstrate at least two (2) years' experience in the implementation and management of at least three (3) large-scale prescription monitoring programs as described in the scope of work. Contractor shall describe their experience as the primary contractor on other large scale projects involving data collection, database development, and web systems. The contractor shall include an organization chart and brief history of the organization, description of the experience that the organization and staff have with prescription monitoring programs and other projects that are similar in size and scope, description of the software used and the staff's experience in its use.

- 3.4 Contractor shall provide curricula vitae, including qualifications and contact information, for key staff responsible for the project.
- 3.5 Contractor shall provide details of any pertinent judgment, criminal conviction, investigation, or litigation pending or in the future against it or any of its officers, directors, employees, agents, or subcontractors of which it has knowledge. If no such judgment, conviction, investigation or litigation exists, the contractor shall provide a statement, signed by its President or Chief Executive Officer, that none exists.
- 3.6 Contractor shall provide a minimum of three (3) references for services related to those requested in this contract. Each reference should include the name of the organization, the mailing address, and the name, email address and telephone number of the contact person.

ATTACHMENT C – Cost Sheet

A. **Software/Maintenance/Support Cost, Hosting Cost, and Data Collection Cost**

	<u>Bid Price</u>	<u>UOM</u>	<u>Qty.</u>	<u>Extended Price</u>
<u>Year 1</u>				
PMP AWARxE*	\$8,100.00	Per month	12	\$97,200.00
Additional Deliverables**	\$4,400.00	Per month	12	\$52,800.00
One-time fee ***	\$6,250.00	Per month	12	\$75,000.00
<u>Year 2</u>				
PMP AWARxE*	\$8,275.00	Per month	12	\$99,300.00
Additional Deliverables**	\$4,475.00	Per month	12	\$53,700.00
<u>Year 3</u>				
PMP AWARxE*	\$8,437.00	Per month	12	\$101,244.00
Additional Deliverables**	\$4,565.00	Per month	12	\$54,780.00
<u>Year 4</u>				
PMP AWARxE*	\$8,605.00	Per month	12	\$103,260.00
Additional Deliverables**	\$4,656.00	Per month	12	\$55,872.00
<u>Year 5</u>				
PMP AWARxE*	\$8,775.00	Per month	12	\$105,300.00
Additional Deliverables**	\$4,750.00	Per month	12	\$57,000.00
Total				<u>\$855,456.00</u>

* Annual Software/Maintenance/Support/Hosting and Data Collection Cost for the core PMP AWARxE SaaS license is reflected for Year's 1-5.

** Annual cost for additional deliverables to include Section 2.4.10 Mandatory Use Compliance, Section 2.4.11 Prescriber Report Cards, Section 2.4.12 Advanced PMP Analytics and 2.4.13 Clinical Alerts Module are separate deliverables and functions delivered independent of the core PMP AWARxE SaaS license. As such, there is a separate cost line item for the combined deliverables.

*** Indicates a one-time implementation cost in Year 1 to implement Mandatory Use Compliance, Prescriber Report Cards, Advanced PMP Analytics and Clinical Alerts Module.

Attachment D

HIPAA Business Associate Addendum

This Business Associate Addendum is hereby made a part of this contract in its entirety as Attachment III to the contract.

1. The U. S. Department of Health and Human Services has issued final regulations, pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), governing the privacy of individually identifiable health information. See 45 CFR Parts 160 and 164 (the "HIPAA Privacy Rule"). The Board of Pharmacy, ("LBP"), as a "Covered Entity" as defined by HIPAA, is a provider of health care, a health plan, or otherwise has possession, custody or control of health care information or records.

2. "*Protected health information*" ("PHI") means individually identifiable health information including all information, data, documentation and records, including but not limited to demographic, medical and financial information that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual or payment for health care provided to an individual; and that identifies the individual or which LBP believes could be used to identify the individual.

"*Electronic protected health information*" means PHI that is transmitted by electronic media or maintained in electronic media.

"*Security incident*" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

3. Contractor is considered a Business Associate of LBP, as contractor either: (A) performs certain functions on behalf of or for LBP involving the use or disclosure of protected individually identifiable health information by LBP to contractor, or the creation or receipt of PHI by contractor on behalf of LBP; or (B) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, financial or social services for LBP involving the disclosure of PHI.

4. Contractor agrees that all PHI obtained as a result of this contractual agreement shall be kept confidential by contractor, its agents, employees, successors and assigns as required by HIPAA law and regulations and by this contract and addendum.

5. Contractor agrees to use or disclose PHI solely (A) for meeting its obligations under this contract, or (B) as required by law, rule or regulation or as otherwise permitted under this contract or the HIPAA Privacy Rule.

6. Contractor agrees that at termination of the contract, or upon request of LBP, whichever occurs first, contractor will return or destroy (at the option of LBP) all PHI received or created by contractor that contractor still maintains in any form and retain no copies of

such information; or if such return or destruction is not feasible, contractor will extend the confidentiality protections of the contract to the information and limit further uses and disclosure to those purposes that make the return or destruction of the information infeasible.

7. Contractor will ensure that its agents, employees, subcontractors or others to whom it provides PHI received by or created by contractor on behalf of LBP agree to the same restrictions and conditions that apply to contractor with respect to such information. Contractor also agrees to take all reasonable steps to ensure that its employees', agents' or subcontractors' actions or omissions do not cause contractor to breach the terms of this Addendum. Contractor will use all appropriate safeguards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of this contract and Addendum.

8. Contractor shall, within 3 days of becoming aware of any use or disclosure of PHI, other than as permitted by this contract and Addendum, report such disclosure in writing to the person(s) named in section 14 (Terms of Payment), page 1 of the CF-1.

9. Contractor shall make available such information in its possession which is required for LBP to provide an accounting of disclosures in accordance with 45 CFR 164.528. In the event that a request for accounting is made directly to contractor, contractor shall forward such request to LBP within two (2) days of such receipt. Contractor shall implement an appropriate record keeping process to enable it to comply with the requirements of this provision. Contractor shall maintain data on all disclosures of PHI for which accounting is required by 45 CFR 164.528 for at least six (6) years after the date of the last such disclosure.

10. Contractor shall make PHI available to LBP upon request in accordance with 45 CFR 164.524.

11. Contractor shall make PHI available to LBP upon request for amendment and shall incorporate any amendments to PHI in accordance with 45 CFR 164.526.

12. Contractor shall make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by contractor on behalf of LBP available to the Secretary of the U. S. DHHS for purposes of determining Dahl's compliance with the HIPAA Privacy Rule.

13. Compliance with Security Regulations: In addition to the other provisions of this Addendum, if Contractor creates, receives, maintains, or transmits electronic PHI on LBP's behalf, Contractor shall:

(A) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of LBP;

(B) Ensure that any agent, including a subcontractor, to whom it provides such information agrees to implement reasonable and appropriate safeguards to protect it; and

(C) Report to LBP any security incident of which it becomes aware.

14. Contractor agrees to indemnify and hold LBP harmless from and against all liability and costs, including attorneys' fees, created by a breach of this Addendum by contractor, its agents, employees or subcontractors, without regard to any limitation or exclusion of damages provision otherwise set forth in the contract.

15. Notwithstanding any other provision of the contract, LBP shall have the right to terminate the contract immediately if LBP determines that contractor has violated any material term of this Addendum.

ATTACHMENT E - INSURANCE REQUIREMENTS FOR CONTRACTORS

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. 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.

4. 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 24 months, with full reinstatement of limits, from the expiration date of the policy.

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 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 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 and Automobile 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 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
La Board of Pharmacy, Its Officers, Agents, Employees and Volunteers
3388 Brentwood Drive, Baton Rouge, LA 70809-1700
Louisiana Prescription Monitoring Program (PMP)
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.

H. INDEMNIFICATION/HOLD HARMLESS AGREEMENT

1. Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Contractor, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.
2. Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent. The State of Louisiana may, but is not required to, consult with the Contractor in the defense of claims, but this shall not affect the Contractor's responsibility for the handling of and expenses for all claims.

LDH LEGISLATIVE FACT SHEET

Statistical Resources, Inc. (HCBS Data & EVV System) Contract Extension

CONTRACT OVERVIEW:

- Statistical Resources, Inc. (SRI) has contracted with Louisiana since 1995 for Home and Community Based Services (HCBS) data management services. These services include software development, database management, ad hoc reporting and statistical data analysis for:
 - Managing service delivery and utilization of HCBS waiver and state plan services for 30,000+ recipients supported by 600+ provider agencies
 - Issuance of 75,000+ prior authorizations annually which results in the post authorization of 11,000,000+ individual HCBS services annually to monitor for fraud, waste and abuse
 - Targeted case management designed to ensure compliance with Chisholm settlement
 - Managing several Request for Services Registries for a combined total of 25,000+ individuals and making waiver offers as slots become available
 - Management of the State's Money Follows the Person program
 - Functionality to support Louisiana's 1915(c) waiver quality assurance monitoring and reporting as required by CMS
 - Support to the Medicaid Program Integrity, Surveillance and Utilization Review Subsystem (SURS), and the State's Attorney General in identifying and preventing fraud, waste, and abuse in HCBS, including fraud detection integrated into the electronic visit verification (EVV) and post authorization processes.

CONTRACT BACKGROUND:

- LDH began a Request for Proposal (RFP) process in June 2020 and issued a RFP in May of 2021 for HCBS Data Management and the electronic visit verification (EVV) contract.
 - Should a new vendor be selected, the start date of services will be January 2024.
- External factors causing delays:
 - This was the first time issuing a RFP for the entire scope of work (EVV and other sections newly added).
 - The RFP took about eight months to draft and an additional three months for Legal, CMS, and OSP approval to publish.
 - On June 7th and October 5th, rounds of Q&A were offered due to the volume of questions received.
 - On July 7, 2021, a protest of the solicitation was filed by one proposer which temporarily stopped work.
 - On November 12, 2021, proposals were received but evaluation was delayed due to Legal's concerns with the proposals.
 - RFP review began in early January 2022 and ended in early February.
 - As of April 4, 2022, an award recommendation has not been approved by Legal.
- The current SRI contract is a three-year information technology services contract.
 - Extending the contract for an additional two years will not exceed the five-year period for this type of contract per R.S. 39-198.

LDH LEGISLATIVE FACT SHEET

Statistical Resources, Inc. (HCBS Data & EVV System) Contract Extension

- Prior sole source requests for this contract were approved in 2016 and 2019 due largely to the inability of other vendors to assume these responsibilities.
- In 2017, an amendment to include EVV services was added to the contract's scope of work (SOW).
- Justification
 - The current HCBS Data and EVV system provides an EVV solution which complies with H.R.34, the 21st Century Cures Act.
 - This Act was signed into law on December 13, 2016 and requires all states to implement an EVV system or the federal medical assistance percentage (FMAP) shall be reduced for these services.
 - The current contract hosts and maintains Louisiana Department of Health's (LDH) sponsored EVV system.
 - Utilizing the two-year extension option rather than the one-year option, LDH will be better positioned to successfully implement the HCBS Data and EVV System should a change in vendor occur.
 - The current schedule for implementation based on the status of the RFP process is as follows:
 - Evaluation of proposals begins in January 2022
 - Notice of intent to award – May 2022
 - Final approval of contract - November 2022
 - System implementation with no protest when Notice of Intent to Award is announced:
 - If the current contractor is awarded, the intent to award is issued in November 2022
 - If the new contractor is awarded, the announcement would be in January 2024 barring any serious system implementation difficulties.
 - LDH does not have the in-house capability to manage an HCBS Data Management and EVV system, or provide these services to 30,000+ recipients and 600+ providers.
 - This is a complex system which manages millions of service records through a complicated prior and post authorization process, and would require a substantial amount of programming and technical support if managed by LDH or the Office of Technology Services (OTS), neither of which could be accomplished prior to the expiration of the current contract.

FISCAL IMPACT:

- The anticipated cost of this extension reflects the same cost per year with no increases for services beyond extending the contract period of current services.
 - Start Date - July 1, 2019
 - End Date – June 30, 2022
 - Requested Extension – July 1, 2022 – June 30, 2024
 - Extension Amount – \$12,682,251
 - Total Contract Amount - \$31,121,763

LDH LEGISLATIVE FACT SHEET

Statistical Resources, Inc. (HCBS Data & EVV System) Contract Extension

- Failure to maintain the current systems in place through approval of the contract extension would result in the suspension of payment to more than six hundred HCBS direct service providers because the prior and post authorization of services would be delayed until a suitable alternative was in place.
 - Direct service providers are unable to pay direct service workers if their reimbursement is delayed.
 - This would result in suspension of vital in-home services and supports to the 30,000+ highly vulnerable individuals with substantial medical needs, and LDH will be in immediate jeopardy for:
 - Suspension of federal funding for all Medicaid HCBS
 - Violation of the Americans with Disabilities Act (ADA) Integration Mandates and various Medicaid regulations
 - Discontinuation of essential home-based care for 30,000+ individuals, thereby placing them at immediate risk of institutionalization
 - LDH does not have adequate institutional capacity to absorb these individuals.

Office of State Procurement
State of Louisiana
Division of Administration


JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

March 31, 2022

TO: Mr. Patrick Gillies
Louisiana Department of Health
Medicaid Executive Director

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

RE: OSP Approval for JLCB
LaGov PO/Contract # 2000428313/Amendment 3
Statistical Resources, 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 Pam Rice at OSP.

AMENDMENT TO
AGREEMENT BETWEEN STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Amendment #: 3
LAGOV#: 2000428313
LDH #: 060429

MVA Medical Vendor Administration
(Regional/ Program/ Facility) Bureau of Health Services Financing
AND
Statistical Resources, Inc.
Contractor Name

Original Contract Amount \$17,405,059.00
Original Contract Begin Date 07-01-2019
Original Contract End Date 06-30-2022
RFP Number: N/A

AMENDMENT PROVISIONS

Change Contract From: From Maximum Amount: 18,439,511.84 Current Contract Term : 7/01/2019-6/30/2022

Maximum Contract Amount: \$18,439,511.84 (as approved)
Contract end date 8/30/2022 (as approved)

Change Contract To: To Maximum Amount: 31,121,762.53 Changed Contract Term: 07/01/2019-06/30/2024

Maximum Contract Amount: \$31,121,762.53 (as revised)
Contract end date 6/30/2024 (as revised)

Justifications for amendment:

The contract between LDH, Medicaid and Statistical Resources, Inc. (SRI) is a statewide contract for the provision of data management for comprehensive HCBS services. This amendment will extend the current SRI contract through June 30, 2024, to ensure continuity of HCBS Data Management and EVV services as LDH continues the process for selecting a vendor through the Request for Proposal process and to allow time for system conversion should a new vendor be selected.

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
Statistical Resources, Inc.

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH
Secretary, Louisiana Department of Health or Designee

CONTRACTOR SIGNATURE DATE
PRINT NAME Steven Buco
CONTRACTOR TITLE President

SIGNATURE DATE
NAME Patrick Gillies
TITLE Medicaid Executive Director
OFFICE Medicaid

PROGRAM SIGNATURE DATE
NAME

Payment Terms

COST:

- A. Included in the estimated percentage breakdown below are all costs estimated to be associated with the project, including the personnel, development, maintenance programming, system maintenance changes, computer equipment, office supplies and other overhead costs (rent, utilities, insurance, etc.), training, technical assistance, user assistance, and postage.

The monthly cost is broken out into the following estimated service task totals with a percentage of the cost broken down by specific population (where appropriate):

BASE CONTRACT BREAKOUT FOR YEARS 1, 2, AND 3	RFSR	PRIOR AUTHORIZATION	DATA ANALYSIS	USER SUPPORT / PROVIDER BILLING SUPPORT	TECHNICAL SUPPORT / SYSTEM CHANGES	PROGRAMMATIC SUPPORT	MONTHLY LINE TOTAL	ANNUAL LINE TOTAL
NOW	16,638.73	43,596.66	1,356.70	16,207.71	2,066.44		79,866.24	958,394.88
CC	127.35	2,527.14	1,356.70	2,496.61	1,239.87		7,747.67	92,972.04
ACT 421	3,500		750.00		315.00		4,565.00	54,780.00
EPSDT		230.21	271.34		5,100.55	10,767.91	16,370.01	196,440.12
SUPPORTS WAIVER	127.35	2,743.93	1,356.70	2,981.26	826.58		8,035.82	96,429.84
COMMUNITY CHOICES	14,354.08	11,512.23	1,356.70	5,565.86	2,066.44		34,855.31	418,263.72
ADHC WAIVER	5,038.64	3,708.22	1,356.70	2,050.00	413.29		12,566.85	150,802.20
LT-PCS		5,780.29	1,356.70	3,110.34	826.58		11,073.91	132,886.92
MFP		7,000.75					7,000.75	84,009.00
RESIDENTIAL OPTIONS WAIVER		1,841.27	1,356.70	1,881.01	826.58		5,905.56	70,866.72
FRAUD DETECTION / BLOCKING / PROVIDER CHECKS							10,325.00	123,900.00
TOTAL							198,312.12	2,379,745.55

Attachment C
Statistical Resources, Inc.
LaGov #2000428313

BASE CONTRACT BREAKOUT FOR YEARS 1, 2, AND 3	RFSR	PRIOR AUTHORIZATION	DATA ANALYSIS	USER SUPPORT / PROVIDER BILLING SUPPORT	TECHNICAL SUPPORT / SYSTEM CHANGES	PROGRAMMATIC SUPPORT	MONTHLY LINE TOTAL
NOW	8.59%	22.50%	0.70%	8.37%	1.07%		41.22%
CC	0.07%	1.30%	0.70%	1.29%	0.64%		4.00%
EPSDT		0.12%	0.14%		2.63%	5.56%	8.45%
SUPPORTS WAIVER	0.07%	1.42%	0.70%	1.54%	0.43%		4.15%
COMMUNITY CHOICES	7.41%	5.94%	0.70%	2.87%	1.07%		17.99%
ADHC WAIVER	2.60%	1.91%	0.70%	1.06%	0.21%		6.49%
LT-PCS		2.98%	0.70%	1.61%	0.43%		5.72%
MFP		3.61%					3.61%
RESIDENTIAL OPTIONS WAIVER		0.95%	0.70%	0.97%	0.43%		3.05%
FRAUD DETECTION / BLOCKING / PROVIDER CHECKS							5.33%
TOTAL	18.73%	40.74%	5.04%	17.70%	6.90%	5.56%	100.00%

B. Electronic Visit Verification – LASRS

OAAS supports over 20,000 persons in the LT-PCS program, Community Choices, and Adult Day Health Care Waiver. OCDD supports over 12,000 persons across all four waivers, NOW, Children’s Choice, Supports, and the ROW. While in many instances there might be one worker clocking in/out, there are many instances in which persons have more than one staff and there would be a transaction in/out expense for each staff person clocking in/out with the person supported. For example, someone that is receiving 24 hours of support, could have up to 5 staff persons working in the home with them. There would be a transaction in/out fee associated with each staff person that clocked in/out on any given day. Below includes current transactions for each program. The number of transactions will fluctuate across each program each year due to the number of persons served in each program and the number of staff. Chart I shows the transactions for center based and transportation EVV at a fixed cost for Year 1, 2, & 3 of the contract. Chart II shows in home services, transactions and cost, and Chart III is a summary of all costs.

Chart I: Center Based & Transportation		
Waiver	Transactions	Cost
NOW	1,289,943	\$ 296,687
CC Waiver	734	\$ 169
Supports Waiver	555,604	\$ 127,789
ROW	43,327	\$ 9,965
AHDC	102,182	\$ 23,502
CCW	0	
TOTAL		\$ 458,112

Chart II: YEAR 1 IN HOME EVV COSTS		
SERVICE GROUP	Anticipated # of service records/ transactions	Anticipated cost at \$0.23 per service record
New Opportunities Waiver (NOW)		
IFS services and nursing services	6,392,365	\$1,470,243.95
SIL	312,596	\$71,897.08
Children's Choice (CC) Waiver		
IFS services and emods	241,868	\$55,629.64
SE and center-based services		
Respite		
IFS services	17,258	\$3,969.34
Habilitation	6,949	\$1,598.27
Residential Options Waiver (ROW)		
IFS services	88,513	\$20,357.99
Adult Day Health Care Waiver (ADHC)		
Center-based services		\$0.00
Community Choices Waiver (CCW)		
PAS and up/tuck and T1005	1,446,682	\$332,736.86
Long Term- Personal Care Services (LT-PCS)		
LTPCS	3,481,634	\$800,775.82
Conduent and OAAS		
	21,242	\$4,885.66
	12,009,107	\$2,762,094.61

Chart III: SUMMARY OF CONTRACT COSTS (updates highlighted)

YEAR I (July 2019 - June 2020)	
BASE CONTRACT	\$ 2,324,965.44
CENTER-BASED EVV	\$ 458,112.01
IN-HOME EVV	\$ 2,762,094.61
<i>ESTIMATED COST OF EPSDT PCS TRACKING(@\$.23/service) - (based on 9 months with O</i>	\$ 58,453.54
ESTIMATED COST OF SUPPORT COORDINATION SERVICE TRACKING (@\$.23/servi	\$ 93,355.85
TOTAL	\$ 5,696,981.45
YEAR 2 (July 2020 - June 2021)	
BASE CONTRACT	\$ 2,324,965.44
ACT 421 Registry (6 months)	\$ 27,390.00
CENTER-BASED EVV	\$ 458,112.01
IN-HOME EVV (including a 2.5% increase in waiver participants)	\$ 2,831,146.98
ESTIMATED COST OF EPSDT SERVICE TRACKING (@\$.23/service) (12 months)	\$ 102,033.33
ESTIMATED COST OF SUPPORT COORDINATION SERVICE TRACKING (@\$.23/servi	\$ 93,355.85
EVV System Certification	\$ 280,348.00
TOTAL	\$ 6,117,351.61
YEAR 3 (July 2021 - June 2022)	
BASE CONTRACT	\$ 2,324,965.44
ACT 421 Registry	\$ 54,780.00
CENTER-BASED EVV	\$ 458,112.01
IN-HOME EVV (including a 2.5% increase in waiver participants)	\$ 2,901,925.65
ESTIMATED COST OF EPSDT SERVICE TRACKING (@\$.23/service) (12 months)	\$ 102,033.33
ESTIMATED COST OF SUPPORT COORDINATION SERVICE TRACKING (@\$.23/servi	\$ 93,355.85
ESTIMATED COST OF OBH-CPST & PSR (6 months)	\$ 253,102.00
ESTIMATED COST FOR DOJ PCA (6 months)	\$ 18,917.50
EVV System Certification	\$ 417,987.00
TOTAL	\$ 6,625,178.78
Total Amount	\$ 18,439,511.84

Attachment C
Statistical Resources, Inc.
LaGov #2000428313

YEAR 4 (July 2022 - June 2023)		
BASE CONTRACT	\$	2,324,965.44
CENTER-BASED EVV	\$	458,112.01
IN-HOME EVV (including a 2.5% increase in waiver participants)	\$	2,974,473.79
ESTIMATED COST OF EPSDT SERVICE TRACKING	\$	102,033.33
ESTIMATED COST OF SUPPORT COORDINATION SERVICE TRACKING	\$	93,355.85
ESTIMATED COST OF OBH-CPST & PSR	\$	-
ESTIMATED COST FOR DOJ PCA	\$	37,835.00
ESTIMATED COST FOR HOME HEALTH	\$	313,169.00
TOTAL	\$	6,303,944.42
YEAR 5 (July 2023 - June 2024)		
BASE CONTRACT	\$	2,324,965.44
CENTER-BASED EVV	\$	458,112.01
IN-HOME EVV (including a 2.5% increase in waiver participants)	\$	3,048,835.64
ESTIMATED COST OF EPSDT SERVICE TRACKING	\$	102,033.33
ESTIMATED COST OF SUPPORT COORDINATION SERVICE TRACKING	\$	93,355.85
ESTIMATED COST OF OBH-CPST & PSR	\$	-
ESTIMATED COST FOR DOJ PCA	\$	37,835.00
ESTIMATED COST FOR HOME HEALTH	\$	313,169.00
TOTAL	\$	6,378,306.27
TOTAL EXTENSION AMOUNT	\$	12,682,250.69
MAXIMUM CONTRACT AMOUNT	\$	31,121,762.53

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	Tax Transfers to UI Tax Fund	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

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Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	Tax Transfers to UI Tax Fund	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

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Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	Tax Transfers to UI Tax Fund	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	Tax Transfers to UI Tax Fund	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	Tax Transfers to UI Tax Fund	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	Tax Transfers to UI Tax Fund	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	Tax Transfers to UI Tax Fund	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	Tax Transfers to UI Tax Fund	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	\$273,700.00	\$0.00	3,130	40,302
10/9/2021	\$5,486,896.19	(\$27,778,996.93)	\$248,534,962.64	\$196,580.00	\$0.00	3,141	36,425
10/16/2021	\$4,881,554.03	\$447,335.17	\$244,100,743.78	\$684,100.00	\$0.00	2,804	31,305
10/23/2021	\$4,847,283.30	\$462,241.95	\$239,715,702.43	\$0.00	\$0.00	2,102	26,314
10/30/2021	\$4,358,114.04	\$2,414,187.84	\$237,771,776.23	\$3,774,000.00	\$0.00	3,009	24,791
11/6/2021	\$4,099,105.59	\$17,421,788.28	\$251,094,458.92	\$16,530,700.00	\$0.00	1,981	24,227
11/13/2021	\$3,320,693.70	(\$506,076.66)	\$247,267,688.56	\$585,200.00	\$0.00	1,682	21,926

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Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	Tax Transfers to UI Tax Fund	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
11/20/2021	\$3,446,550.55	\$1,644,320.29	\$245,465,458.30	\$1,190,900.00	\$0.00	2,001	20,293
11/27/2021	\$3,632,078.58	\$4,467.83	\$241,837,847.55	\$139,700.00	\$0.00	1,568	18,760
12/4/2021	\$3,004,731.73	\$538,779.94	\$239,371,895.76	\$482,800.00	\$0.00	2,183	20,169
12/11/2021	\$3,253,172.98	\$7,370,747.65	\$243,489,470.43	\$309,800.00	\$0.00	1,820	17,727
12/18/2021	\$3,000,729.31	\$219,859.64	\$240,708,600.76	\$160,100.00	\$0.00	1,923	17,153
12/25/2021	\$3,543,209.97	\$203,955.81	\$237,369,346.60	\$153,150.00	\$0.00	1,623	16,438
1/1/2022	\$2,649,559.79	\$382,825.55	\$235,102,612.36	\$285,000.00	\$0.00	1,633	17,041
1/8/2022	\$2,549,380.11	\$1,294,294.96	\$233,847,527.21	\$346,500.00	\$0.00	2,861	16,520
1/15/2022	\$2,493,044.00	\$667,175.15	\$232,021,658.36	\$680,500.00	\$0.00	2,550	16,234
1/22/2022	\$2,566,144.12	\$923,508.43	\$230,379,022.67	\$1,290,700.00	\$0.00	1,922	16,331
1/29/2022	\$2,260,732.71	\$2,594,877.84	\$230,713,167.80	\$2,675,800.00	\$0.00	1,893	15,380

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Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	Tax Transfers to UI Tax Fund	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
2/5/2022	\$2,750,833.67	\$18,894,233.39	\$246,856,567.52	\$18,538,000.00	\$0.00	1,720	15,008
2/12/2022	\$2,337,928.57	\$659,616.54	\$245,178,255.49	\$1,158,000.00	\$0.00	1,631	14,758
2/19/2022	\$2,343,262.85	\$483,063.28	\$243,318,055.92	\$505,500.00	\$0.00	1,371	13,838
2/26/2022	\$2,193,148.38	(\$2,909,835.10)	\$238,215,072.44	\$459,000.00	\$0.00	1,327	13,085
3/5/2022	\$1,999,370.52	\$741,097.35	\$236,956,799.27	\$666,550.00	\$0.00	1,347	12,871
3/12/2022	\$2,008,908.69	\$304,902.88	\$235,252,793.46	\$178,000.00	\$0.00	1,573	11,818
3/19/2022	\$1,911,414.96	(\$881,323.33)	\$232,460,055.17	\$170,700.00	\$0.00	1,457	11,380
3/26/2022	\$1,774,036.85	\$257,177.24	\$230,943,195.56	\$215,750.00	\$0.00	1,432	10,770
4/2/2022	\$1,641,764.64	\$1,162,857.21	\$230,464,288.13	\$317,750.00	\$0.00	1,477	10,865
4/9/2022	\$1,575,118.70	\$1,154,229.41	\$230,043,398.84	\$1,315,500.00	\$0.00	2,047	10,011
4/16/2022	\$1,549,498.47	\$2,698,469.41	\$231,192,369.78	\$2,394,000.00	\$0.00	1,631	9,667

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Weekly Trust Fund Update

Week ending	Benefits Paid	Other Activity ^	UI Trust Fund Balance	Tax Transfers to UI Tax Fund	UI Borrowing Account Balance	Initial Claims*	Continued Claims*
4/23/2022	\$1,530,896.73	\$4,582,309.41	\$234,243,782.46	\$4,590,000.00	\$0.00	TBD	TBD